AIL/Annual Report/2019-20 August 31, 2020

To

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 Scrip Code: 542752	**National Stock Exchange of India Ltd** Exchange Plaza, 5th Floor, Plot No. C-l, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol: AFFLE

Sub: Submission of Annual Report for the Financial Year 2019-20

Dear Sir/ Madam,

The twenty-fifth Annual General Meeting ("AGM") of the Company will be held on **Thursday, September 24, 2020 at 10:00 A.M.(IST)** through Video Conferencing / Other Audio Visual Means.

Pursuant to Regulation 34(1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2019-20 which is being sent through electronic mode to the Members.

Following are important dates for kind attention of shareholders:

Cut-off date to determine eligibility	Thursday, September 17, 2020
Remote e-voting start date & time	Monday, September 21, 2020 (09:00 A.M. IST)
End date & time of remote e-voting	Wednesday, September 23, 2020 (05:00 P.M. IST)
Website for e-voting	https://evoting.kfintech.com
Website for attending the AGM	https://emeetings.kfintech.com

A copy of the Notice of the twenty-fifth AGM and Annual Report for the Financial Year 2019-20 shall be available on the Company's website at www.affle.com.

Kindly take the above information on records.

Thanking you,

For Affle (India) Limited

Parmita Choudhury
Company Secretary & Compliance Officer

Encl: As above

Affle (India) Limited

Powering A Connected World

2019 - 20 | ANNUAL REPORT

POWERING A CONNECTED WORLD

Affle unifies and simplifies the fragmented advertising and marketing tech ecosystem by providing an end-to-end integrated mobile marketing platform. Our deep learning artificial intelligence powered algorithms transform ads into consumer recommendations delivering enhanced engagements, conversions and ROI for marketing campaigns.

Affle2.0 aims to reach >10Bn connected devices including personal wearables, connected TV and smart household appliances to enable unique and integrated omnichannel online and offline consumer journeys. Our Affle2.0 strategy is anchored primarily on 2 Vs - Vernacular and Verticalization. Our Vernacular focus enables hyper-personalized consumer recommendations and our Verticalization focus enables deeper insights across customer segments leading to greater ROI impact.

We have over 15 years of track record of successfully navigating several industry and technological changes by executing on our unique strategy, ably guided by a committed leadership team to consistently deliver sustainable growth for all our stakeholders.

> We have come a long way and are future ready as we have the entrepreneurial culture, long term vision and ability to consistently innovate through the Affle2.0 growth journey for the decade ahead.

affle 2.0 Strategy
(2020-2029)

FY2019-20 HIGHLIGHTS

GLOBAL REACH **2.1bn+** connected devices

DATA POINTS PROCESSED **550bn+**

R&D MINDS **126**

PATENTS FILED/GRANTED **18**

CONVERTED USERS **72.3mn**

TOTAL REVENUE CAGR (3-YEAR) **42.3%**

Note: As of March 31, 2020. Numbers are rounded off to the nearest absolute/decimal point

WHAT'S INSIDE

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Please refer to the detailed disclaimer under 'Corporate Information' section on page 34

To view this report online, please visit **www.affle.com**

BUILT TO LAST

Deep
Tech Assets

Accelerated
Consumer Adoption

Sustainable
Growth Strategy

High
Growth Markets

Global
Reach & Opportunity

Leading
In India

Credible
Customer Base

Committed
Leadership

Robust
Profitability

15 years
Track Record

Differentiated
Business Model

Scalable
Data Platforms

Strong
Cashflows

High
Return Ratios

Positive
Net Cash

SHAREHOLDER'S MESSAGE

Anuj Khanna Sohum
Chairman, Managing Director &
Chief Executive Officer

Dear Shareholders,

At the outset, I extend my sincere thanks to our shareholders for making possible the successful public listing of your Company in 2019. We truly appreciate your trust in us and it gives me immense pleasure to present our 1st Annual Report post listing.

Since inception, it has been an iconic journey for Affle underlined by excellent growth and mapped by outstanding milestones. We remain committed to deliver new innovations and leverage capabilities to drive sustainable growth, ably guided by a committed leadership team.

While the last few months were severely marked by the COVID-19 Pandemic, what has really kept all of us going is the tech-enabled connected ecosystem. The world was already at an inflexion point in terms of connected devices adoption, but this pandemic has completely altered the priorities of enterprises and consumers globally. In these times, your Company continued to play on its strengths to not only be resilient but staying ahead and preparing for growth as the world opens up and the situation normalizes.

Built to Last!

"This is what best describes the fundamental DNA of your Company"

Values-Driven: Continuity Amid Pandemic

Our heart goes out to those who have been affected by the COVID-19 pandemic. We are in deep gratitude for the governments and front-line professionals globally who are providing the support in these unfortunate times. We took comprehensive steps to ensure the safety of our teams and seamless continuity of our services. Our South East Asia (SEA) offices initiated safety action protocols and started transitioning to work from home in early-February 2020. These best practices were extended to the India and other international offices around mid-February 2020. Since then, our teams have been collaborating in a default work from home mode. Our disciplined approach coupled with enterprise-wide risk management and a robust business continuity plan enabled us to preserve the jobs of all Afflers with no cuts in salaries or pre-agreed bonuses. We have learnt from past outbreaks and have continually invested in technology to ensure uninterrupted communication with our teams, customers and partners leading to a smooth delivery of operations. We remain agile to respond to all business requests as usual.

Spirited Performance

FY2019-20 was another year of profitable and exciting growth, with Affle performing well across all the business and financial metrics. We have built new tech and product capabilities to address the changing technology landscape and needs of our customers. Covid-19 pandemic marginally impacted growth momentum during the latter half of Q4 FY2019-20. However, Affle continued its growth trajectory during the year to deliver a growth of 33.8% y-o-y in Revenue from Operations. Your Company also delivered a strong bottomline growth of 34.2% y-o-y in Profit After Tax. This growth has been broad based coming from both existing and new customers, contributed by consistent growth in advertiser spends across industry verticals, and across India and Other Emerging Markets.

New Opportunity Matrix

The sharp shift in consumer preferences due to work from home and lockdowns is pushing the limits for enterprises to redefine their mobile-focused priorities. Companies globally are realizing an urgent need of expanding their digital footprint and that engaging consumers for conversions on mobile is NOT discretionary. This creates tremendous growth opportunities for Affle as the global narrative of both B2C companies and the consumers is shifting from 'Mobile is Important' to now **'Default is Mobile'**. We are highly optimistic of this digital transformation and the speed with which it is happening. We are well prepared to leverage upon this new opportunity matrix enabling the advertisers to deeply engage with consumers.

Successful Tech Acquisitions

Our recent acquisitions and strategic investments reaffirm our commitment to building sustainable market leadership as part of Affle2.0 strategy. We derive significant synergies with these platforms. These acquisitions are aligned to our vernacular and verticalization strategy. They focus on accelerating the app recommendation channels with deep multi-lingual capabilities and proximity marketing solutions complementing our CPCU business.

Way Forward

15 years of Affle1.0 strategic framework clearly laid the foundations for us to deliver long-term value creation for all our stakeholders. Now it is time for Affle2.0 growth strategy. Affle2.0 growth transformational framework focuses on the four pillars:

| India Market Leadership

| Verticalization of AI Innovations

| Vernacular Deep Learning

| Omnichannel Connected Ecosystem

Our focus also remains upon maintaining best-in-class corporate governance practices. Affle, as a company, aims to achieve digitally inclusive growth for its customers powering a 'Mobile-First Connected World' with highest levels of business integrity, transparency and commitment to environmental, social and governance sustainability.

Earnest appreciation towards the employees, customers, partners and all other stakeholders for their unwavering commitment and continued support in our growth journey

AFFLE AT A GLANCE

Mission Statement

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

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

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

PROFITABLE, CASH FLOW POSITIVE BUSINESS MODEL BACKED BY AN ASSET LIGHT, AUTOMATED AND SCALABLE PLATFORM

FLEXIBLE AND SCALABLE

More ads delivered

Growth in connected devices reached

Self Learning & Predictive algorithm

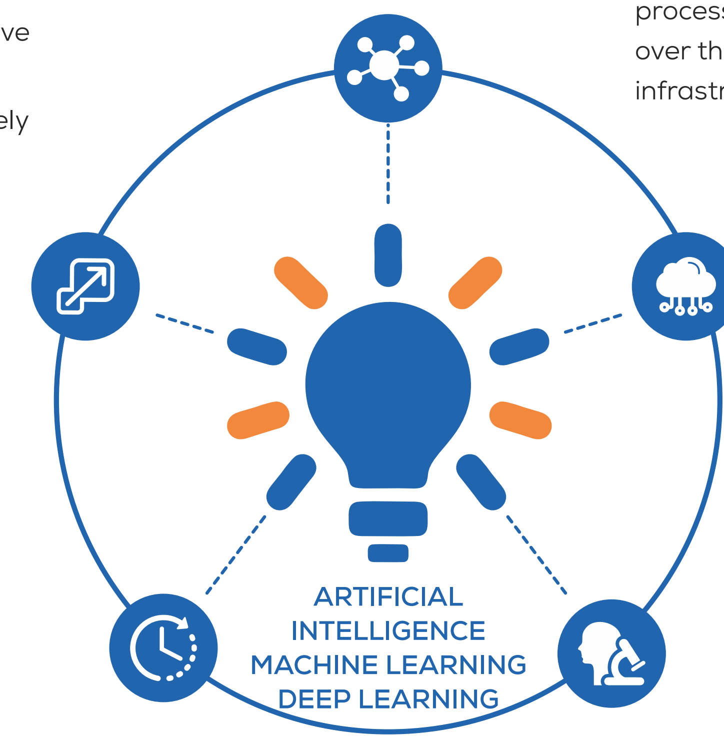
Delivery of more precisely targeted ads

STRONG NETWORK EFFECTS

Enhanced ability to generate actionable outcomes, more businesses to use Affle's platforms

IN-HOUSE PLATFORM LEVERAGING CLOUD COMPUTING INFRASTRUCTURE

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



RESEARCH & DEVELOPMENT

A result of 15 years of focused R&D, supported by a team of 126 R&D* and 62 Data Platforms & operations personnel*

PROPRIETARY AND REAL TIME

Affle's prediction and recommendation algorithm operate in real time and at a significant scale, setting them apart from competitors

Note: *As of March 31, 2020

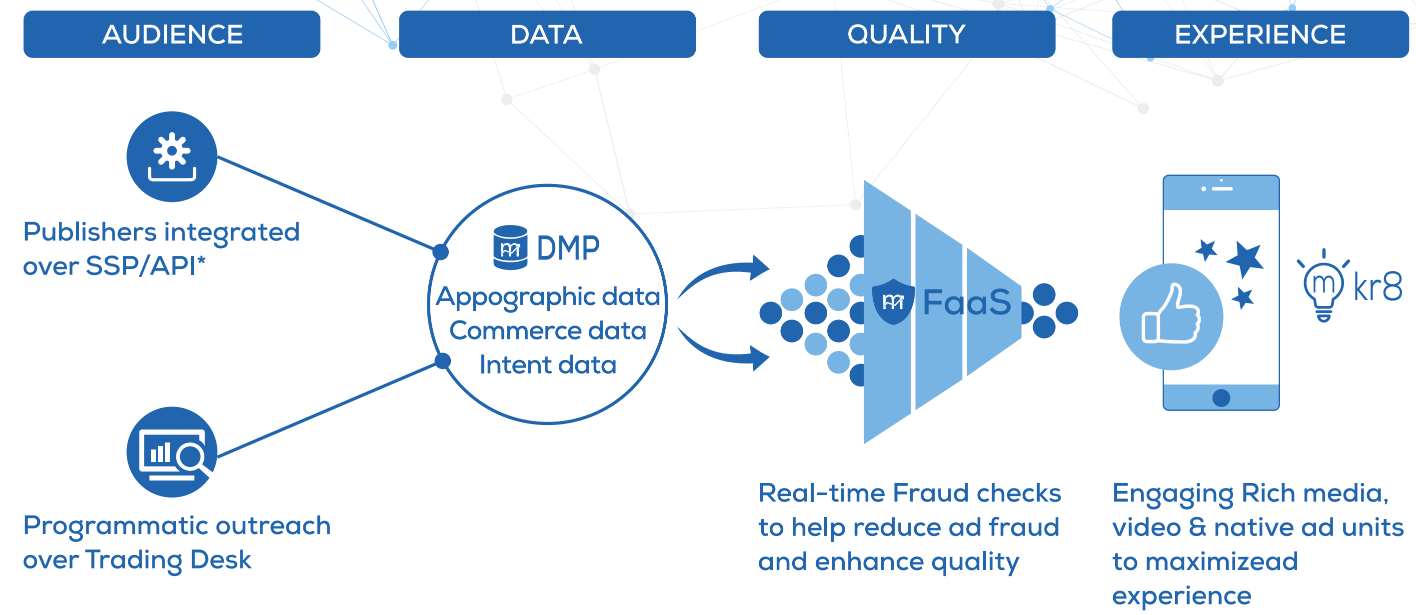
Strong R&D capabilities and a quest to innovate has been at the core of our business. Our platforms are asset light, automated and highly scalable coupled with a fraud detection technology and has continuously delivered outcomes profitably, resulting in a low cost and positive cash flow business model.

Our Business Platforms

Consumer Platform

We hold a leading market position in India and a strong competitive advantage in international markets. Our consumer platform delivers consumer acquisitions, engagements and transactions through relevant mobile advertising for leading brands and B2C companies globally. Our consumer platform optimises the integrated online and offline consumer journeys to drive incremental ROIs and deep funnel conversions for customers across their owned digital assets as well as the paid digital media ecosystem.

This platform is a result of strong R&D over the past 15 years. It consists of multiple machine learning algorithms, in particular prediction and recommendation algorithms, and operates in real time and at a significant scale. We pride ourselves on delivering consumer acceptable advertisements that users are likely to engage with through rich media experiences paired with data-centric scientific targeting and retargeting.



Note: *SSP: Supply Side Platform; API: Application Programming Interface; DMP: Data Management Platform

Enterprise Platform

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

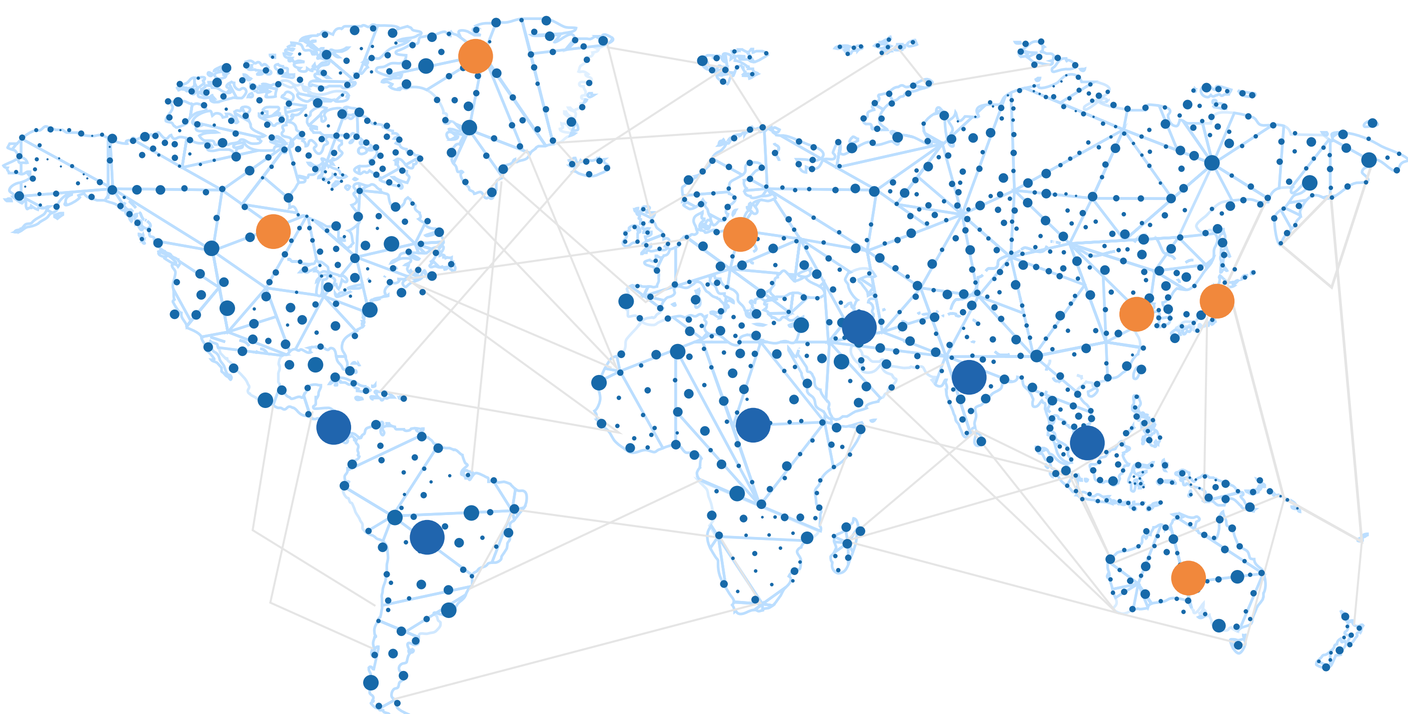
(a) App development for third parties

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

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

Uniquely positioned to offer end-to-end mobile advertising platform based solutions to deliver high ROI to our customers

REDEFINING POSSIBILITIES FOR A MOBILE - FIRST CONNECTED WORLD



Connected Devices Reached

2.1+ billion*

Data Points Processed

550+ billion*

Primary Markets:

India, South East Asia, Middle East & Africa and Latin America

Other key Markets:

North America, Europe and Japan, Korea and Australia

Note: *Reached/processed during the year FY2019-20. Numbers are rounded off

Differentiated Business Model

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

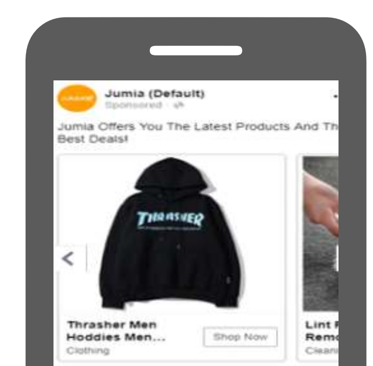
This is driven by a simultaneous combination of enormous good and deep data pool (Data Management Platform i.e. mDMP) and filtration of bad data (Ad Fraud Prevention Platform i.e. mFaaS). Affle is redefining the connected landscape by leveraging its big data and machine learning capabilities to target the real shoppers from a large set of users while simultaneously reducing ad fraud through the mFaaS platform.

We drive three use cases for the customers which include a) New User Conversions, b) Repeat User Conversions and c) Online to Offline retail footfall conversions, powered by our data science based real-time optimizations:

New user conversion (online)

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

Existing user repeat conversion (online)



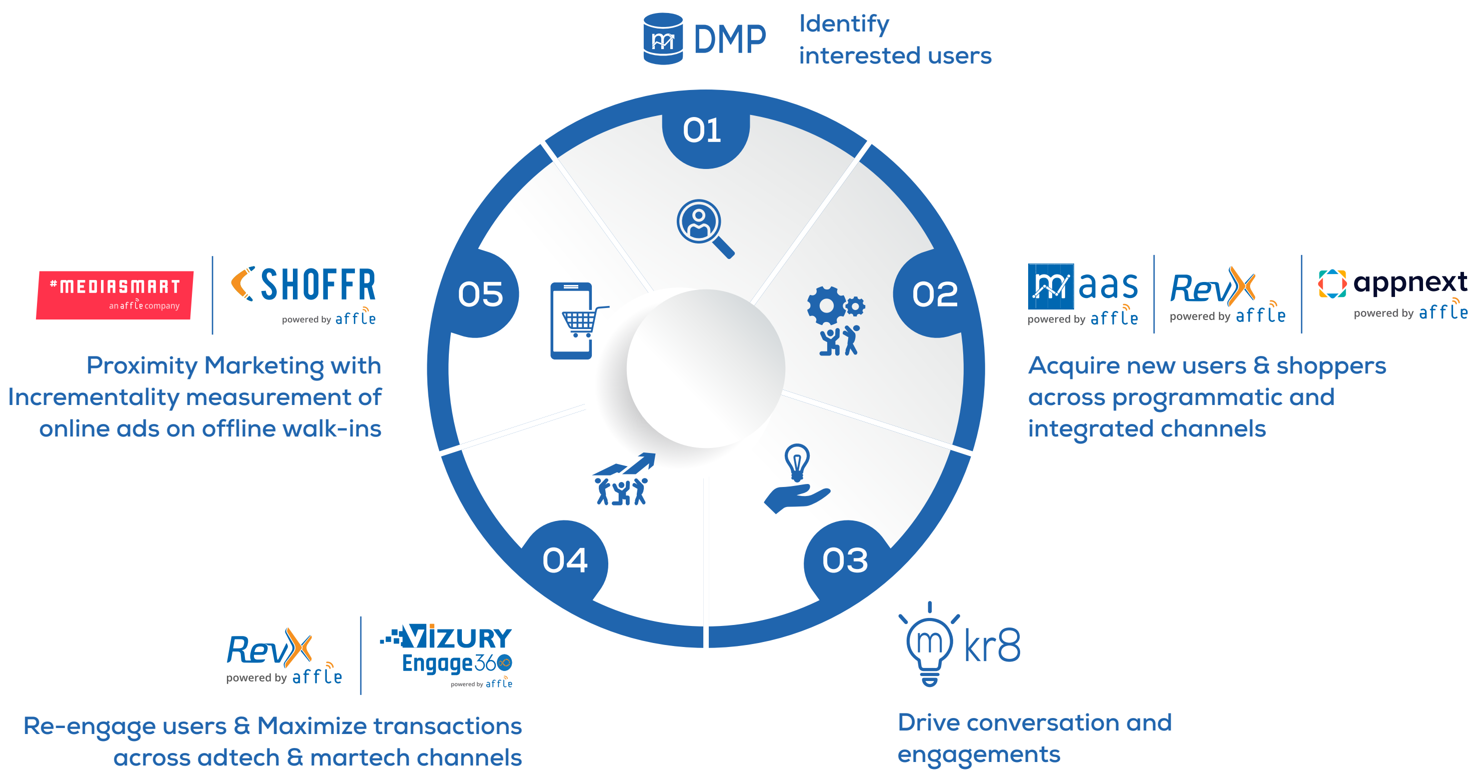
USE CASE
Target interested user to complete the transaction

New/existing user conversion (offline)

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

Technology and Innovation Powered Growth

Last one year was a landmark as we strongly focused on value creation approach by enabling an omnichannel platform ecosystem for a mobile-first connected growth. Affle continued to progressively invest in enhancing its capabilities and consolidating its market position to become one of the most trusted technology brands in its domain.



Strong R&D Focus Backed by a Robust Patent Portfolio

We have a long history of driving innovation with a key focus on research and development. Affle has built for itself a robust patent portfolio with 18 patents filed in India, USA & Singapore. These patents help fortify AI-driven intelligence and automation for consumer acceptable conversion-driven advertising.

During the year, we also set up a new R&D centre in Bangalore to enhance our continued focus on mobile technology innovations using Artificial Intelligence (AI) & Machine Learning (ML) technologies. This new centre would contribute to building newer technology innovations which are expected to further strengthen the Consumer Platform propositions.

3 Patents registered in US related to 'Consumer Acceptable Advertising/Digital Advertising'

10 Patents filed in US & India for 'Digital Ad Fraud Detection'

1 Patent filed in US related to'Retargeting Business'

4 Patents filed in Singapore related to conversational and vernacular engagements

SG Digital (SG:D) Accredited Based Credibility

In the last two and a half years, we have been accredited for our entire tech stack by the Infocomm Media Development Authority (IMDA) of the Singapore Government under the SG:D accreditation programme. This was for adhering to high standards of data security and maintaining an underlying technology that ensures consumption of consumer data with their due consent but without any personally identifiable or financial data. This accreditation significantly enhances our credibility in terms of security, reliability, usability and maintainability of the products/ platforms/ processes.

SG:D ACCREDITED

Singapore Government Organization

Accredited based on audits/assessment of security, reliability, usability and maintainability of the platform with secured data servers

Proactive Approach to Data Privacy

We, at Affle, lay strong emphasis on users privacy and data protection. One of our earliest patents filed and now granted in the US Patent Office was on 'Consumer Acceptable Advertising' and focuses on consumer consents and privacy. We analyse only the behavioural data with no access to any personal and financial user information. We are demonstrating credentials of being a responsible Company and already accredited as per the Singapore standards. This further enhances our scope for a cutting-edge technology play as we continue to establish new quality benchmarks and redefine possibilities for a better tomorrow.

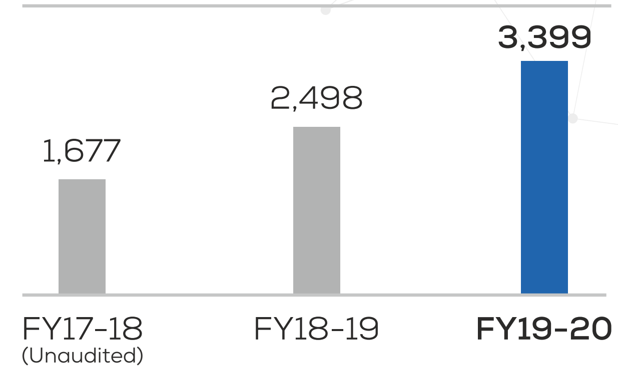
COMMITMENT TO BUSINESS AND SOCIAL SUSTAINABILITY (FY2019-20)

Financial Capital	FY20 Total Revenue: Rs. 3,399 million	FY20 PAT: Rs. 655 million	FY20 Economic Value Added*: Rs. 414 million Note: *Net Operating Profit After Tax (Before Interest Cost effective of Tax) – Cost of Capital Employed (As per WACC Calculation)
Manufactured Capital	New R&D Centre launched in Bangalore to strengthen our focus on new technology innovations using AI & machine learning technologies	Vizury Engage360, an omnichannel marketing platform launched to help marketers unify their communication across connected channels and devices	Recurring skill-upgradation and POSH training programs conducted for all employees
Intellectual Capital	4 new patents filed in Singapore	10 existing patents (earlier filed in India) filed in the US Patent Office during the year	126 R&D Minds* Note: *As of March 31, 2020 on a consolidated basis
Human Capital	Total 295 Afflers* 88 Female Afflers* Note: *As of March 31, 2020 on a consolidated basis	**COVID-19 Response** No cuts in jobs, salaries or pre-agreed bonuses for any employee due to the COVID-19 situation	Follow gender inclusive policies and with our 'We Care for You' Policy, Afflers can choose to work for half day : half pay even after all the maternity/ paternity leaves are availed
Social and Natural Capital	**Commitment Focus** • Education • Healthcare • PM Cares Fund • Environment	Thousands of lives touched	Our CSR initiatives are not merely about donations, but rather a belief of empowering the communities towards their sustainable development

GROWTH STORY IN NUMBERS

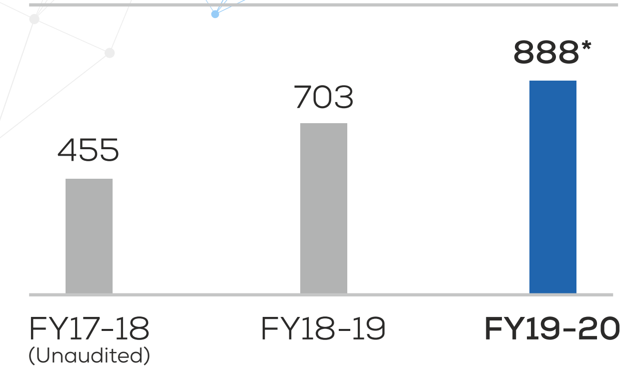
We are fundamentally inspired to deliver technology-led sustainable growth backed by prudent balance sheet and robust cashflows

Total Revenue (Rs. in MN)



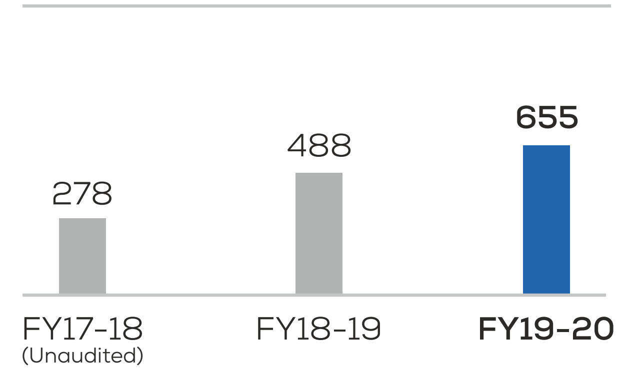
42.3% CAGR

EBITDA (Rs. in MN)



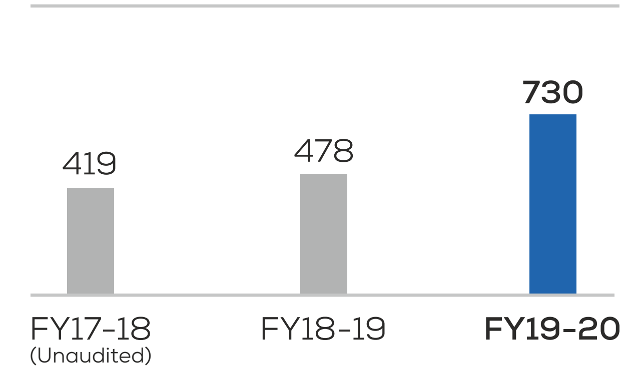
39.7% CAGR

PAT (Rs. in MN)



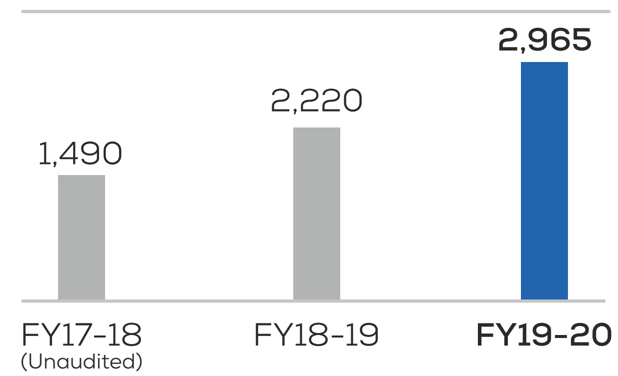
53.4% CAGR

Operating Cash Flows (Rs. in MN)



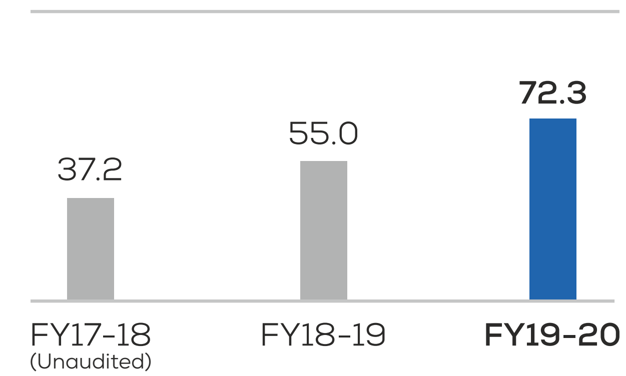
32.1% CAGR

CPCU Revenue (Rs. in MN)



41.1% CAGR

Converted Users (MN)



39.5% CAGR

Note: *Adjusted for creditors written back in FY2019-20 amounting to Rs. 9.37 million. Financial data is rounded off to absolute numbers and CAGR is computed on the reported numbers. CPCU data is rounded off to the nearest decimal point

COVID-19: OUR RESILIENCE AND SCALE

Our differentiated business model, strategic decisions and tech investments made over the years, have proved to be highly valuable during the COVID-19 times. The COVID-19 pandemic unprecedently impacted economies, businesses and lives globally. However, Affle has not only continued to be resilient but is also eyeing an enhanced scale as the world opens up and the situation normalizes June 2020 onwards.

What gives us strong confidence is that majority of our business is already COVID-19 resilient.

Our Top-10 resilient industry verticals in Categories E I F I G I H contributed over 74% revenue in FY2019-20 and over 76% in Q4 FY2019-20

COVID-19 | Top 10 Resilient Verticals

CATEGORY E	E-commerce	Entertainment	EdTech
CATEGORY F	Fintech	Foodtech	FMCG
CATEGORY G	Gaming	Groceries	Government
CATEGORY H	Healthtech		

This pandemic has brought about a generational change in the way people connect online, a volume burst in internet traffic, increased usage of connected screens, and an enhanced adoption curve of consumers becoming online shoppers.

> "We are agile and future-ready to surge forward, leveraging upon the new market opportunities"

AWARDS AND RECOGNITION

15 years of pioneering and consistent performance is best validated when the industry comes together to recognize the efforts

Awarded Silver for **'Best Lead Generation Through Mobile'** for Meesho at IAMAI – India Digital Awards 2020

Awarded **'Great Place to Work'** recognition in mid-size company category by the Great Place to Work Institute

Won **Gold** for innovative mobile advertising for Meesho at MMA (Mobile Marketing Association) Smarties - APAC Awards 2019 and Global Awards 2019

Won Gold for **'Best Use of Technology'** for Bobbi Brown; 'Best Use of Programmatic' for Meesho and one more award for Meesho at ET BrandEquity India DigiPlus Awards 2020

Won **'IPO of the Year'** for the most successful IPO in 2019 at 2019 HURUN INDIA

Recognised as the **'Technology Company of the Year'** & **'Best in Show'** and 6 more awards for top brands at MMA Smarties Awards 2019, Mumbai

Awarded **4 awards** for mobile advertising for top brands including Meesho, Dunzo, Bobbi Brown and Isobar from exchange4media at the Maddies Awards 2019

Awarded **"Technology Excellence Award"** for harnessing technological innovations in mobile advertising from Singapore Business Review in 2019

Awarded **4 awards** for **"Best Use of Experiential Tech, AR, VR, AI Campaigns"** for top brands including Dish TV, Goibibo and Cadbury from exchange4media at the IDMA Awards 2019

Awarded **"Most Admired Adtech Platform"** at the ACEF Global Customer Engagement Awards 2019

BOARD OF DIRECTORS AND GLOBAL ADVISORS


1


6


2


7


3


8


4


5

Note: As of July 31, 2020

1 Anuj Khanna Sohum

Chairman, Managing Director & Chief Executive Officer

He is a technopreneur with over 20 years of experience in leading technology products and platforms-based businesses including Affle. With his entrepreneurial zeal, Anuj co-founded Anitus Technologies Pte. Ltd. while studying at National University Singapore (NUS) and later founded Seclore Technology Private Limited before incorporating Affle. He has completed a bachelor's degree in computer engineering from the National University of Singapore ("NUS") on a full scholarship by SIA & NOL Scholarships for Undergraduate Studies in Singapore. He has also completed the Stanford Executive Program from Graduate School of Business, Stanford University and the Owner/President Management Program from Harvard Business School.

2 Anuj Kumar

Executive Director

He has over 19 years of experience in advertising and technology platforms-based business roles. He has earlier worked in J Walter Thompson, WPP Marketing Communications India Private Limited in its Mindshare business and ESPN Software India Private Limited. He holds a bachelor's degree in arts (honours course in economics) from St. Stephen's College at University of Delhi and also holds a post-graduate diploma in communications from Mudra Institute of Communications, Ahmedabad (MICA).

3 Mei Theng Leong
Non-Executive Director

She has over 21 years of experience in accounting & finance and has in past held positions in IHM Sdn. Bhd. and Pioneer Corporate Services Pte. Ltd. and has held position of Group Financial Controller in Europtronic Group Ltd. She holds a degree of bachelor of commerce, majoring in accounting and finance from Curtin University of Technology and a masters of business administration from The University of Hong Kong. She has been awarded a fellow membership of CPA Australia and entitled to use the designation of Fellow of CPA Australia (FCPA).

4 Sumit Mamak Chadha
Non-Executive Independent Director

She has over 29 years of experience in banking and financial services. She earlier worked in Citibank N.A. India for 20 years where she last worked as Director and has also worked at BlackRock Services India Private Limited for two years as Managing Director. She is currently the head of Enterprise Shared Services at AXA XL, a division of AXA Group. She holds a bachelor's degree (honours course) from St. Stephen's College at University of Delhi and a master's degree in arts, in economics from Delhi School of Economics at the University of Delhi. She also holds a degree of master of arts in economics from the University of California.

5 Vivek Narayan Gour
Non-Executive Independent Director

He has over 35 years of experience in marketing, financial services and aviation industry. Previously he has worked in Genpact India and GE Capital Services India, and has also been the managing director and the chief executive officer of Air Works India (Engineering) Private Limited. Currently, he is also serving as a Director on the Board of IndiaMART InterMESH Limited and Cyient Ltd. He holds a bachelor's degree in commerce from University of Bombay and a master's degree in business administration from Faculty of Management Studies, University of Delhi. He has also completed the Owner/ President Management Program from the Harvard Business School.

6 Bijynath
Non-Executive Independent Director

He is admitted to practice as an advocate and solicitor in Singapore. He founded the law firm Oxon Law and currently heads its practice. He was the Managing Director of the Singapore law firm, Camford Law Corporation ("Camford") from August 2014 to February 2017 during which time Camford was the Singapore member firm of PricewaterhouseCoopers International Limited. He holds a bachelor's degree in jurisprudence from the University of Oxford.

7 Richard Humphreys
Advisor

He is an advisor to our Company and a Non-Executive Director on Board of the Affle Holdings Pte. Ltd., our holding company. He has previously served as President of Saatchi & Saatchi Advertising Worldwide, responsible for 63 companies with over five thousand employees in 27 countries. He later set up the Adcom Investors in the United States, and has significant experience in advising media and advertising companies around the world. Based primarily in London, he has been involved in the expansion of various new media companies in the US, television broadcasters in Russia and Japan, film and television production studios in the US and Mexico, and advertising companies in Europe.

8 Jay Snyder
Advisor

He is an advisor to our Company and an Independent Observer on Board of the Affle Holdings Pte. Ltd., our holding company. Jay Snyder, currently principal at HBJ Investments LLC (which provides private-equity and seed-capital funding), has served as a Public Delegate, United States representative at the 55th UN General Assembly, a member of the US Advisory Commission on Public Diplomacy and as Commissioner of the New York State Commission for Public Authority Reform. He has also worked with Biocraft Laboratories in various positions including a member of the steering committee of the Board of Directors.

THOUGHT LEADERSHIP

ENTREPRENEURIAL AND COMMITTED MANAGEMENT TEAM SHARING THE COMPANY'S STRATEGIC VISION

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer

Anuj Kumar
Chief Revenue & Operating Officer

Charles Yong Jien Foong
Chief Architect & Technology Officer

Elad Natanson
Chief Executive Officer (Appnext)

Kapil Mohan Bhutani
Chief Financial & Operations Officer

Madan Sanglikar
Managing Partner - South East Asia

Martje Abeldt
Chief Revenue Officer (RevX Platform)

Mei Theng Leong
Chief Financial & Commercial Officer (International)

Noelia Amoedo
Chief Executive Officer (Mediasmart)

Vipul Kedia
Chief Data & Platforms Officer

Viraj Sinh
Managing Partner - International

Sujoy Golan
Chief Of Marketing & Omnichannel Platforms

Effective Stakeholder Engagement

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

Note: As of July 31, 2020

LIFE@AFFLE

AFFLE2.0 CULTURE: COMMIT, COLLABORATE, COMPETE, CELEBRATE

Affle Fun League (AFL) started as part of Affle2.0 growth journey

AFL

Covid-19 pandemic made it necessary to connect the Afflers beyond the regular work calls & webinars

AFL divides all Afflers in 4 clubs, for every aspect of their skill and talent to be gamified

CORPORATE INFORMATION

Disclaimer

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

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

COMMITTEES OF THE BOARD

Audit Committee
Nomination & Remuneration Committee
Risk Management Committee
Stakeholders Relationship Committee
Corporate Social Responsibility Committee
Investment Committee
- International Investment
- Domestic Investment
Business Responsibility Reporting Committee

CHIEF FINANCIAL & OPERATIONS OFFICER

Mr. Kapil Mohan Bhutani

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Parmita Choudhury

STATUTORY AUDITORS

S.R. Batliboi & Associates LLP

INTERNAL AUDITORS

Grant Thornton India LLP

SECRETARIAL AUDITORS

Kiran Sharma & Co., Company Secretaries

BANKERS

HDFC Bank Limited
Axis Bank Limited

PUBLIC LISTING

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

REGISTRAR & TRANSFER AGENT

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

COMPANY INFORMATION

Affle (India) Limited
CIN: L65990MH1994PLC080451

Corporate Office:
601-612, 6th floor, Tower C,
JMD Megapolis, Sohna Road,
Sector - 48, Gurgaon,
Haryana - 122018

Registered Office:*
102, Wellington Business Park-I,
Off Andheri Kurla Road,
Marol, Andheri (East)
Mumbai - 400059, Maharashtra

Email: compliance@affle.com
Website: www.affle.com

Note: *With effect from August 29, 2020, the Registered office of our Company has changed. Our previous Registered office address was 312, B-Wing, Kanakia Wallstreet, Andheri Kurla Road, Andheri East, Mumbai, Maharashtra-400093.

MANAGEMENT DISCUSSION AND ANALYSIS

MACRO-ECONOMIC SCENARIO

Global economic growth decelerated in 2019 with continued weakness in global trade and investment. This weakness was broad based, affecting both advanced and developing economies. 2019 is estimated to have grown at 2.4%, the lowest rate of expansion since the global financial crisis. In particular, global trade in goods contracted for most part of 2019 and manufacturing activity also slowed down. Services activity moderated during 2019.

Global economic growth slowed, but the digital economy at large continues on an accelerated growth trajectory.

Pre COVID-19 Economic Outlook

With some stabilization of economic conditions expected, global growth was projected at 2.5% for 2020 as investment and trade could gradually recover. While growth in advanced economies was projected to further slow down to 1.4% in 2020 from 1.6% in 2019, growth in 'Emerging markets and developing economies' (EMDEs) was projected to increase to 4.1% in 2020 from 3.5% in 2019.

This growth in EMDEs was projected majorly on account of continued monetary policy support in many developing economies, no major swings in commodity prices, and better borrowing costs. EMDE growth was projected at an average rate of 4.4% in 2021-22, as trade and investment begin to stabilize.

Post COVID-19 Economic Outlook

The COVID-19 pandemic has inflicted high and rising human costs worldwide. Protecting human lives required isolation, lockdowns and widespread closures to slow the spread of the virus. This health crisis is therefore having an impact on economic activity. As a result, IMF projects the global economy to contract sharply by -3.0% in 2020.

It is projected that if the pandemic fades in the second half of 2020 and containment efforts can be gradually relaxed, the global economy could grow by 5.8% in 2021 as economic activity normalizes, helped by policy support.

While most of the economic groups are projected to sharply decline in 2020, Emerging Asia is projected to be the only region with a positive growth rate of 1.0% in 2020. Several economies in the Emerging Asia region are projected to grow at modest rates particularly India by 1.9% and Indonesia by 0.5%.

Indian economy in particular is projected to sharply recover in 2021 with IMF projecting a growth of 7.4% in India's Real GDP and a growth of 6.0% in its Real per Capita Output in purchasing power parity (PPP) terms. Besides, favourable international oil prices are likely to keep India's inflation rates within manageable bounds and lower its current account and fiscal deficit.

Source: World Bank Group Report on Global Economic Prospects, Jan 2020; IMF's World Economic Outlook Report, Apr 2020; UN report on World Economic Situation and Prospects, May 2020, Fitch Ratings.

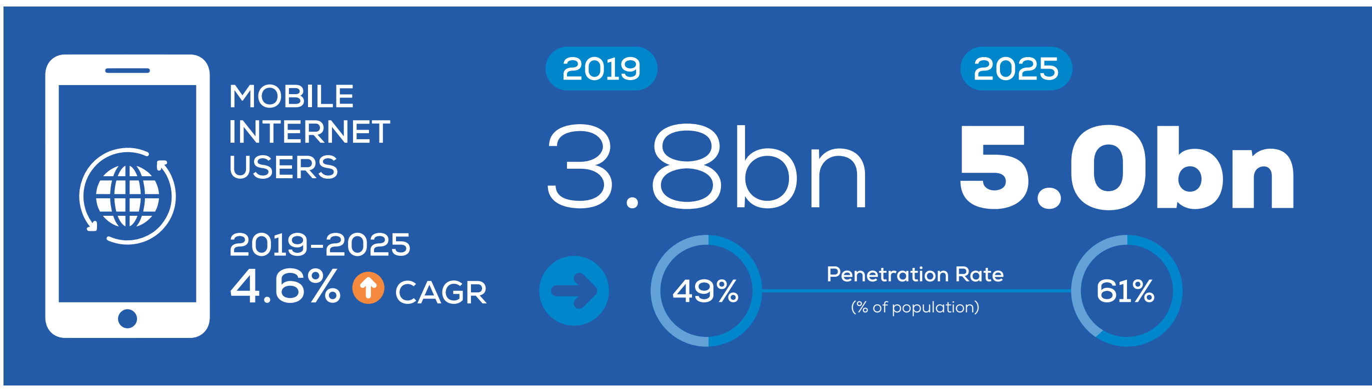
INDUSTRY STRUCTURE, DEVELOPMENTS AND OPPORTUNITIES

The Digital Space

Global Perspective: FY2019-20 highlights the unique positioning of new-age technology companies like Affle. Despite the macro-economic headwinds last year, digital adoption continued to evolve at tremendous speed and that will also define business growth in the digital space for many years to come.

Global Internet Protocol (IP) traffic, which increased from about 100 gigabytes (GB) per day in 1992 to more than 45,000 GB per second in 2017, is further projected to reach 150,700 GB per second by 2022. This is driven by more and more people coming online for the first time.

Affle is well placed as over 95% of our business is Mobile apps focused



Source: GSMA Mobile Economy Report 2020; UNCTAD's Digital Economy Report, 2019; Wearesocial & Hootsuite Reports, January & April 2020

Indian Perspective & Outlook: Digital economy in India has crossed inflexion point and is now on a rapid growth trajectory. In the last few years, the Government of India has undertaken several initiatives that are helping India transform into a broad-based digital led economy. India's digital leap is well under way propelled by both public and private-sector actions and majorly driven by (a) young and aspirational population, (b) increased adoption of smartphones and (c) growing per capita income.

In India, the average monthly mobile data usage per smartphone continues to show robust growth boosted by the rapid adoption of 4G. Only 4% of households have fixed broadband, making smartphones the only way to access the internet in many cases.

More and more consumers are preferring to use smartphones to interact with digital platforms across e-commerce, OTT/entertainment, fintech, online gaming, healthcare, telecom, education, and others. This, in turn, is driving the need for advertisers to reach consumers on smartphones and adopt omnichannel marketing strategy.

Around 410 million additional smartphone users are expected in India by 2025

Source: KPMG Report on India's Digital Future, August 2019; Ericson Mobility Report June 2020

Technology is set to transform India as a connected nation

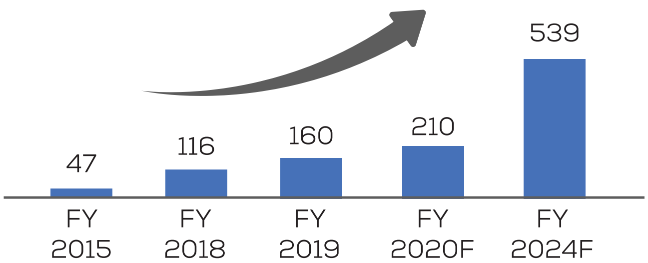
12.3b

app downloads in 2018

Source: McKinsey Report on Digital India, March 2019

Digital Advertising Trends & Opportunities in India

Digital Advertising Industry (Rs. billion)



The total Digital ad spend in India increased by 37.6% from Rs. 116 billion in FY2018 to Rs. 160 billion in FY2019; and it is further projected to increase to Rs. 539 billion by FY2024, representing a (FY19 - FY24) CAGR of 27.5%.

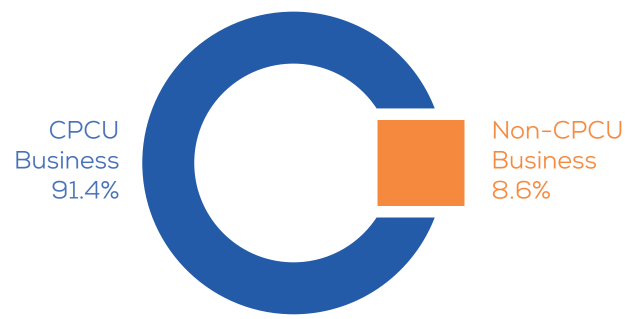
Indian digital advertising channel is set to become the largest amongst all media channels including TV, print, radio, Out-of-Home, etc. as ad spends are expected to be increasingly redirected towards digital formats. A segment that is fuelling growth for digital advertising segment is mobile advertising, driven by 4G penetration, cost-effective data packages, proliferation of the mobile apps and social media, m-commerce and rapid growth in smartphone penetration.

> Mobile advertisement spend is projected to reach a share of 64% of total digital ad spends by 2022.

Source: KPMG Report on India's Digital Future, August 2019; DAN Report on Digital Advertising in India, 2020

Platform-wise Revenue (FY2019-20)*

Consumer Platform Break-up (FY2019-20)*



Note: *On a Consolidated Basis

CPCU Business*

FY 2020 CPCU Revenue	=	Average CPCU	x	Converted Users
Rs. 2,965 mn	=	Rs. 41.0	x	72.3 mn

Note: *On a Consolidated Basis; CPCU data is unaudited

BUSINESS REVIEW

The Company operates two business platforms:

Consumer Platform: Delivers consumer acquisitions, engagements and transactions through relevant mobile advertising for leading brands and B2C companies globally.

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

We primarily earn revenue from our Consumer Platform on a Cost Per Converted User ("CPCU") basis, which comprises user conversions based on consumer acquisition and transaction models. CPCU model contributed 91.4% revenue to the Consumer Platform in FY2019-20 and 88.8% to the Company's total Revenue from contracts with customers.

Our Consumer Platform also earns revenue through awareness and engagement type advertising

(Non-CPCU) which contributed 8.6% revenue to the Consumer Platform in FY2019-20.

Our CPCU revenue for FY2019-20 on a consolidated basis was at Rs. 2,965 million, a y-o-y growth of 33.6%. This growth was contributed by 31.5% growth in converted users delivered by the Company primarily across India and Other Emerging Markets and across the industry verticals.

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

CONSOLIDATED REVENUE BY PLATFORMS/SERVICES

In Rs. million	FY2019-20	FY2018-19	Y-o-Y Change (%)
(a) Consumer Platform	3,245.57	2,419.43	34.1%
(b) Enterprise Platform	92.26	74.53	23.8%
Total	**3,337.83**	**2,493.96**	**33.8%**

During the year under review, on a consolidated basis, Consumer Platform revenue increased to Rs. 3,245.57 million, a significant growth of 34.1% on a y-o-y basis. Enterprise Platform revenue increased to Rs. 92.26 million, a growth of 23.8% on a y-o-y basis.

This growth has been broad-based coming across the geographies and industry verticals primarily driven by increase in digital marketing spends by the advertisers.

CONSOLIDATED FINANCIAL REVIEW

Consolidated Financial Results

In Rs. million	FY2019-20	FY2018-19	Y-o-Y Change (%)
Revenue from contracts with customers	**3,337.83**	**2,493.97**	**33.8%**
Other income	60.88	3.94	
Total Revenue	**3,398.71**	**2,497.91**	**36.1%**
Inventory and data costs	1,921.40	1,341.13	43.3%
Employee benefits expense	272.93	212.27	28.6%
Finance costs	14.22	8.11	75.3%
Depreciation and amortization expense	133.31	100.95	32.1%
Other expenses	264.60	237.45	11.4%
Total Expenses	**2,606.46**	**1,899.91**	**37.2%**
Profit Before Tax (PBT)	**792.25**	**598.00**	**32.5%**
Total tax expense	137.08	109.79	
Profit After Tax (PAT)	**655.17**	**488.21**	**34.2%**
% PAT Margin	*19.3%*	*19.5%*	

EBITDA and EBIT Profile

In Rs. million	FY2019-20	FY2018-19	Y-o-Y Change (%)
Earnings before Interest, Tax, Depreciation, and Amortization (EBITDA)*	**888.27**	**703.12**	26.3%
% EBITDA Margin	*26.6%*	*28.2%*	
Earnings before Interest and Tax (EBIT)*	**754.96**	**602.17**	**25.4%**
% EBIT Margin	*22.6%*	*24.1%*	

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

Key Financial Ratios

Key Ratios*	As of March 31, 2020
Return on Net Worth (%)	28.6%
Return on Capital Employed (%)	27.7%
Total Debt/Equity (x)	0.28x
Days Sales Outstanding (DSO)	103
Interest Coverage Ratio (x)	53.1x
Current Ratio (x)	1.8x
Diluted earnings per share (Rs.)	26.13

Note: *On account of IPO proceeds and related adjustments during the year, there has been significant changes in cash and equity position of the balance sheet and therefore comparing financial ratios on a year-on-year basis would not be like-to-like comparison.

CONSOLIDATED RESULTS OF OPERATIONS (P&L)

Revenue

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

In Rs. million	FY2019-20	FY2018-19	Y-o-Y Change (%)
Revenue from contracts with customers	3,337.83	2,493.97	33.8%
Other income	60.88	3.94	-
Total Revenue	**3,398.71**	**2,497.91**	**36.1%**

The Company reported total revenue of Rs. 3,398.71 million, a y-o-y increase of 36.1% and Revenue from contracts with customers of Rs. 3,337.83 million, a y-o-y increase of 33.8%. Our conversion driven business model with technological advances made, is getting well recognized by advertisers resulting in higher business wins from both existing and new customers across the industry verticals.

Other income increased to Rs. 60.88 million from Rs. 3.94 million last year. Of Rs. 60.88 million of Other income, Rs. 9.37 million are the creditors written back in Q4 and 12M FY2019-20. The rest Rs. 51.51 million is the non-operating other income, contributed primarily by the interest income on bank deposits.

Total Expenses

Our total expenses comprise: (a) inventory and data costs; (b) employee benefits expenses; (c) Other expenses; (d) Depreciation and amortization expense; and (e) Finance costs.

In Rs. million	FY2019-20	FY2018-19	Y-o-Y Change (%)
Inventory and data costs	1,921.40	1,341.13	43.3%
Employee benefits expense	272.93	212.27	28.6%
Finance costs	14.22	8.11	75.3%
Depreciation and amortization	133.31	100.95	32.1%
Other expenses	264.60	237.45	11.4%
Total Expenses	**2,606.46**	**1,899.91**	**37.2%**

Inventory and data costs were Rs. 1,921.40 million for FY2019-20, represented 57.6% of our Revenue from contracts with customers and is a major part of our total expenses. We continue to strategically invest in the Inventory & data cost to expand our reach across connected devices and build deeper insights towards the next billion shoppers.

Our employee benefits expense for FY2019-20 was Rs. 272.93 million, an increase of 28.6% y-o-y but lower than the overall growth in our revenue from contracts with customers. As a percentage of revenue from contracts with customers, employee benefits expense stood at 8.2% vs. 8.5% last year.

Finance Cost comprises: (a) interest on borrowings; (b) Interest on lease liabilities; (c) interest on income tax; (d) bank charges; and (e) others. Our Interest Coverage Ratio (EBIT/Finance cost) stood at 53.1x, representing Company's ability to service its interest obligations out of its operating income was 53.1 times for FY2019-20.

Depreciation and Amortization expense was Rs. 133.31 million for FY2019-20, an increase of 32.1% y-o-y. This was primarily due to the increase in amortization of software application development and amortization of assets acquired as part of acquisitions done during the FY2019-20.

Other expenses for FY2019-20 were Rs. 264.60 million and represented 7.9% of our Revenue from contracts with customers vs. 9.5% last year. This decrease in Other expense as a percentage of Revenue was primarily driven by decrease in business promotion and marketing expenses as the Company is getting good traction of business (a) at the back of our IPO and (b) the industry recognitions which we are getting all around.

Profitability

Profit before tax registered a strong growth of 32.5% to stand at Rs. 792.25 million for FY2019-20 as compared to Rs. 598.00 million in FY2018-19.

Profit after tax registered a strong growth of 34.2% to stand at Rs. 655.17 million for FY2019-20 as compared to Rs. 488.21 million in FY2018-19. PAT margin was 19.3% for the year under review.

CONSOLIDATED FINANCIAL POSITION (BALANCE SHEET)

Total Shareholders' Equity

In Rs. million	FY2019-20	FY2018-19
Equity share capital	254.96	242.88
Other equity	2,036.63	481.17
Total Equity	**2,291.59**	**724.05**

The paid-up equity share capital of the Company as of March 31, 2020 was Rs. 254.96 million comprising 25,496,367 Equity Shares of Rs. 10/- face value each. During the year, the Company completed Initial Public Offer of 6,161,073 equity shares at an issue price of Rs.745 per share comprising of fresh issue of 1,208,053 equity shares and an offer for sale of 4,953,020 equity shares.

Other Equity increased to Rs. 2,036.63 million as of March 31, 2020 from Rs. 481.17 million last year. This increase was driven by Rs. 845.56 million of securities premium added on account of 1,208,053 fresh shares issued during the Company's IPO; Rs. 655.17 million of net retained earnings; and Rs. 54.73 million of Other comprehensive income for FY2019-20.

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

In Rs. million	FY2019-20	FY2018-19
Current borrowings	357.24	20.75
Non-current borrowings	280.60	69.17
Total Debt	**637.84**	**89.92**
Total Debt/Equity (x)	**0.28x**	**0.12x**

Total debt for the Company was Rs. 637.84 million and debt-to-equity ratio was at 0.28x as of March 31, 2020 vs. 0.12x as of March 31, 2019. Increase in the Company's debt was primarily on account of non-collateralized loan taken by our wholly owned Singapore based subsidiary Affle International Pte. Ltd., at a low rate of interest from the Singapore based Group holding company Affle Holdings Pte. Ltd. This loan was taken to complete the acquisitions of the 'RevX Platform Business' and 'Mediasmart' Company, which were done during FY2019-20. Further, the increase has also been contributed by loans taken by the Mediasmart pre-acquisition and consolidated as of March 31, 2020.

Assets Position (Line items with significant changes)

In Rs. million	FY2019-20	FY2018-19
Current assets (key line items)		
Trade receivables	744.35	478.83
Contract assets (unbilled revenue)	198.75	131.87
Other current assets	58.70	23.68
Non-current assets (key line items)		
Goodwill	1,106.73	325.29
Other intangible assets	474.25	240.20
Intangible assets under development	48.00	17.95

Trade receivables increased to Rs. 744.35 million as of March 31, 2020 from Rs. 478.83 million as of March 31, 2019, where this increase was primarily due the growth in our revenues from contracts with customers.

Contract asset comprises revenue that is not yet billed to customers. The contract asset as a percentage of Revenue from contracts with customers was 6.0% for FY2019-20 on a consolidated basis.

Goodwill increased to Rs. 1,106.73 million as of March 31, 2020 from Rs. 325.29 million as of March 31, 2019, primarily due Rs. 764.28 million added in goodwill during the year on account of acquisition of the 'RevX Platform Business', 'Shoffr Platform Business', and the 'Mediasmart' Company.

Other intangible assets increased to Rs. 474.25 million as of March 31, 2020 from Rs. 240.20 million as of March 31, 2019 primarily on account of the new technologies developed and the tech assets acquired.

LIQUIDITY AND CAPITAL RESOURCES (CONSOLIDATED)

Cash Flows Position

Net cash generated from / (used in) (In Rs. million)	FY2019-20	FY2018-19
(a) Operating activities	730.30	477.86
(b) Investing activities	(1,637.16)	(501.94)
(c) Financing activities	1,396.68	83.80
Net change in cash and cash equivalent (a+b+c)	**489.82**	**59.72**
Cash and cash equivalent as at the beginning of year	206.08	146.36
Total Cash and cash equivalent as at the end of year (excluding Other Bank Balance)	**695.90**	**206.08**

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

Our Net cash flows generated from operating activities were Rs. 730.30 million and Rs. 477.86 million as of March 31, 2020 and March 31, 2019, respectively.

Our cash and cash equivalents as at March 31, 2020 (excluding Other Bank Balance) was Rs. 695.90 million, as compared to Rs. 206.08 million as at March 31, 2019. This increase was driven by primarily due to (a) increase in net income (excluding non-cash charges to net income such as depreciation, amortization, and changes in working capital); (b) proceeds from borrowings; (c) proceeds from Initial Public Offer (net of issue expense); (d) redemption in bank deposits (having original maturity of more than three months); and (e) interest received on bank deposits. However, this was partially offset by (a) investment made for the acquisition of businesses; (b) investments in bank deposits (having original maturity of more than three months); (c) repayment of borrowings; and (d) purchase of property, plant & equipment, intangible assets including capital work in progress

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

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

HUMAN RESOURCES REVIEW

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

Key highlights for FY2019-20 include:

A. Affle recognized as a "Great Place to Work"

Affle has been recognized as a "Great Place to Work" in the mid-size company category by the Great Place to Work Institute, a well-established global authority on identifying and authenticating workplace culture and practices.

This recognition is a result of an extensive evaluation done by the Great Place to Work Institute by surveying members of the organization and through a detailed culture audit covering many parameters.

B. Total Employees and Gender Inclusivity

As at March 31, 2020, our employee count on a consolidated basis was 295, with 126 employed in R&D, 62 employed in Data Platforms and operations, 65 employed in Sales and Marketing, 31 employed in General Administration and 11 in Management team.

We strongly believe in gender diversity that helps foster collaboration, learning and mutual respect. our total female employee count was 88 as at March 31, 2020 on a consolidated basis.

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

C. Rewards and Recognition

Afflers are encouraged to innovate and excel and are rewarded with programs like 'Monthly Excellence Awards' based on internal referrals; 'Affle Star of the Week' based on peer recommendations; 'Tenure Awards' based on consistent contributions and awards like 'Affies' for excellence in business.

To build a culture of innovation, Afflers are also encouraged to contribute and win acknowledgement for new product ideas and patent applications pursued by the company.

D. Training programs

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

E. Our Swift Response to COVID-19 Situation

- Our SEA offices started transitioning to work from home in early-February 2020 and all global offices started transitioning to work from home since mid-February 2020.
- Our team members connect with their respective teams over video/audio calls at least twice a day to ensure continued collaboration and brainstorming.
- All our in-person meetings with customers and partners done on video/audio calls.
- We have built Standard Operating Procedures (SOPs) to overcome any such unfortunate event. Our Business Continuity Plan is in place to ensure continued effectiveness of our systems and people globally.

THREATS, RISKS & CONCERNS

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

Risk	Defining the Risk	Mitigation Strategy
Macro-economic Risk / Economic Uncertainties	Customers can reduce their marketing spends due to economic uncertainties in key markets like India, South East Asia, Middle East Africa, US, and Europe	We consistently track the markets we operate in, followed by close coordination between the business teams and finance teams to discuss any business concerns with respect to broader economic scenario, business related developments or regarding the customers we serve in specific. Further, our business is well diversified across industry verticals and across geographies; with no major negative impact expected.
Business Continuity Risk	Potential natural or man-made hazards may impact business operations and even pose a risk to employee safety	We have the necessary Standard Operating Procedures (SOPs) and Business Continuity Plan (BCP) that addresses disruptions which could be faced by our teams or the employees, across our India and International offices. We have Work from Home policy in place, event specific succession planning, medical insurance for all employees, dedicated quick response team and related contingency plans.
Technological / Data related Changes	If our ability to reach connected devices is restricted by certain disruptive changes in technology, it could have an adverse impact on business model / operations	Most of our business is mobile app focused and our exposure to browsers is highly limited, where such technological changes have been predominant till now. Further, we have developed competencies across various technologies and operating environments; and our R&D teams continually strive to be future-ready for any such risks.
Systems, Data and Digital Infrastructure Security Failures	Failures in systems and the digital infrastructure supporting our systems could significantly disrupt our operations	We have a comprehensive disaster recovery and business recovery plan. The information we collect is stored on cloud storage and, in the case of our Affle Consumer Platform, archived on tapes. Our information is then stored onto our databases, on which are automatically backed-up daily. A backup of the codebase is also stored offsite for added security. This adds to five layers of security. We deploy continuous upgradation strategy to increase the security and reliability of our platforms and infrastructure that well meet our business demands.
Competition Risk	Mobile advertising industry is competitive, dominated by digital giants such as Google and Facebook and rapidly changing with multiple smaller players coming in	We continue to invest in enhancing our product offerings and platform capabilities, with a greater tech emphasis. These are the key differentiators for our business sustainability. We do not head-on compete with any of the walled gardens but rather see ourselves co-existing and being in a symbiotic relationship with them. We focus towards further strengthening our relationship with the customers, with consistent efforts going in to strengthen operations, sales, and account management teams.

Foreign Exchange Fluctuations	Company may be exposed to foreign exchange fluctuations	We monitor currency movements closely, but our business is naturally hedged as the revenue is almost 50:50 split between INR and USD, with no major impact expected.
Liquidity Risk	Any threat to the liquidity could be a risk factor	We are net debt free, with our cash and cash equivalent significantly higher than the total debt. Also, we have been maintaining positive cash flows from operations.
Credit Risk	Default or inability of the customers to pay on time may impact the balance sheet position and/or the profitability	We have an effective receivable management framework in place to maintain the receivable days. Our finance team deploys strong check and balances to mitigate any credit risks or any possibility of increase in bad debts.
Compliance Risk	Adherence to laws and regulations pertaining to a public-listed company is mandatory	We have a dedicated in-house secretarial and compliance team that manages all the compliances effectively. We also have all the necessary Corporate Policies in place to ensure the regulatory compliances are well met with.
Reputation Risk	Negative media coverage or certain actions by activist shareholders may divert the time and attention of our board and management and adversely affect the share price	To mitigate this, Affle has adopted the following approach: 1. Regular screening of media coverage by our PR team and preemptive response by the senior management, if required. 2. Regular interactions with the shareholders and analysts and providing the information in transparent and timely manner.

GROWTH STRATEGY AND OUTLOOK

In terms of Affle's overall growth strategy, we are anchored in India - our dominant and largest market, and in international markets particularly emerging markets including South East Asia, Middle East and Africa where we have a strong on-ground presence. We have grown in scale significantly and are consistently enhancing our strategic moats by focusing on three key aspects:

(a) We have expanded the scope of our products from just mobile to connected devices, going well beyond mobile and looking at connected devices as a strategic focus

(b) We are looking at the consumer's journey as an omnichannel platform, integrating it across both online journeys as well as offline journeys and therefore creating new possibilities for our customers

(c) We continue to invest in the 4V strategy of Voice, Video, Vernacular and Verticalisation to reach the next billion shoppers on connected devices. We are going deeper in verticalization as a key strategy and are also looking at vernacular affinity of the consumers which will strengthen our moat in India as well as other emerging markets.

Well-defined Strategic Roadmap for Organic and Inorganic Growth

CAUTIONARY STATEMENT

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

DIRECTORS' REPORT

Dear Member(s),

The Board of Directors hereby submits the report of the business and operations of Affle (India) Limited ("Affle" or the "Company"), along with the audited financial statements, for the financial year ended March 31, 2020.

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

FINANCIAL HIGHLIGHTS

(In Rs. millions)

Particulars	Consolidated		Standalone	
	FY2019-20	FY2018-19	FY2019-20	FY2018-19
Revenue from contracts with customers	**3,337.83**	**2,493.97**	**1,822.26**	**1,212.14**
Other income	60.88	3.94	51.30	2.31
Total Revenue	**3,398.71**	**2,497.91**	**1,873.56**	**1,214.45**
Total expenses	2,606.46	1,899.91	1,433.31	979.03
Profit before exceptional items and tax	**792.25**	**598.00**	**440.25**	**235.42**
Less: Exceptional items	-	-	-	-
Profit Before Tax	**792.25**	**598.00**	**440.25**	**235.42**
Less: Current tax	138.35	102.12	112.60	60.96
Less: Deferred tax (credit) / charge	(1.27)	7.67	(1.20)	7.67
Profit After Tax	**655.17**	**488.21**	**328.85**	**166.79**
Other comprehensive income / (loss) net of tax	54.73	(3.29)	1.16	(0.18)
Total comprehensive income for the year	**709.90**	**484.92**	**330.01**	**166.61**
Earnings per equity share – Face value of Rs.10/- each	**26.13**	**20.10**	**13.12**	**6.87**

REVIEW OF OPERATIONS

Consolidated Financial Review

During the year under review, the Company reported total revenue of Rs. 3,398.71 million, a y-o-y increase of 36.1% from Rs. 2,497.91 million in the previous financial year. Revenue from contracts with customers was Rs. 3,337.83 million, a y-o-y increase of 33.8% from Rs. 2,493.97 million in the previous financial year. Profit before tax registered a growth of 32.5% to stand at Rs. 792.25 million for the year under review as compared to Rs. 598.00 million in the previous financial year. Profit after tax registered a growth of 34.2% to stand at Rs. 655.17 million for the year under review as compared to Rs. 488.21 million in the previous financial year. PAT margin was at 19.3%.

Total debt for the Company was Rs. 637.84 million as of March 31, 2020 and total cash & cash equivalent (including 'other bank balance') was Rs. 1,264.71 million as of March 31, 2020.

The Company generated Cash Flows from Operations of Rs. 730.30 million during the year, a growth of 52.8% from Rs. 477.86 million generated in the previous financial year.

Standalone Financial Review

During the year under review, the Company reported total revenue of Rs. 1,873.56 million, a y-o-y increase of 54.3% from Rs. 1,214.45 million in the previous financial year. Revenue from contracts with customers was Rs. 1,822.26 million, a y-o-y increase of 50.3% from Rs. 1,212.14 million in the previous financial year. Profit before tax registered a growth of 87.0% to stand at Rs. 440.25 million for the year under review as compared to Rs. 235.42 million in the previous financial year. Profit after tax registered a growth of 97.2% to stand at Rs. 328.85 million for the year under review as compared to Rs. 166.79 million in the previous financial year. PAT margin was at 17.6%.

On a standalone basis, the Company had no debt as of March 31, 2020 and total cash & cash equivalent (including 'other bank balance') was Rs. 1,141.60 million as of March 31, 2020.

The Company generated Cash Flows from Operations of Rs. 320.07 million during the year, a growth of 82.6% from Rs. 175.32 million generated in the previous financial year.

DIVIDEND

The Directors wish to invest the profits back into the Company for further growth and expansion, and therefore did not recommend any dividend for the FY2019-20.

TRANSFER TO RESERVES

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

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

No material change affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of the report.

CHANGE IN NATURE OF BUSINESS OF THE COMPANY

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

SHARE CAPITAL

During the year under review, the Company completed Initial Public Offer of 6,161,073 equity shares at an issue price of Rs. 745 per share comprising of fresh issue of 1,208,053 equity shares and an offer for sale of 4,953,020 equity shares by Affle Holdings Pte. Ltd. The Company allotted 1,208,053 equity shares on August 6, 2019 and started trading on BSE Limited and National Stock Exchange of India Limited with effect from August 8, 2019.

In view of the above, the paid-up share capital of the Company is Rs. 254,963,670/- divided into 25,496,367 equity shares of face value Rs. 10/- per share.

BUSINESS ACQUISITIONS

Acquisition of identified business of Shoffr Pte. Ltd.

During the year under review, the Company through its wholly owned subsidiary, Affle International Pte. Ltd., acquired the Shoffr Platform Business on May 18, 2019 (closing date), vide a Business Transfer Agreement, effective February 19, 2019. Shoffr is a Singapore-based online to offline (O2O) omnichannel platform that converts online consumer engagements into in-store walk-ins and transactions. As part of the acquisition, Shoffr Pte. Ltd.'s business, brand name, intellectual property rights, business relationships, technical information, assets and employees have been transferred to Affle International Pte. Ltd.

Acquisition of identified business of RevX Inc.

During the year under review, the Company through its wholly owned subsidiary, Affle International Pte. Ltd., acquired the platform and business assets of RevX Inc., on June 28, 2019 (closing date), vide a Business Transfer Agreement, effective April 1, 2019. RevX business offers a fully self-serve programmatic platform for mobile marketing.

Acquisition of Mediasmart Mobile S.L.

During the year under review, the Company through its wholly owned subsidiary, Affle International Pte. Ltd., acquired 100% control in Mediasmart Mobile S.L., Spain ("Mediasmart"), a self-serve mobile programmatic and proximity marketing platform, on March 5, 2020 (closing date), vide Share Purchase Agreements, effective January 22, 2020. Also, Affle MEA FZ-LLC, Dubai, a step-down subsidiary of the Company, acquired all Tech IP assets of Mediasmart, vide Assets Purchase Agreement dated February 27, 2020.

For more details on acquisitions by the Company during the year and business combinations, please refer to Note 40.1 (i), (ii) & (iii) of the Consolidated Financial Statements.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As on March 31, 2020, the Company has following subsidiary and step down subsidiaries:

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

The Company has no Joint Venture and Associate Company, as on March 31, 2020.

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

CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSION & ANALYSIS

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

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 7 (seven) times during the year under review. The details of the meetings of the Board including that of its Committees are given in the Report on Corporate Governance section forming part of this Annual Report.

ESTABLISHMENT OF THE VIGIL MECHANISM

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

No complaints were received through the said mechanism.

RISK MANAGEMENT POLICY

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

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

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

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

During the year under review, the Company has not granted any loans or guarantees or made any investments under Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

PUBLIC DEPOSITS

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there was no change in the Board of Directors of the Company.

However, the Board of Directors at its meeting held on May 30, 2020 has approved the following changes in the Board of Directors of the Company:

1. Re-appointment of Mr. Bijynath (DIN: 08160918), Ms. Sumit Mamak Chadha (DIN: 05207581) and Mr. Vivek Narayan Gour (DIN: 00254383), as Independent Director of the Company for a term of 5 consecutive years w.e.f. June 1, 2020 subject to approval of the shareholders of the Company in the ensuing Annual General Meeting.

2. Cessation of tenure of Mr. Naresh Chand Gupta (DIN: 00172311) and Mr. Sudhir Mohanlal Jatia (DIN: 00031969) as Independent Director w.e.f June 1, 2020.

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

Retire by Rotation

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

Key Managerial Personnel

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

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

Mr. Kapil Mohan Bhutani, Director, Chief Financial & Operations Officer

Ms. Parmita Choudhury, Company Secretary & Compliance Officer

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board on the recommendation of the Nomination & Remuneration Committee approves appointment of Directors and decides their remuneration, after reviewing their qualifications, positive attributes, independence and board diversity.

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

DECLARATION FROM INDEPENDENT DIRECTORS

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

PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

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

The Nomination and Remuneration Committee of the Board has laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the individual directors. The performance evaluation for the financial year was carried out in accordance with the criteria laid out by the Nomination and Remuneration Committee on the basis of Assessment Forms.

INDEPENDENT DIRECTORS MEETING

A separate meeting of Independent Directors without the attendance of Executive directors and members of Management was not held during FY2019-20 pursuant to General Circular 11/2020 dated March 24, 2020 issued by Ministry of Corporate Affairs in view of Covid-19 pandemic and in view of the said Circular this shall not be considered as a non-compliance.

ANNUAL RETURN

An extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in **Form MGT 9** and is annexed to this report as **Annexure III.**

STATUTORY AUDITORS

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

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

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

"We draw your attention to note 39/40 to the financial statements, which indicate that business combination under common control has been accounted for using purchase method in accordance with previous GAAP resulting in recognition of goodwill amounting to Rs. 59.24 million as on March 31, 2020 as prescribed under court scheme instead of using pooling of interest method as prescribed under Ind AS 103 Business Combinations as the approved court scheme will prevail over applicable accounting standard.

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

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Kiran Sharma & Co., Company Secretaries as the Secretarial Auditors of the Company to undertake Secretarial Audit of the Company for FY2019-20. The Secretarial Audit Report is annexed to this report as **Annexure IV.**

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

INTERNAL AUDITORS

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

DETAILS ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES.

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

BUSINESS RESPONSIBILITY REPORT

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

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

(a) Conservation of energy

The Company being in mobile advertising

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

(b) Technology absorption and innovation

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

1. **Data Science Developments:** We have consolidated and centralized our data science teams across multiple business units.

2. **Omnichannel Developments:** Key developments related to our omnichannel products and platforms include building a drag and drop user-journey mapping for our Vizury Engage 360 product. This enables quick rules to be generated to re-engage with users through the web, mobile, in-app, Facebook Messenger, WhatsApp and email.

3. **DevOps Developments:** We have set up a central DevOps team that will provide us with a consolidated global support to handle Continuous Integration and Continuous Delivery/Deployment solutions to all of Affle's business units. The team already has shown cost savings in optimising usage and overall costs to the machines.

4. **Patents:** We filed 14 patents during the year. Out of the 14 patents, 10 patents were earlier filed in India and were filed in the patent office of the USA during the year to expand their jurisdiction. While 4 new patents applications were filed in Singapore during the year. These new patents are related to conversational engagements through agents like chatbots, vernacular language focus and curating content through digital assistants. The title of 4 new patents are as below:

    - Method and system for monitoring and integration of one or more intelligent conversational agents

    - Method and system for switching and handover between one or more intelligent conversational agents

    - Method and system for adopting user learnings across vernacular contexts

    - Method and system to integrate digital assistants with audio content

(c) Foreign exchange earnings and outgo

The Foreign Exchange earned in terms of actual inflows and the Foreign Exchange in terms of actual outflows, during FY2019-20 are as follows:

	(In Rs. millions)
Earnings	344.84
Outgo	622.58

PARTICULARS OF EMPLOYEES

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

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

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

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

PREVENTION OF SEXUAL HARRASSMENT AGAINST WOMEN AT WORKPLACE

The Company is committed towards providing a safe and conducive work environment to the employees of the Company and also have in place, a policy for Prevention of Sexual Harassment of Women at Workplace and an Internal Complaints

Committee in accordance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaint was received by the Company under the above Policy.

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

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

DIRECTORS RESPONSIBILITY STATEMENT

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

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

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

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

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

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

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

ACKNOWLEDGEMENTS

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

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

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

Place: Singapore
Date: May 30, 2020

ANNEXURE-I

Form AOC-1

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

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

Part A: Subsidiaries

(USD $'000)

Name of the subsidiary	Affle International Pte. Ltd., Singapore	PT. Affle Indonesia, Indonesia	Affle MEA FZ LLC, UAE	Mediasmart Mobile S.L., Spain	Mediasmart Mobile Limited, U.K.
Date since when subsidiary was acquired / incorporated	01.04.2018	01.07.2018	01.04.2019	22.01.2020	22.01.2020
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	Not applicable	Not applicable	January to December	January to December
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	US Dollars 75.3859	Indonesian Rupiah 0.00462	US Dollars 75.3859	Euro 83.0404	Great British Pound 97.9936
Share capital	6,000.00	279.75	13.62	136.90	0.00
Reserves and surplus	6,255.05	(80.18)	1,797.86	(275.51)	(410.86)
Total assets	25,069.21	1,030.03	2,451.18	2,833.43	260.82
Total Liabilities	25,069.21	1,030.03	2,451.18	2,833.43	260.82
Investments	4,714.53	-	-	-	-
Turnover	16,359.06	2,259.10	4,764.47	1,356.38	138.65
Profit before taxation	3,148.80	(4.84)	1,797.86	34.63	(30.19)
Provision for taxation	441.83	1.77	-	(79.43)	-
Profit after taxation	2,706.98	(6.61)	1,797.86	114.06	(30.19)
Proposed Dividend	-	-	-	-	-
Extent of shareholding (in percentage)	100%	100%	100%	100%*	100%

Notes:

1. Names of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been liquidated or sold during the year: None

*Includes 94.78% stake acquired by the Group and for balance 5.22% the Group has acquired voting rights and has definite agreement for purchase of shares and therefore has been consolidated at 100%.

Part B: Associates and Joint Ventures

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

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

Notes: The Company has no associates or joint ventures as on March 31, 2020

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

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

Anuj Kumar
Director
DIN: 01400273

Kapil Mohan Bhutani
Director, Chief Financial & Operations Officer
DIN: 00554760

Parmita Choudhury
Company Secretary
Membership No.26261

ANNEXURE-II

FORM NO. AOC-2

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

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

   There were no contracts or arrangements or transactions entered into during the year ended March 31, 2020, which were not at arm's length basis.

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

Name of the related party	Nature of relationship	Duration of the contracts/ arrangements/ transaction	Nature of transaction	Amount (In Rs. million)
Affle Holdings Pte. Ltd	Holding Company	Not applicable	Rendering of Services	13.38
			Reimbursement of Expenses to the Company	109.95
Affle International Pte. Ltd.	Subsidiary Company	Not applicable	Rendering of Services	136.81
			Reimbursement of Expenses to the Company	172.08
			Reimbursement of Expenses by the Company	215.89
			Subscription of shares	301.53
Affle Global Pte. Ltd	Fellow subsidiary	Not applicable	Reimbursement of Expenses by the Company	0.19
Affle X Private Limited	Fellow subsidiary	Not applicable	Reimbursement of Expenses by the Company	10.40

ANNEXURE-III

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

as on financial year ended March 31, 2020

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

I Registration & Other Details

i	CIN	L65990MH1994PLC080451
ii	Registration Date	18/08/1994
iii	Name of the Company	Affle (India) Limited
iv	Category/Sub-category of the Company	Company Limited by Shares Non-Govt. Company
v	Address of the Registered office & contact details	312, B-Wing, Kanakia Wallstreet, Andheri Kurla Road, Andheri East Mumbai, Maharashtra- 400093
vi	Whether listed company (Yes/No)	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any	KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited) Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032

II Principal Business Activities of the Company

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	**Advertising Technology (Ad Tech)** Other professional,technical & business service:	9983	100%

III Particulars of Holding, Subsidiary & Associate Companies

SL No	Name of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% Of Shares Held	Applicable Section
1	Affle Holdings Pte Ltd.	200813948D	Holding	52.62%	2(46) of the Companies Act, 2013
2	Affle International Pte Ltd.	201810924K	Wholly owned Subsidiary	100%	2 (87) of the Companies Act, 2013
3	PT. Affle Indonesia	09.03.1.61.96031	Step Down subsidiary	100%	2 (87) of the Companies Act, 2013
4	Affle MEA FZ-LLC	95853	Step Down subsidiary	100%	2 (87) of the Companies Act, 2013
5	Mediasmart Mobile S.L.	M-527689	Step Down subsidiary	100%	2 (87) of the Companies Act, 2013
6	Mediasmart Mobile Limited	09059433	Step Down subsidiary	100%	2 (87) of the Companies Act, 2013

IV Shareholding Pattern (Equity Share capital Break up as % to total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	0	0	0	0	0	0	0	0	0
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.or State Govt	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	0	0	0	0	0	0	0	0	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub Total:(A) (1)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(2) Foreign									
a) NRI- Individuals	32	0	32	0	32	0	32	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	22,386,850	0	22,386,850	92.19	17,433,830	0	17,433,830	68.38	(23.81)
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub Total:(A) (2)	**22,386,882**	**0**	**22,386,882**	**92.19**	**17,433,862**	**0**	**17,433,862**	**68.38**	**0**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**22,386,882**	**0**	**22,386,882**	**92.19**	**17,433,862**	**0**	**17,433,862**	**68.38**	**(23.81)**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0	2,245,347	0	2,245,347	8.81	8.81
b) Banks/FI	0	0	0	0	12	0	12	0	0
C) Cenntral govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0		0	0	0	0
f) Insurance Companies	0	0	0	0	8,213	0	8,213	0.03	0.03
g) Foreign Portfolio Investors	0	0	0	0	1,922,675	0	1,922,675	7.54	7.54

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Alternate Investment Funds	285,214	0	285,214	1.17	651,639	0	651,639	2.56	1.39
SUB TOTAL (B)(1):	**285,214**	**0**	**285,214**	**1.17**	**4,827,886**	**0**	**4,827,886**	**18.94**	**17.77**
(2) Non Institutions									
a) Bodies corporates	0	0	0	0	140,059	0	140,059	0.55	0.55
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	1,616,214	0	1,616,214	7	1,616,214	0	1,616,214	6.34	(0.31)
b) Individuals	0	0	0	0					0
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0	1,225,834	3	1,225,837	4.81	4.81
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	0	0
c) Others (specify)									
Trusts	0	0	0	0	30	0	30	0	0
Non resident Indians	0	0	0	0	154,159	0	154,159	0.6	0.6
Non resident Indians -Non repartriable	0	0	0	0	38,865	0	38,865	0.15	0.15
Directors	4	0	4	0	4	0	4	0	0
Clearing Members	0	0	0	0	59,451	0	59,451	0.23	0.23
SUB TOTAL (B)(2):	**1,616,218**	**0**	**1,616,218**	**6.65**	**3,234,616**	**3**	**3,234,619**	**12.68**	**6.03**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**1,901,432**	**0**	**1,901,432**	**7.82**	**8,062,502**	**3**	**8,062,505**	**31.62**	**23.81**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**24,288,314**	**0**	**24,288,314**	**100**	**25,496,364**	**3**	**25,496,367**	**100**	**4.97***

Note: *Net increase in the Company's total outstanding shares as on March 31, 2020

(ii) Shareholding of Promoters

SL No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Affle Holdings Pte. Ltd	18,368,939	75.63	0	13,415,919	52.62	0	(23.01)
2	Anuj Khanna Sohum (on behalf of Affle Holding Pte. Ltd)	31	0.00	0	31	0.00	0	0
3	Anuj Khanna Sohum (on behalf of Affle Global Pte. Ltd)	1	0	0	1	0	0	0
	Total	**18,368,971**	**75.63**	**0**	**13,415,951**	**52.62**	0	**(23.01)**

(iii) Change In Promoters' Shareholding

SL No.	Shareholders Name	No. of Shares held at the end of the year		Reason for change	Increase/ Decrease in no. of shares	Cumulative shareholding during the year	
		No. of shares	% of total shares of the company			No of shares	% of total shares of the company
1	Affle Holdings Pte. Ltd	18,368,939	75.6	4,953,020 shares were offered for sale during the Initial Public Offer	4,953,020	13,415,919	52.62
2	Anuj Khanna Sohum	32	-	No change	-	32	0

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of Gdrs and Adrs)

SL No.		No. of Shares held at the end of the year		Increase	Decrease	Shareholding at the end of the year	
		No. of shares	% of total shares of the company			No of shares	% of total shares of the company
1	Affle Global Pte. Ltd	4,017,911	15.75	0	0	4,017,911	15.75
2	Malabar India Fund Limited	1,616,214	6.65	0	0	1,616,214	6.34
3	Reliance Capital Trustee Co Ltd.-a/c Nippon India Small Cap Fund	0	0	992,132	0	992,132	3.89
4	Franklin Templeton Investment Funds	0	0	487,102	0	487,102	1.91
5	L and T Mutual Fund Trustee Ltd-L and T Mid Cap Fund	0	0	434,871	0	434,871	1.71
6	Aberdeen Standard Asia Focus PLC	0	0	388,501	0	388,501	1.52
7	Aditya Birla Sun Life Trustee Private Limited a/c Aditya Birla Sun Life Equity Advantage Fund	0	0	318,022	0	318,022	1.25
8	Malabar Value Fund	285,214	1.17	0	0	285,214	1.12
9	Kuwait Investment Authority Fund 225	-	0	262,958	0	262,958	1.03
10	Edelweiss Alternative Investment Opportunities Tru	-	0	239,610	0	239,610	0.94

(v) Shareholdings of Directors and Key Managerial Personnel

SL No.		No. of Shares held at the end of the year		Increase	Decrease	Shareholding at the end of the year	
	For Each of the Directors & KMP	No. of shares	% of total shares of the company			No of shares	% of total shares of the company
1	Anuj Khanna Sohum	32	0	0	0	32	0
2	Anuj Kumar	1	0	0	0	1	0
3	Kapil Mohan Bhutani	3	0	0	0	3	0

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI

A. Remuneration to Managing Director, Whole Time Director and/or Manager

SL No.	Particulars of Remuneration		Name of the MD/WTD/Manager			Total (In Rs.)
			Managing Director	Director	Director	
			Anuj Khanna Sohum	Anuj Kumar	Kapil Mohan Bhutani	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		253,200	11,627,546	9,300,000	21,180,746
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		-	-	-	-
2	Stock option		-	-	-	-
3	Sweat Equity		-	-	-	-
4	Commission		-	-	-	-
	As % of profit		-	-	-	-
	Others (specify)		-	-	-	-
5	Others, please specify		-	-	-	-
	Total (A)		**253,200**	**11,627,546**	**9,300,000**	**21,180,746**
	Ceiling as per the Act -10% of Net Profit calculated as per Section 198 of Companies Act, 2013					**44,025,000**

B. Remuneration to other directors

SL No.	Particulars of Remuneration				Name of the Directors		Total (In Rs.)
1	Independent Directors	Bijynath	Naresh Gupta	Sudhir Mohanlal Jatia	Sumit Mamak Chadha	Vivek Narayan Gour	
	(a) Fee for attending board meetings	630,000	630,000	360,000	630,000	630,000	2,880,000
	(b) Fee for attending committee meetings	90,000	630,000	90,000	720,000	450,000	1,980,000
	(c) Others, please specify	-	-	-	-	-	
	Total (1)	**720,000**	**1,260,000**	**450,000**	**1,350,000**	**1,080,000**	**4,860,000**
2	Other Non Executive Directors						
	(a) Fee for attending board meetings	-	-	-	-	-	
	(b) Fee for attending committee meetings	-	-	-	-	-	
	(c) Others, please specify	-	-	-	-	-	
	Total (2)	-	-	-	-	-	
	Total (B)=(1+2)	720,000	1,260,000	450,000	1,350,000	1,080,000	4,860,000
	Total	**720,000**	**1,260,000**	**450,000**	**1,350,000**	**1,080,000**	**4,860,000**
	Ceiling as per the Act -1% of Net Profit calculated as per Section 198 of Companies Act, 2013						**Not applicable**

C. Remuneration to Key Managerial Personnel other than Md/Manager/Wtd

SL No.	Particulars of Remuneration	Key Managerial Personnel				Total (In Rs.)
		CEO	CFO	Company Secretary	Company Secretary	
1	Gross Salary	Anuj Khanna Sohum	Kapil Bhutani	Akanksha Gupta (resigned w.e.f May 1, 2019)	Parmita Choudhury (appointed w.e.f June 1, 2019)	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	253,200	9,300,000	150,486	713,838	10,417,524
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
	Sweat Equity	-	-	-	-	-
	Commission	-	-	-	-	-
	(i) as % of profit	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total	**253,200**	**9,300,000**	**150,486**	**713,838**	**10,417,524**

VII PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeall made if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT Not Applicable					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

ANNEXURE-IV

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2020

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

To,
The Members,
AFFLE (INDIA) LIMITED
312, B-Wing, Kanakia Wallstreet,
Andheri Kurla Road,
Andheri East
Mumbai- 400093

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

Based on my verification of 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, 2020 (the Company's equity shares were Listed on BSE Limited and National Stock Exchange of India Limited w.e.f August 8, 2019) 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

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

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

(c) The Depositories Act, 1996 and the regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

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

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

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

ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable**

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

vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies act and dealing with the client to the extent of securities issued;

vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable**

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

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

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

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

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

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

I further report that

The Company had filed Red Herring Prospectus with SEBI on July 19, 2019. Thereafter the Company filed the Prospectus with SEBI on August 1, 2019. The Company had also filed the Red Herring Prospectus and the Prospectus with Registrar of Companies, Mumbai, Maharashtra. BSE Limited and National Stock Exchange of India Limited had given in principle approval to list the Company's equity shares on August 7, 2019. The Equity share of the Company was listed on BSE Limited and National Stock Exchange of India Limited w.e.f August 8, 2019.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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 at a Shorter Notice for which necessary approvals were obtained) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period no specific events/actions took place having a major bearing on the Company's affairs in the pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Further during the Audit period under review:

Affle International Pte. Ltd. ("Affle International"), a wholly owned Subsidiary of the Company in Singapore formed on 1st April, 2018 had acquired 100% voting shares of Mediasmart Mobile S.L. ("Mediasmart") Spain, vide Share purchase Agreement dated February 28, 2020 effective w.e.f. January 22, 2020.

Also, Affle MEA FZ- LLC, Dubai, a step down subsidiary of the Company has entered into an Assets Purchase Agreement dated February 27, 2020 to acquire all Tech IP assets of "Mediasmart".

The said agreements had stipulated for acquisition of all assets and liabilities of "Mediasmart" as on January 22, 2020.

However, Affle International Pte. Ltd, for convenience purposes, has taken January 1, 2020; being start of the month and quarter, as the date of acquisition and has consolidated the accounts from this date.

Further, Affle International acquired Shoffr Platform Business on May 18, 2019 (closing date), vide a Business Transfer Agreement, effective February 19, 2019 and business assets of RevX Inc., on June 28, 2019 (closing date), vide a Business Transfer Agreement, effective April 1, 2019.

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

a. Right/ Preferential Issue of shares/debentures/ sweat equity, etc.
b. Redemption/buyback of securities.
c. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.
d. Merger/amalgamation/reconstruction etc.
e. Foreign technical collaborations.

For Kiran Sharma & Co.
Company Secretaries

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

Date: May 30, 2020
Place: New Delhi

Annexure- A to the Secretarial Audit Report

The Members
AFFLE (INDIA) LIMITED
312, B-Wing, Kanakia Wallstreet,
Andheri Kurla Road,
Andheri East
Mumbai- 400093

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 the random text 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 random test basis.

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

For Kiran Sharma & Co.,
Company Secretaries

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

Date: May 30, 2020
Place: New Delhi

ANNEXURE-V

ANNUAL REPORT ON CSR ACTIVITIES

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

Company's focus Areas/Activities

(a) Education

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

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

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

iv. To establish, run, support and grant aid or other financial assistance to schools, colleges, libraries, reading rooms, universities, laboratories, research and other institutions of the like nature in India for use of the students and the staff and also for the development and advancement of education and diffusion of knowledge amongst the women, elderly and the differently abled.

v. To create centers of excellences for research and development in the field of technical, vocational and higher education for helping the cause of techno- economic and socio-economic planning and management and/or provide contribution or funds to technology incubators located within academic institutions which have been approved by the Central Government.

(b) Healthcare

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

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

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

iv. To conduct regular health checkups for children in schools of neighboring regions.

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

(c) Environment

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

ii. Undertake initiative to promote greater environmental responsibility.

iii. Tree plantation in approved public land to create forest / green belt.

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

v. Other initiatives for ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.

(d) Community Service

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

ii. Measures for the benefit of armed forces veterans, war widows and their dependents.

2. Composition of the CSR Committee

Corporate Social responsibility committee was constituted w.e.f June 16, 2018 with following members:
Mr. Anuj Khanna Sohum - Chairman
Ms. Mei Theng Leong - Member
Ms. Sumit Mamak Chadha - Member

3. Average net profit of the company for last three financial years: Rs. 1,27,800,000

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above): Rs. 2,556,000

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year; Rs. 2,556,000

(b) Amount unspent, if any; Rs. 306,000

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

Sr. No.	CSR project or activity identified	Sector in which Project is covered	Projects or programs 1) Local area or (2) Specify the State and projects or programs was undertaken	Amount outlay (budget) project or programs wise (in Rs)	Amount spent on projects or programs Sub heads: 1) Direct Expenditure on projects or programs 2) Overheads (in Rs)	Cumulative expenditure upto the reporting period (in Rs)	Amount spent: Direct or through implementing agency
1.	Saajha	Education	1. Delhi 2. Hubli, Karnataka 3. Khunti, Jharkhand	500,000	500,000	500,000	Implementing agency
2.	Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund **(PM CARES Fund)**	Public health emergency or any other kind of emergency	National Fund	1,750,000	1,750,000	1,750,000	Direct
	Total			**2,250,000**	**2,250,000**	**2,250,000**	

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

   The allocated amount of Rs.306,000 for Eklavya Underprivilege Education and Welfare Trust was paid on April 1, 2020.

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

Anuj Khanna Sohum
Chairman, Managing Director
& Chief Executive Director
(Chairman, CSR Committee)
DIN: 01363666

Place : Singapore
Date : May 30, 2020

ANNEXURE VI

PARTICULARS OF EMPLOYEES

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

SL No.	Name of the employee	Designation	Remuneration Paid (In Rs. millions)	Educational qualification	Date of Joining	Exp. (yrs)	Age (yrs.)	Previous employment	Shareholding in the Company
1.	Anuj Kumar	Director, Chief Revenue & Operating Officer	11.63	Post Graduate Diploma in Communication, MICA	04/04/2006	19	42	ESPN STAR SPORTS	One equity share
2.	Kapil Mohan Bhutani	Director, Chief Financial & Operations Officer	9.30	CA	01/08/2014	24	47	KMG Infotech	Three equity shares
3.	Vipul Kedia	Chief Data & Platforms Officer	8.54	B.Tech, MBA	06/11/2006	15	39	IBM	Nil
4.	Viraj Sinh	Managing Partner - International	8.06	MBA	01/03/ 2012	18	40	Mobimasta	Nil
5.	Ankit Rawal	Director-Business Development	5.19	MBA	17/09/2018	16	39	Greedy Game	Nil
6.	Arvind Jaganathan	Principal Engineer	5.17	B.E.	01/09/2018	13	34	Zynga	Nil
7.	Kulpreet Singh	Lead Architect & Technology Director	4.68	MCA	16/09/2013	12	35	Lumata	Nil
8.	Karan Saigal	Director - Data Operations	4.64	MBA	17/12/ 2018	16	37	HOOQ	Nil
9.	Sonam Bakshi	Chief Human Resources Officer	4.50	PGCBA	06/05/2019	20	42	Clix Capital	Nil
10.	Kushal Wadhwani	Senior Data Scientist	4.45	B.Tech	01/09/2018	9	33	NetApp	Nil

Note: 1. Mr. Arvind Jaganathan is not associated with the Company w.e.f January 10, 2020
2. Ms. Sonam Bakshi is currently associated with the Company on an Advisory role.
3. Mr. Kushal Wadhwani is not associated with the Company w.e.f February 28, 2020
4. All the above employees are/were permanent employees in the payroll of the Company
5. None of the above employee is a relative of any Director of the Company

ANNEXURE VII

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

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

Sr. No.	Name of Director	Designation	Remuneration (Rs.)	Median remuneration of employees (Rs.)	Ratio of remuneration to the median
1.	Anuj Khanna Sohum	Chairman, Managing Director & Chief Executive Officer	253,200	657,283	0.38
2.	Anuj Kumar	Director, Chief Revenue & Operating Officer	11,627,546		17.69
3.	Kapil Mohan Bhutani	Director, Chief Financial & Operations Officer	9,300,000		14.15
4.	Charles Yong Jien Foong	Executive Director	-		-
5.	MeiTheng Leong	Non-Executive Director	-		-
6.	Bijynath	Independent Director	720,000		1.09
7.	Naresh Chand Gupta	Independent Director	1,260,000		1.92
8.	Sudhir Mohanlal Jatia	Independent Director	450,000		0.68
9.	Sumit Mamak Chadha	Independent Director	1,350,000		2.05
10.	Vivek Narayan Gour	Independent Director	1,080,000		1.64

Note:
1. Mr. Charles Yong Jien Foong and Ms. MeiTheng Leong are in the payroll of the wholly owned subsidiary, Affle International Pte Ltd.
2. Independent Directors receive only sitting fees for Board and Committee meetings.

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

Sr. No.	Name	Designation	Remuneration in previous year 2018-19 (Rs.)	Remuneration in current year 2019-20 (Rs.)	% increase
1.	Anuj Khanna Sohum	Chairman, Managing Director & Chief Executive Officer	253,200	253,200	-
2.	Anuj Kumar	Director, Chief Revenue & Operating Officer	13,569,990	11,627,546	-14
3.	Kapil Mohan Bhutani	Director, Chief Financial & Operations Officer	8,624,996	9,300,000	8
4.	Charles Yong Jien Foong	Executive Director	-	-	-
5.	MeiTheng Leong	Non-Executive Director	-	-	-
6.	Bijynath	Independent Director	1,080,000	720,000	-33.33
7.	Naresh Chand Gupta	Independent Director	1,260,000	1,260,000	-
8.	Sudhir Mohanlal Jatia	Independent Director	990,000	450,000	-54.55
9.	Sumit Mamak Chadha	Independent Director	1,440,000	1,350,000	-6.25
10.	Vivek Narayan Gour	Independent Director	1,170,000	1,080,000	-7.69
11.	Akanksha Gupta	Company Secretary	1,240,246	150,486	-
12.	Parmita Choudhury	Company Secretary	-	713,838	-

Note:
1. Ms. Akanksha Gupta had resigned as Company Secretary w.e.f May 1, 2019.
2. Ms. Parmita Choudhury was appointed as Company Secretary w.e.f June 1, 2019.

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

Median Remuneration in previous year (Rs.)	Median Remuneration in current year (Rs.)	% increase
547,686	657,283	20

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

As on March 31, 2019	As on March 31, 2020
206	238

V. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof if there are any exceptional circumstances for increase in the managerial remuneration:

S. No.	Particulars	Average % increase
1.	Increase in salary of Managerial Personnel	-7.1
2.	Increase in salary of employee (other than Managerial Personnel)	43.1

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

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

Board Structure

The Board comprises of leaders, who provide strategic direction and guidance to the management. The Board composition comprised of ten Directors consisting one Executive and Promoter Director, three Executive non promoter Directors, one Non-Executive and non-Promoter Director and five Non-Executive and Independent Directors, including two Woman Directors as at the year ended March 31, 2020, in accordance with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") and Companies Act, 2013.

Key information of Directors

Name of the Director	Director Identification Number DIN	Designation	Age	Shareholding as on March 31, 2020
Anuj Khanna Sohum	01363666	Executive Director	42	32 equity shares
Anuj Kumar	01400273	Executive Director	42	1 equity share
Kapil Mohan Bhutani	00554760	Executive Director	47	3 equity shares
Charles Yong Jien Foong	08160891	Executive Director	45	-
MeiTheng Leong	08163996	Non-Executive & Non Independent Director	43	-
Bijynath	08160918	Non-Executive - Independent Director	54	-
Naresh Chand Gupta	00172311	Non-Executive - Independent Director	54	-
Sudhir Mohanlal Jatia	00031969	Non-Executive - Independent Director	51	-
Sumit Mamak Chadha	05207581	Non-Executive - Independent Director	55	-
Vivek Narayan Gour	00254383	Non-Executive - Independent Director	57	-

INFORMATION OF CHAIRMANSHIP/ DIRECTORSHIP AND POSITION HELD IN COMMITTEES OF OTHER COMPANIES AS ON MARCH 31, 2020

Name of the Director	Chairmanship/ Directorship in other Indian Companies		Position held in Committees (only Audit and Stakeholders' Relationship Committee) of the Board of other Public Limited Companies		Directorship in other Listed entities	Category of Directorship
	As Chairperson	As Director	As Chairperson	As Director		
Anuj Khanna Sohum	-	-	-	-	-	-
Anuj Kumar	-	-	-	-	-	-
Kapil Mohan Bhutani	-	-	-	-	-	-
Charles Yong Jien Foong	-	-	-	-	-	-
MeiTheng Leong	-	-	-	-	-	-
Bijynath	-	-	-	-	-	-
Naresh Chand Gupta	-	1	-	1	Info Edge (India) Limited	Independent Director
Sudhir Mohanlal Jatia	1	4	-	1	Safari Industries (India) Limited	Managing Director
Sumit Mamak Chadha	-	-	-	-	-	-
Vivek Narayan Gour	-	4	4	4	Indiamart Intermesh Limited	Independent Director
					Cyient Limited	Independent Director

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

CHANGE IN COMPOSITION OF BOARD

The Board of Directors at its meeting held on May 30, 2020 has approved the following changes in the Board of Directors of the Company to be effective from June 1, 2020:

1. Re-appointment of Mr. Bijynath (DIN: 08160918), Ms. Sumit Mamak Chadha (DIN: 05207581) and Mr. Vivek Narayan Gour (DIN: 00254383), as Independent Director of the Company for a term of 5 consecutive years w.e.f. June 1, 2020 subject to approval of the shareholders of the Company in the ensuing Annual General Meeting.

2. Cessation of tenure of Mr. Naresh Chand Gupta (DIN: 00172311) and Mr. Sudhir Mohanlal Jatia (DIN: 00031969) as Independent Director w.e.f June 1, 2020.

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

INDEPENDENT DIRECTORS

The Board comprised of five Independent Directors as on March 31, 2020. The Company had issued formal letter of appointment to its Independent Directors. The terms and conditions of draft appointment letter is published on the website of the Company.

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

Name of Independent Director	Tenure
Bijynath	June 1, 2018 to May 31, 2020
Naresh Chand Gupta	June 1, 2018 to May 31, 2020
Sudhir Mohanlal Jatia	June 1, 2018 to May 31, 2020
Sumit Mamak Chadha	June 1, 2018 to May 31, 2020
Vivek Narayan Gour	June 1, 2018 to May 31, 2020

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

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of the Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc.

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

Details of familiarisation programme imparted to the Independent Directors during FY2019-20 are available on the website of the Company at https://www.affle.com.

BOARD DIVERSITY POLICY

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

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

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

Areas of Expertise of Board members

Name of Director	Area of Expertise	Name of Director	Area of Expertise
Anuj Khanna Sohum	• Business/Domain expertise • Leadership • Financial Knowledge • Diversity	**Bijynath**	• Leadership • Diversity • Board service and governance
Anuj Kumar	• Business/Domain expertise • Leadership • Financial Knowledge • Diversity	**Naresh Chand Gupta**	• Business/Domain expertise • Leadership • Financial Knowledge • Diversity • Board service and governance
Kapil Mohan Bhutani	• Business/Domain expertise • Leadership • Financial Knowledge • Diversity	**Sudhir Mohanlal Jatia**	• Leadership • Financial Knowledge • Diversity • Board service and governance
Charles Yong Jien Foong	• Business/Domain expertise • Leadership	**Sumit Mamak Chadha**	• Leadership • Financial Knowledge • Diversity
MeiTheng Leong	• Business/Domain expertise • Leadership • Financial Knowledge • Diversity	**Vivek Narayan Gour**	• Leadership • Financial Knowledge • Diversity • Board service and governance

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

BOARD MEETINGS

The Board met 7 (Seven) times during the financial year ended March 31, 2020 on June 1, 2019, June 29, 2019, August 6, 2019, September 28, 2019, November 9, 2019, February 3, 2020 and March 21, 2020.

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

Name	Designation/Category	No. of Board Meetings held during the tenure	No. of Board Meetings attended
Anuj Khanna Sohum	Chairman, Managing Director & Chief Executive Officer	7	7
Anuj Kumar	Executive Director	7	6
Kapil Mohan Bhutani	Executive Director	7	7
Charles Yong Jien Foong	Executive Director	7	7
Mei Theng Leong	Non-Executive Non-Independent Director	7	7
Bijynath	Non-Executive and Independent Director	7	7
Naresh Chand Gupta	Non-Executive and Independent Director	7	7
Sudhir Mohanlal Jatia	Non-Executive and Independent Director	7	4
Sumit Mamak Chadha	Non-Executive and Independent Director	7	7
Vivek Narayan Gour	Non-Executive and Independent Director	7	7

COMMITTEES OF THE BOARD OF DIRECTORS

AUDIT COMMITTEE

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

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

(a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
(b) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
(c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
(d) Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    (i) Matters required to be included in the Director's responsibility statement to be included in the Board of Directors' report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
    (ii) Changes, if any, in accounting policies and practices and reasons for the same;
    (iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
    (iv) Significant adjustments made in the financial statements arising out of audit findings;
    (v) Compliance with listing and other legal requirements relating to financial statements;
    (vi) Disclosure of any related party transactions; and
    (vii) Modified opinion(s) in the draft audit report.
(e) Review, with the management, the quarterly financial statements before submission to the Board of Directors for their approval;
(f) Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to our Board of Directors to take up steps in this matter;
(g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

(h) Approve or subsequently modify transactions of the Company with related parties;
(i) Make recommendations to the Board in case of non-approval of transactions other than those referred to in section 188 of the companies act, 2013;
(j) Scrutinize inter-corporate loans and investments;
(k) Valuation of undertakings or assets of the Company, wherever it is necessary;
(l) Evaluate internal financial controls and risk management systems;
(m) Review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
(n) Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
(o) Discuss with internal auditors of any significant findings and follow up there on;
(p) Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
(q) Discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
(r) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
(s) To review the functioning of the whistle blower mechanism;
(t) Approve the appointment of the chief financial officer of the Company after assessing the qualifications, experience and background, etc. of the candidate;
(u) Oversee the vigil mechanism established by the Company and the Chairman of Audit Committee shall directly hear grievances of victimization of employees and Directors, who use vigil mechanism to report genuine concerns; and
(v) Carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board of Directors of the Company or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other regulatory authority.

The members of the Audit Committee are as follows:

- Mr. Vivek Narayan Gour (Independent Director) - Chairman
- Ms. Sumit Mamak Chadha (Independent Director) - Member
- Mr. Naresh Gupta (Independent Director) - Member

The Audit Committee met five times during the year on June 1, 2019, June 29, 2019, September 28, 2019, November 9, 2019 and February 3, 2020.

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

Name	Designation/Category	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Vivek Narayan Gour	Chairman, Independent Director	5	5
Mr. Naresh Chand Gupta	Member, Independent Director	5	5
Ms. Sumit Mamak Chadha	Member, Independent Director	5	5

As approved by the Board of Directors at its meeting held on May 30, 2020, the Audit Committee shall consist of following members w.e.f June 1, 2020:

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

NOMINATION & REMUNERATION COMMITTEE

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

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

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

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

- Mr. Bijynath (Independent Director) - Chairman
- Mr. Sudhir Mohanlal Jatia (Independent Director) - Member
- Ms. Sumit Mamak Chadha (Independent Director) - Member

The Nomination & Remuneration Committee met twice during the year on June 29, 2019 and March 21, 2020.

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

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

As approved by the Board of Directors at its meeting held on May 30, 2020, the Committee shall consist of the following members w.e.f June 1, 2020:

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

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

(a) redressal of all security holders' and investors' grievances including complaints related to general meetings, transfer/ transmission of shares, non- receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, issue of new/ duplicate certificates, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints;

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

The members of the Stakeholders Relationship Committee are as follows:

- Mr. Sudhir Mohanlal Jatia (Independent Director) - Chairman
- Mr. Bijynath Nawal (Independent Director) - Member
- Mr. Kapil Mohan Bhutani (Executive Director) - Member

As approved by the Board of Directors at its meeting held on May 30, 2020, the Committee shall consist of following members w.e.f June 1, 2020:

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

RISK MANAGEMENT COMMITTEE

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

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

(a) to review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;
(b) to frame, devise and monitor risk management plan and policy of the Company;
(c) to review and recommend potential risk involved in any new business plans and processes; and
(d) to perform such other activities and functions as may be delegated by the Board, specifically covering cyber security, or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

The members of the Risk Management Committee are as follows:

- Mr. Naresh Gupta (Independent Director) - Chairman
- Mr. Anuj Khanna Sohum (Chairman, Managing Director & CEO) - Member
- Mr. Anuj Kumar (Executive Director) - Member
- Mr. Charles Yong (Executive Director) - Member

Risk Management Committee met twice during the year on June 1, 2019 and September 28, 2019.

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

Name	Designation/Category	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Naresh Gupta	Chairman, Independent Director	2	2
Mr. Anuj Khanna Sohum	Member, Executive Director	2	2
Mr. Anuj Kumar	Member, Executive Director	2	2
Mr. Charles Yong	Member, Executive Director	2	2

As approved by the Board of Directors at its meeting held on May 30, 2020, the Committee shall consist of following members w.e.f June 1, 2020:

- Mr. Anuj Khanna Sohum (Chairman, Managing Director & CEO) - Chairman
- Mr. Anuj Kumar (Executive Director) - Member
- Ms. MeiTheng Leong (Non-Executive Director) - Member

CORPORATE SOCIAL RESPONSIBILITY COMMMITTEE

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

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

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

The members of the CSR Committee are as follows:

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

The CSR Committee met once during the year on March 21, 2020.

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

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

As approved by the Board of Directors at its meeting held on May 30, 2020, the Committee shall consist of following members w.e.f June 1, 2020:

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

INVESTMENT COMMITTEE – INTERNATIONAL INVESTMENTS

During the year under review, an Investment Committee-International Investment was constituted with the following members:

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

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

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

The Committee met thrice during the year on January 22, 2020, February 28, 2020 and March 3, 2020.

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

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

INVESTMENT COMMITTEE – DOMESTIC INVESTMENTS

During the year under review, an Investment Committee-Domestic Investment was constituted with the following members:

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

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

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

BUSINESS RESPONSIBILITY REPORTING COMMITTEE

During the year under review, a Business Responsibility Reporting Committee was constituted with following members:

- Mr. Anuj Khanna Sohum (Chairman, Managing Director & CEO) - Chairman
- Mr. Kapil Mohan Bhutani (Executive Director) - Member
- Ms. MeiTheng Leong (Non-Executive Director) - Member

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

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

GENERAL MEETINGS AND POSTAL BALLOT

Annual General Meetings of the previous three years:

	2016-17	2017-18	2018-19
Day, date & time	Saturday, September 30, 2017 at 12 noon	Tuesday, June 26, 2018 at 1 p.m.	Wednesday, July 10, 2019 at 10:15 a.m
Venue	402, 4th Floor, Akruti Orion, Shraddhanand Road, Vile Parle (East) Mumbai – 400057	402, 4th Floor, Akruti Orion, Shraddhanand Road, Vile Parle (East) Mumbai – 400057	Trident Hotel, C 56, G Block, Bandra Kurla Complex, Mumbai, Maharashtra 400098
Details of Special Resolution passed	None	1. Conversion of Company from Private to Public 2. Alteration of Articles of Association of the Company	Approval of Managerial remuneration

Postal Ballot

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

MEANS OF COMMUNICATION

Website

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

Financial Results and Newspaper Publications

Quarterly Financial Results were published in English and Regional (Marathi) newspapers, i.e., Financial Express and Tarun Bharat. The Financial Results for the quarter ended September 30, 2019 was published on November 11, 2019 and for December 31, 2019 was published on February 4, 2020.

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

Stock Exchange Filings

The Company also uploads its disclosures and announcements under the Listing Regulations at the link, https://www.connect2nse.com/ LISTING/ to NSE Electronic Application Processing System (NEAPS) and to BSE Online Listing Centre at the link, http://listing.bseindia.com/. During the year, the Company also submits quarterly compliance report on Corporate Governance to the stock exchanges within 15 days from the close of quarter as per the formats given under the Listing Regulations.

SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

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

Details of complaints/requests etc., received and resolved during the FY2019-20 are as below:

Source	Received during the period from 29.07.2019 to 31.03.2020	Resolved during the period from 29.07.2019 to 31.03.2020	Pending as on 31.03.2020
SEBI	8	8	0
Stock Exchange(s)	0	0	0
Investors' Associations/ Others	0	0	0
Direct	65	65	0
Total	**73**	**73**	**0**

GENERAL SHAREHOLDERS' INFORMATION

Corporate Identity Number (CIN)

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

Registered Office

312, B-Wing, Kanakia Wallstreet, Andheri Kurla Road, Andheri East, Mumbai - 400093, Maharashtra.

Communication Address

P 601- 612, 6th floor, Tower C, JMD Megapolis, Sohna Road, Sector - 48, Gurgaon -122018, Haryana.
Phone: 0124-4992914 Website: https://www.affle.com.

Listing on Stock Exchanges

The Company's equity shares are listed with effect from August 8, 2019 on the following Stock Exchanges:

- BSE Limited
- National Stock Exchange of India Limited

Listing fees for the FY2019-20 has been paid to both BSE Limited and National Stock Exchange of India Limited.

International Securities Identification Number (ISIN)

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

STOCK CODE

The Company was listed on August 8, 2019, for cash at a price of Rs. 745 per equity share, including a share premium of Rs. 735 per equity share (The "Offer Price") over the face value of Rs. 10 per share, aggregating to a capital of Rs. 4,590 million.

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

ANNUAL GENERAL MEETING

In view of uncertainty due to Covid-19, the schedule of Annual General Meeting for the FY2019-20 of the Company shall be intimated to shareholders in due course.

FINANCIAL YEAR

Financial Year of the Company is from April 1, 2019 to March 31, 2020.

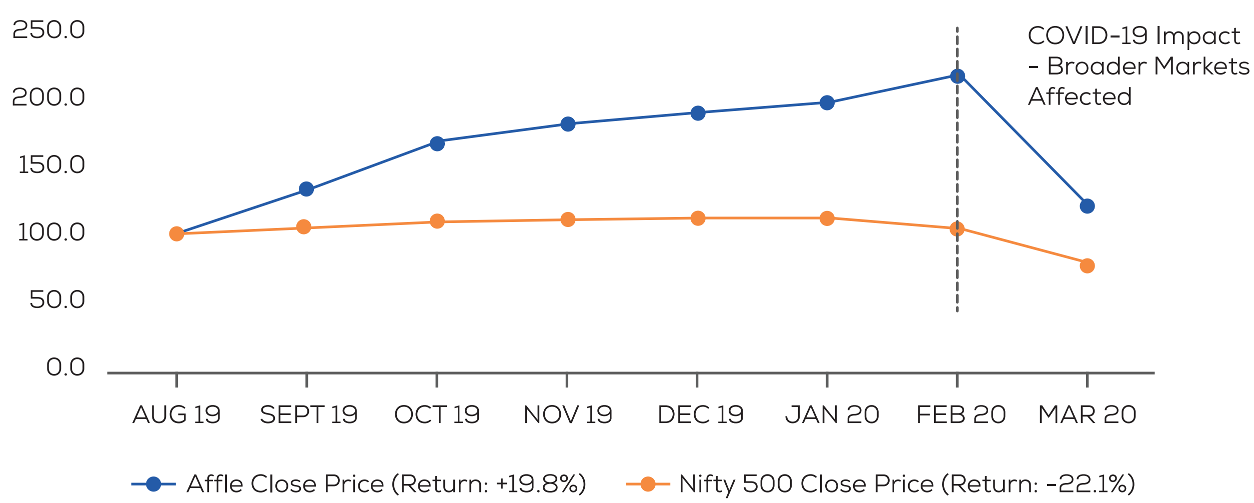
MARKET PRICE DATA: HIGH, LOW DURING EACH MONTH IN THE FY2019-20

The Company's monthly high and low share price data as well as the total volume during each month in the FY2019-20 on the BSE Limited and National Stock Exchange of India Limited are as mentioned below:

Month	BSE Limited			National Stock Exchange of India Limited		
	High	Low	Total Volume	High	Low	Total Volume
August 2019	958.30	751.05	1,035,547	958.70	750.00	10,020,960
September 2019	1,220.15	826.50	213,959	1,225.00	825.55	2,228,100
October 2019	1,479.00	1,035.10	340,916	1,477.80	1,035.25	3,209,890
November 2019	1,738.85	1,339.60	368,354	1,739.00	1,340.00	4,273,620
December 2019	1,625.35	1,308.45	252,272	1,624.45	1,304.35	2,831,405
January 2020	1,734.25	1,494.00	232,766	1,735.00	1,495.00	2,809,845
February 2020	2,296.00	1,632.00	487,178	2,296.85	1,633.00	5,299,272
March 2020	1949.15	908.95	92,548	1947.00	899.25	1,008,758

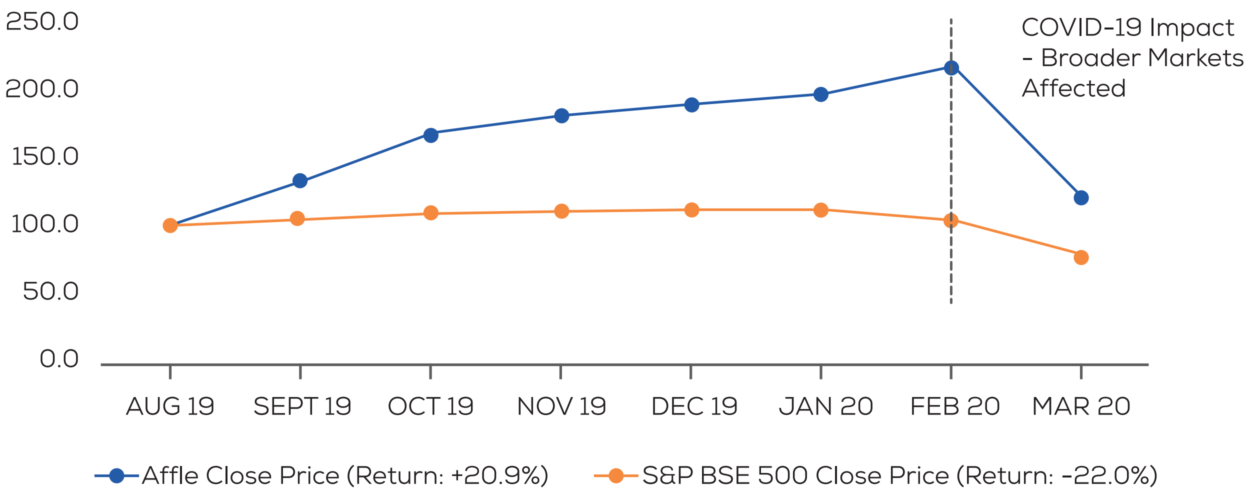
Stock Market Data

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



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

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



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

DISTRIBUTION OF SHAREHOLDING

S. No.	No. of shares	No. of shareholders	% of shareholders	Amount (Rs.)	% of Amount
1.	1-5000	27,085	98.31	7,632,300	2.99
2.	5001- 10000	213	0.77	1,559,060	0.61
3.	10001- 20000	123	0.45	1,778,810	0.70
4.	20001- 30000	45	0.16	1,096,680	0.43
5.	30001- 40000	14	0.05	506,110	0.20
6.	40001- 50000	11	0.04	480,970	0.19
7.	50001-100000	24	0.09	1,717,940	0.67
8.	100001 & Above	36	0.13	240,191,800	94.21
	Total	**27,551**	**100.00**	**254,963,670**	**100.00**

SHAREHOLDING PATTERN AS ON MARCH 31, 2020

S. No.	Category of Shareholder	No. of Shareholders	No. of fully paid up equity shares held	Total No. of Shares Held	Shareholding as a % of total no of shares
1.	Promoter & Promoter Group	3	17,433,862	17,433,862	68.38
2.	Public	27,548	8,062,505	8,062,505	31.62
3.	Non Promoter-Non Public	0	0	0	0
	(i) Shares underlying DRs	0	0	0	0
	(ii) Shares held by Employees Trusts	0	0	0	0
	Total	**27,551**	**25,496,367**	**25,496,367**	**100.00**

TOP TEN SHAREHOLDERS OF THE COMPANY AS ON MARCH 31, 2020

		No. of shares	% of total shares of the Company
1.	Affle Holdings Pte. Ltd	13,415,919	52.62
2.	Affle Global Pte. Ltd	4,017,911	15.75
3.	Malabar India Fund Limited	1,616,214	6.34
4.	Reliance Capital Trustee Co Ltd. - a/c Nippon India Small Cap Fund	992,132	3.89
5.	Franklin Templeton Investment Funds	487,102	1.91
6.	L and T Mutual Fund Trustee Ltd-L and T Mid Cap Fund	434,871	1.71
7.	Aberdeen Standard Asia Focus PLC	388,501	1.52
8.	Aditya Birla Sun Life Trustee Private Limited a/c Aditya Birla Sun Life Equity Advantage Fund	318,022	1.25
9.	Malabar Value Fund	285,214	1.12
10.	Kuwait Investment Authority Fund 225	262,958	1.03

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company's shares are held with both the Depositories i.e. National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). 25,496,364 of the Company's shares are held in electronic/ demat form as on March 31, 2020. As on March 31, 2020, the number of shares held in dematerialized and physical mode are as under:

No. of shares in dematerialized form in CDSL	574,521
No. of shares in dematerialized form in NSDL	24,921,843
No. of shares in Physical	3
Total no. of shares	**25,496,367**

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

Shares which were issued by the Company pursuant to Initial Public Offer, which remained unclaimed were transferred to a demat suspense account pursuant to Regulation 39 and corresponding Schedule VI of the Listing Regulations. As on August 7, 2019, 40 equity shares were in the credit of Affle (India) Limited – Unclaimed Suspense Demat Account. The shares after proper verification of the shareholder's identity and address have been transferred to the shareholder. Therefore, as on March 31, 2020 there is no balance outstanding in the unclaimed suspense account of the Company.

OUTSTANDING GDRS/ADRS/WARRANTS

The Company has not issued GDRs/ ADRs/ Warrants as on March 31, 2020.

DETAILS OF PUBLIC FUNDING OBTAINED IN THE LAST THREE YEARS

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

REGISTRAR AND SHARE TRANSFER AGENT

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

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

CODES/ POLICIES RELATING TO CORPORATE GOVERNANCE

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

1. Code of Conduct for Directors & Senior Management
2. Policy on Board Diversity
3. Policy on Familiarisation Programme for Independent Directors
4. Risk Management Policy
5. Policy on Document Retention
6. Policy on Related Party Transactions
7. Policy on Determination of Materiality of Disclosures
8. Whistle Blower Policy
9. Code of Conduct for Prevention of Insider Trading
10. Dividend Distribution Policy
11. Business Responsibility Policy

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

DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

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

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

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

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

WHISTLE BLOWER POLICY

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

COMMODITY PRICE RISK/FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

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

CODE OF CONDUCT

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

COMPLIANCE CERTIFICATE BY CEO AND CFO

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

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

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

CERTIFICATE FROM PRACTICING COMPANY SECRETARY

The Company has obtained a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority in accordance with Listing Regulations and is enclosed at the end of this Report.

DISCLOSURE ON ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS

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

AUDITORS' REMUNERATION

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

	(In Rs. millions)
Audit Fee	13.19
Advisory & Certification charges	0.15
Reimbursement of expenses	0.22
Total	**13.56**

DETAILS OF NON-COMPLIANCE BY THE COMPANY, PENALTIES, STRICTURES IMPOSED ON THE COMPANY BY THE STOCK EXCHANGE(S) OR SEBI OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS

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

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

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

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

- Reporting of Internal Auditor - The Internal auditor reports directly to the Audit Committee.
- Audit Qualifications – The Auditors of the Company have issued Audit Reports with unmodified opinion on the standalone and consolidated financial statements for the year ended March 31, 2020.

SECRETARIAL AUDIT

During the FY2019-20, Secretarial Audit was conducted as required under the provisions of Section 204 of the Companies Act, 2013. Kiran Sharma & Co., Practicing Company Secretary, Membership Number: 4942; CP Number: 3116 conducted the audit and the Secretarial Audit Report is attached as **Annexure IV** to the Directors' Report.

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

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

CEO' s DECLARATION TO COMPLIANCE OF CODE OF CONDUCT

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

I confirm that the Company has in respect of financial year ended March 31, 2020, received from Members of the Board & Senior Management team of the Company a declaration of the compliance with the Code of Conduct as applicable to them.

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

Place: Singapore
Date: May 30, 2020

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

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

a. We have reviewed financial statements and cash flow statement for the year ended on March 31, 2020 and that to the best of our knowledge and belief:

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

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit Committee:

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

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

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

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

Place: Singapore
Date: May 30, 2020

Kapil Mohan Bhutani
Director, Chief Financial & Operations Officer
DIN: 00554760

Place: Gurgaon
Date: May 30, 2020

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

To
Affle (India) Limited
312, B-Wing, Kanakia Wallstreet
Andheri Kurla Road, Andheri East, Mumbai
Maharashtra- 400093

We have examined all the relevant records for the purpose of certifying of all the conditions of compliance of Corporate Governance by Affle (India) Limited (The Company) having CIN L65990MH1994PLC080451 for the year ended March 31, 2020 under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

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

In our opinion and to the best of our information and according to the explanation given to us, and the representations made by the Directors and Management, we certify that the Company has complied with conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and disclosure Requirements) Regulations for the year ended on March 31, 2020.

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

For Kiran Sharma & Co.
Company Secretaries

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

Date: May 30, 2020
Place: New Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
Affle (India) Limited
312, B-Wing, Kanakia Wallstreet
Andheri Kurla Road, Andheri East, Mumbai
Maharashtra- 400093

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Affle (India) Limited having CIN L65990MH1994PLC080451 and having registered office at 312, B-Wing, Kanakia Wallstreet, Andheri Kurla Road, Andheri East, Mumbai, Maharashtra- 400093 and (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No	Name of Director	DIN	Date of appointment
1.	Mr. Anuj Khanna Sohum	01363666	25/01/2006
2.	Mr. Anuj Kumar	01400273	25/01/2006
3.	Mr. Kapil Mohan Bhutani	00554760	30/09/2017
4.	Mr. Bijynath Nawal	08160918	01/06/2018
5.	Mr. Naresh Chand Gupta	00172311	01/06/2018
6.	Mr. Sudhir Mohanlal Jatia	00031969	01/06/2018
7.	Ms. Sumit Mamak Chadha	05207581	01/06/2018
8.	Mr. Vivek Narayan Gour	00254383	01/06/2018
9.	Ms. Mei Theng Leong	08163996	01/06/2018
10.	Mr. Charles Yong Jien Foong	08160891	01/06/2018

Ensuring the eligibility of for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Kiran Sharma & Co.
Company Secretaries

Kiran Sharma
M. No. 4942
CP No. 3116

Place: New Delhi
Date: May 30, 2020

BUSINESS RESPONSIBILITY REPORT

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

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

S. No	Particulars	
1.	Corporate Identity Number	L65990MH1994PLC080451
2.	Name of the Company	Affle (India) Limited
3.	Registered Address	312, B-Wing, Kanakia Wallstreet, Andheri Kurla Road, Andheri East, Mumbai, Maharashtra 400093
4.	Website	https://www.affle.com
5.	E-mail	compliance@affle.com
6.	Financial Year Reported	2019-20
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Advertising Technology NIC Code: 9983
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Mobile Advertising
9.	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	Our offices in India are located in Gurgaon, Mumbai and Bangalore and our international offices are located at Singapore, Indonesia, UAE, Spain and Thailand
10.	Markets served by the Company – Local/ State/National/International	95 countries

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (Rs.)	Rs. 254.96 million
2.	Total Turnover (Rs.)	Rs. 3,398.71 million (On a Consolidated basis)
3.	Total profit after taxes (Rs.)	Rs. 655.17 million (On a Consolidated basis)
4.	Total Spending on Corporate Social Responsibility (CSR)	Rs. 2.25 million
5.	List of activities in which expenditure in 4 above has been incurred: -	For detailed information relating to list of activities in which expenditure in 4 above has been incurred, please refer the Annual Report on CSR Activities annexed as Annexure V to the Directors' Report.

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Yes
2.	Do the Subsidiary Company/Companies participate in the Business Responsibility initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)	The Business Responsibility Policy extends to the international subsidiaries of the Company also to the extent applicable. For detailed list of subsidiaries, please refer to Form MGT 9 in Annexure III of the Directors' Report
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the Business Responsibility initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. Details of Directors Responsible for Business Responsibility

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

BRR Committee is constituted as follows:

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

Details of the Business Responsibility head

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

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

S. No	Particulars	Details
P1	Ethics, Transparency and Accountability	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Sustainable Products and Services	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Employees' well-being	Businesses should promote the well-being of all employees
P4	Stakeholder Engagement	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Protection of Human Rights	Businesses should respect and promote human rights

S. No	Particulars	Details
P6	Reducing environmental impact	Business should respect, protect, and make efforts to restore the environment
P7	Responsible Policy advocacy	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Inclusive growth and equitable development	Businesses should support inclusive growth and equitable development
P9	Providing value to customers	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Details of compliance to above Principles (Y/N)

S. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The Business Responsibility Policy is based on the principles of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business as issued by Ministry of Corporate Affairs.								
4.	Has the policy been approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	The Business Responsibility Policy is approved by the Board.								
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	https://www.affle.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Policy has been published on the website of the Company.								
8.	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	The Whistle Blower Mechanism adopted by the Company, provides employees to report any concerns or grievances pertaining to any unethical behaviour.								
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	FY2019-20 is the first year of the Company as a Public Listed Company. The Business Responsibility Reporting (BRR) Committee shall periodically evaluate the implementation and execution of this policy.								

3. Governance related to Business Responsibility (BR)

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:
The Company being listed on August 8, 2019, the Business Responsibility Reporting Committee was constituted on February 3, 2020.

(b) Does the Company publish a Business Responsibility or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?
The Company was listed on August 8, 2019. FY2019-20 is the first year of publication of Business Responsibility Report for the Company. The report is prepared in accordance with the SEBI guidelines and forms part of this Annual report.

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

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

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	Not Applicable
For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional): (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Not Applicable. The nature of services rendered by the Company have very limited impact on environment. Further, the Company does not manufacture/produce any products.
Does the Company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	Affle, being in Adtech business, is relatively less resource intensive in terms of material inputs. However, as a responsible corporate entity, the Company endeavours to reduce the environmental impact of its operations by tracking the consumption of resources critically.
Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	The nature of Company is service oriented and not material resource intensive and the Company does not procure goods for further processing.
Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	The nature of Company's products is service oriented and not material resource intensive, and hence recycling of products is not applicable for the Company's products. There is negligible waste generation at Company's offices.

Principle 3: Businesses should promote the well-being of all employees	
Please indicate the Total number of employees	295 (including contractual and on a consolidated basis)
Please indicate the Total number of employees hired on temporary/contractual/casual basis	8 (included in the total of 295 employees above)
Please indicate the Number of permanent women employees	88 (including contractual and on a consolidated basis)
Please indicate the Number of permanent employees with disabilities	Nil
Do you have an employee association that is recognized by the management?	No
What percentage of your permanent employees is members of this recognized employee association?	Not applicable
Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	Nil
What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	Training given to employees of the Company are broadly classified as Technical, Behavioral, Functional and Psychological. The technical training programs generally contain technical skill development training like programming language, software development, AWS, Testing etc. The behavioral trainings include programs on soft skill development, leadership, positive thinking etc. The functional training programs were imparted to develop the functional skills for our employees. Some of the key training programs were on Microsoft office, Digital Marketing etc. Psychological trainings were conducted to help employees develop mental fitness through sessions on Mind Fitness, Stress Management etc. With regard to safety, periodic communication and alerts are sent to employees on safety related aspects. In addition, the Company has imparted training to all the employees on Prevention of Sexual Harassment at Workplace.
(a) Permanent Employees (b) Permanent Women Employees (c) Casual/Temporary/Contractual Employees (d) Employees with Disabilities	100% 100% 100% Not applicable

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

Has the Company mapped its internal and external stakeholders? Yes/No	Yes
Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.	The Company is taking initiatives to identify the disadvantaged, vulnerable & marginalized stakeholders and engage with them.
Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.	

Principle 5: Businesses should respect and promote human rights

Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?	As per the Policy, the Company shall recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.
How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No incidence of discrimination or human rights violation was received by the Company or was pending investigation as on March 31, 2020.

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

Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others?	The aspects outlined under this principle are not substantially relevant to the Company given the nature of its business. The Company complies with the applicable environmental regulations in respect of its premises and operations.
Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	The Company continuously endeavours to reduce the environmental impacts of its own operations.
Does the Company identify and assess potential environmental risks? Y/N	Though the very nature of the businesses of the Company has limited impact on environment, the Company continuously aims to reduce even the limited impact on the environment by identifying ways to optimize resource consumption in its operations.
Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	Not applicable
Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Not applicable
Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Not applicable
Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of the financial year.	There was no legal notice received during the year that remain outstanding as on March 31, 2020.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	
Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with	The Company is a member of Mobile Marketing Association (MMA).
Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	No

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

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner	
What percentage of customer complaints/consumer cases are pending as on the end of financial year March 31, 2020?	No consumer cases are pending against the Company in Consumer forums/courts as on March 31, 2020
Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)	Not applicable
Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.	None
Did your Company carry out any consumer survey/ consumer satisfaction trends?	Not applicable

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AFFLE (INDIA) LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Affle (India) Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising the Balance Sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2020, their profit including other comprehensive income, their cash flows and the statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw your attention to note 40 to the financial statements, which indicate that business combination under common control has been accounted for using purchase method in accordance with previous GAAP resulting in recognition of goodwill amounting to INR 59.24 million as on March 31, 2020 as prescribed under court scheme instead of using pooling of interest method as prescribed under Ind AS 103 Business Combinations as the approved court scheme will prevail over applicable accounting standard.

Our opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
Revenue recognition and recoverability of trade receivables and contract assets (as described in Note 19 of the consolidated Ind AS financial statements)	
The Group derives its revenue mainly from rendering of mobile advertising services using a network of publishers. The Group recognizes revenue from its customers at the time of delivery of advertisement. We identified revenue recognition as a key audit matter because revenue is one of the Group's key performance indicators and there is an inherent risk around the accuracy of revenue recorded which is dependent upon reconciliations of billing data as per Group records with those of customer. Further, the Group has a significant balance of trade receivables and contract assets amounting to Rs. 943 Mn as at March 31, 2020. The Group has determined the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions, while considering possible impact from the COVID -19 pandemic. We focused on this risk as the balances are material and there are significant judgments involved in assessing recoverability of trade receivables and contract assets and calculating the expected credit losses.	Our audit procedures included the following, amongst others: • We obtained an understanding of the systems, processes and controls implemented by the Group for recording revenues. • We have tested the operating effectiveness of the controls related to revenues and associated receivables and contract assets. • We selected a sample of transactions and checked the revenue recognition by performing the following: a. reading the supporting documents including inspection of contractual terms and conditions, release order from customers, delivery documents in the form of email confirmation, b. tested the reconciliation of service provided from the customer which matches with the amount of invoice raised. • We assessed the Group's accounting policies relating to revenue recognition. In obtaining sufficient audit evidence over the carrying value of trade receivables and contract assets, we performed the following procedures: • We tested the ageing of contract assets and trade receivables for a sample of invoices; • We obtained direct confirmation of trade receivables and performed other alternate procedures which included testing of invoice, testing of customer purchase/release order and subsequent collection of invoices to confirm their existence for the confirmations not received • We tested billings and receipts after year-end to determine any remaining exposure at the date of the audit report on the contract assets and receivables on significant balances; • We examined the Group's assessment of recoverability basis historical payment patterns and macroeconomic information. • We tested the management computation of the allowance for credit loss.

Internally generated intangible assets (as described in Note 4 of the consolidated Ind AS financial statements)	
The Group recognizes internally generated intangible assets i.e. software and application platform. Initial recognition is based on assessing each project in relation to specific recognition criteria that needs to be met for capitalization. The assessment involves management judgment on matters such as technical feasibility, intention and ability to complete the development of such intangible asset, ability to use or sell the asset, generation of future economic benefits and the ability to measure costs reliably. Due to the materiality of the assets recognized and the level of management judgement involved being significant, initial recognition and measurement of internally generated intangible assets is a key audit matter.	Our audit procedures included the following, amongst others: • We assessed the management process and procedures related to initial recognition criteria for intangible assets, allocation of budgets, measurement of time recorded on development and establish the basis for capitalization. • We tested the amount capitalized from the underlying records and information for expenses; • We performed inquires with management regarding key assumptions used and estimates made in capitalizing development costs and assessed those assumptions and estimates. • We also considered the useful economic life attributed to the assets.
Accounting for business combination (as described in Note 40 of the consolidated Ind AS financial statements)	
For the business combinations as detailed in Note 40, the Group has used an expert for the purchase price allocations ('PPA') to determine the fair value of assets acquired. Considering, the identification and valuation of intangible assets is inherently subjective and involves significant judgements and assumptions around future cash flows and discount rates, we have considered this as a key audit matter.	Our audit procedures on PPA included the following, amongst others: • We read the business purchase agreement to obtain an understanding of the transactions and tested identification and measurement of fair value of the acquired assets and liabilities. • We evaluated the competences, capabilities and objectivity of the management's expert. • We involved valuation specialists for evaluating and testing the methodologies used by the management's expert in their valuation reports; • We also assessed the disclosures given in the consolidated Ind AS financial statements for compliance with disclosure requirements under the accounting standards.
Impairment of goodwill and other intangible assets (as described in Note 2(xi) of the consolidated Ind AS financial statements)	
The Group holds significant amounts of goodwill and intangible assets arising from business combinations and including self-generated and other intangibles, on the balance sheet. Accounting Standard ('Ind AS') 36, "Impairment of Assets requires management to test the goodwill for impairment as part of the non-current assets of (groups of) Cash Generating Unit (CGUs) to which it is allocated, both annually and if there is a trigger for testing. In view of the COVID -19 pandemic, the management has reassessed its future business plans and key assumptions as at March 31, 2020 while assessing the adequacy of impairment provision. The impairment tests were a key audit matter due to the significant judgements and assumptions made by management which are affected by uncertainties around future market or economic conditions. For the purpose of performing the recoverability assessment, management identifies the advertisement services as a single Cash Generating Unit ("CGU").	Our audit procedures on impairment test included the following, amongst others: • We assessed the key information used in determining the valuation including the weighted average cost of capital, cash flow forecasts and the implicit growth. • We assessed the Group's valuation methodology applied in determining the value in use; • We assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used after taking into consideration possible effects of COVID-19; • We assessed historical accuracy of management's budgets and forecasts by comparing them to actual performance; • We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used; • We tested the arithmetical accuracy of the models; • We also assessed the disclosures given in the consolidated Ind AS financial statements for compliance with disclosure requirements under the accounting standards.

Other Information

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

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

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

Responsibility of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of 5 subsidiaries, whose Ind AS financial statements include total assets of Rs 2,303.76 Mn as at March 31, 2020, and total revenues of Rs 1,766.37 Mn and net cash outflows of Rs 98.65 Mn for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. These subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

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

a. We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
f. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure 1" to this report;
g. In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
   i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer Note 39 to the consolidated Ind AS financial statements;
   ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
   iii. here were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2020.

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

per Yogesh Midha
Partner
Membership Number: 94941
UDIN: 20094941AAAABX9459

Place: New Delhi
Date: May 30, 2020

ANNEXURE 1

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

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

In conjunction with our audit of the consolidated financial statements of Affle (India) Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Affle (India) Limited (hereinafter referred to as the "Holding Company") which is incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company, which is company incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

per Yogesh Midha
Partner
Membership Number: 94941
UDIN: 20094941AAAABX9459

Place: New Delhi
Date: May 30, 2020

(Amount in INR million, unless otherwise stated)

CONSOLIDATED BALANCE SHEET

as at March 31, 2020

		As at	
Particulars	Notes	March 31, 2020	March 31, 2019
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	3	10.18	7.49
(b) Right of use asset	30 (a)	36.54	-
(c) Goodwill	4	1,106.73	325.29
(d) Other intangible assets	4	474.25	240.20
(e) Intangible assets under development	4	48.00	17.95
(f) Financial Assets			
(i) Investments	5	0.26	0.26
(ii) Loans	6	3.34	0.80
Total Non-current assets		**1,679.30**	**591.99**
II. Current assets			
(a) Contract asset (net)	19	198.75	131.87
(b) Financial Assets			
(i) Trade receivables	10	744.35	478.83
(ii) Cash and cash equivalent	11	695.90	206.08
(iii) Other bank balance other than (ii) above	11	568.81	98.83
(iv) Loans	6	44.05	10.77
(v) Other financial assets	7	10.40	29.03
(c) Current tax asset (net)	12	-	11.58
(d) Other current assets	9	58.70	23.68
Total Current assets		**2,320.96**	**990.67**
Total Assets (I + II)		**4,000.26**	**1,582.66**
EQUITY AND LIABILITIES			
III. EQUITY			
(a) Equity share capital	13(a)	254.96	242.88
(b) Other equity	13(b)	2,036.63	481.17
		2,291.59	724.05

(Amount in INR million, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
LIABILITIES			
IV. Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	280.60	69.17
(ii) Other non-current financial liabilities	17	117.58	-
(iii) Lease liabilities	30 (a)	20.08	-
(b) Long-term Provisions	14	12.79	15.37
(c) Deferred tax liabilities (net)	8	1.80	2.68
Total Non-current liabilities		**432.85**	**87.22**
V. Current liabilities			
(a) Contract liabilities	19	8.03	6.79
(b) Financial Liabilities			
(i) Borrowings	15	357.24	20.75
(ii) Trade payables	16		
• dues of micro enterprises and small enterprises		6.85	-
• others		743.33	517.11
(iii) Lease liabilities	30 (a)	17.09	-
(iv) Other current financial liabilities	17	70.34	198.75
(c) Short-term Provisions	14	6.59	3.48
(d) Liabilities for current tax (net)	14	17.12	-
(e) Other current liabilities	18	49.23	24.51
Total Current liabilities		**1,275.82**	**771.39**
Total Equity and Liabilities (III + IV + V)		**4,000.26**	**1,582.66**

Summary of significant accounting policies 2

As per our report of even date

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

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 30, 2020

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

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 30, 2020

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date: May 30, 2020

Kapil Mohan Bhutani
Director, Chief Financial & Operations Officer
[DIN: 00554760]
Place: Gurugram
Date: May 30, 2020

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 30, 2020

(Amount in INR million, unless otherwise stated)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2020

		For the year ended	
Particulars	Notes	March 31, 2020	March 31, 2019
I. Revenue			
Revenue from contracts with customers	19	3,337.83	2,493.97
Other income	20	60.88	3.94
Total revenue (I)		**3,398.71**	**2,497.91**
II. Expenses			
Inventory and data costs	21	1,921.40	1,341.13
Employee benefits expense	22	272.93	212.27
Finance costs	23	14.22	8.11
Depreciation and amortization expense	24	133.31	100.95
Other expenses	25	264.60	237.45
Total expenses (II)		**2,606.46**	**1,899.91**
III. Profit before tax (I-II)		**792.25**	**598.00**
IV. Tax expense:	8		
Current tax [includes INR 1.48 million for earlier year (March 31, 2019: Nil)]		138.35	102.12
Deferred tax (credit) / charge		(1.27)	7.67
Total tax expense (IV)		**137.08**	**109.79**
V. Profit for the year (III-IV)		**655.17**	**488.21**
VI. Other comprehensive income			
Items that will be reclassified to profit or loss in subsequent years Exchange differences on translating the financial statements of a foreign operation		53.57	(3.11)
		53.57	**(3.11)**
Items that will not be reclassified to profit or loss in subsequent years Re-measurement gains/ (losses) on defined benefit plans	26	1.55	(0.25)
Income tax (expense) / income		(0.39)	0.07
		1.16	**(0.18)**
Other comprehensive income / (loss) net of tax		**54.73**	**(3.29)**

(Amount in INR million, unless otherwise stated)

		For the year ended	
Particulars	Notes	March 31, 2020	March 31, 2019
VII. Total comprehensive income for the year attributable to the equity holders of the parent		**709.90**	**484.92**
VIII. Earnings per equity share:			
Equity shares of par value INR 10 each			
(1) Basic	27	26.13	20.10
(2) Diluted	27	26.13	20.10

Summary of significant accounting policies 2

As per our report of even date

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Chartered Accountants
ICAI Firm's Registration No.: 101049W/E300004

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

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 30, 2020

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 30, 2020

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date: May 30, 2020

Kapil Mohan Bhutani
Director, Chief Financial & Operations Officer
[DIN: 00554760]
Place: Gurugram
Date: May 30, 2020

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 30, 2020

(Amount in INR million, unless otherwise stated)

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2020

		For the year ended	
	Particulars	March 31, 2020	March 31, 2019
A	**Cash flow from operating activities**		
	Profit before tax	**792.25**	**598.00**
	Adjustments to reconcile profit before tax to net cash flow:		
	Depreciation and amortization expense	133.31	100.95
	Non-cash interest on lease	1.32	-
	Allowance for impairment of trade receivables and contract asset	21.52	10.56
	Liabilities written back	(9.37)	-
	Employee share based payment expense	-	(5.58)
	Loss on property, plant and equipment and intangible assets (net)	0.11	-
	Interest income	(35.57)	(3.75)
	Interest expense	8.88	6.12
	Net foreign exchange differences	60.58	(3.11)
	Advances given written off	2.32	0.08
	Operating profit before working capital changes	**975.35**	**703.27**
	Working capital adjustments :		
	(Increase)/decrease in contract asset (net)	(66.88)	(51.26)
	(Increase)/decrease in trade receivables	(290.03)	(323.28)
	(Increase)/decrease in financial assets	(12.44)	(31.49)
	(Increase)/decrease in other assets	(37.34)	(11.47)
	Increase/(decrease) in contract liabilities	1.24	3.37
	Increase/(decrease) in trade payables	238.42	245.89
	Increase/(decrease) in other financial liabilities	4.83	17.88
	Increase/(decrease) in other liabilities	24.72	6.43
	Increase/(decrease) in provisions	2.08	6.11
	Net cash generated from operations	**839.95**	**565.45**
	Direct tax paid (net of refunds)	(109.65)	(87.59)
	Net cash flow generated from operating activities (A)	**730.30**	**477.86**

(Amount in INR million, unless otherwise stated)

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
B	**Cash flow from investing activities:**		
	Purchase of property, plant & equipment, intangible assets including capital work in progress	(310.59)	(151.10)
	Investment made for the acquisition of businesses	(877.71)	(238.11)
	Profit adjustment on account of business combination (Refer Note 40)	-	(59.94)
	Proceeds from sale of property, plant and equipment and intangible assets	0.04	0.02
	Payment for right of use assets	(9.74)	-
	Investments in bank deposits (having original maturity of more than three months)	(568.81)	(55.59)
	Redemption in bank deposits (having original maturity of more than three months)	98.83	-
	Interest received on bank deposits	30.82	2.78
	Net cash flow used in investing activities (B)	**(1,637.16)**	**(501.94)**
C	**Cash flow from financing activities:**		
	Interest paid	(8.88)	(6.12)
	Proceeds from borrowings	909.77	89.92
	Repayment of borrowings	(361.85)	-
	Proceeds from Initial public offer (net of issue expenses)	857.64	-
	Net cash flow generated from financing activities (C)	**1,396.68**	**83.80**
	Net change in cash and cash equivalent (A+B+C)	**489.82**	**59.72**
	Cash and cash equivalent as at the beginning of year	206.08	146.36
	Cash and cash equivalent as at the end of year	**695.90**	**206.08**
	Components of cash and cash equivalent:		
	Balance with banks		
	-On current account	246.31	205.99
	Deposits with original maturity of less than three months	449.48	-
	Cash in hand	0.11	0.09
	Total cash and cash equivalent (Refer Note 11)	**695.90**	**206.08**

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

(Amount in INR million, unless otherwise stated)

For the year ended March 31, 2020

Particulars	March 31, 2019	Cash flow	Other non-cash adjustments	March 31, 2020
Short-term borrowings	20.75	336.49	-	357.24
Long-term borrowings	69.17	211.43	-	280.60
Total liabilities from financing activities	**89.92**	**547.92**	**-**	**637.84**

For the year ended March 31, 2019

Particulars	March 31, 2018	Cash flow	Other non-cash adjustments	March 31, 2019
Short-term borrowings	-	20.75	-	20.75
Long-term borrowings	-	69.17	-	69.17
Total liabilities from financing activities	**-**	**89.92**	**-**	**89.92**

Summary of significant accounting policies 2

As per our report of even date

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

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

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 30, 2020

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Chairman, Managing Director
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Place: Singapore
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Director
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[DIN: 00554760]
Place: Gurugram
Date: May 30, 2020

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 30, 2020

(Amount in INR million, unless otherwise stated)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2020

(a) Equity Share Capital

Particulars	Number of shares	Amount (INR)
Balance as at April 1, 2018	**24,288,314**	**242.88**
Issued during the year	-	-
Balance as at March 31, 2019	**24,288,314**	**242.88**
Balance as at April 1, 2019	**24,288,314**	**242.88**
Issued during the year	1,208,053	12.08
Balance as at March 31, 2020	**25,496,367**	**254.96**

(Amount in INR million, unless otherwise stated)

(b) Other Equity

Particulars	Retained earnings	Capital reserve	Exchange differences on translating the financial statements of a foreign operation	Securities premium	Capital contribution from Parent - Employee Share Based Payment (Refer Note 38)	Total Other Equity
As at April 01, 2018	**19.17**	**25.71**	**8.71**	**-**	**8.18**	**61.77**
Profit for the year	488.21	-	-	-	-	488.21
Other comprehensive income (Refer Note 26)	(0.18)	-	(3.11)	-	-	(3.29)
Less: Profit adjustment on account of business combination (Refer Note 40.1)	(59.94)	-	-	-	-	(59.94)
	428.09	**-**	**(3.11)**	**-**	**-**	**424.98**
Share based payments	-	-	-	-	(5.58)	(5.58)
Transferred to retained earnings	2.60	-	-	-	(2.60)	-
As at March 31, 2019	**449.86**	**25.71**	**5.60**	**-**	**-**	**481.17**
As at April 01, 2019	**449.86**	**25.71**	**5.60**	**-**	**-**	**481.17**
Profit for the year	655.17	-	-	-	-	655.17
Other comprehensive income (Refer Note 26)	1.16	-	53.57	-	-	54.73
Fresh equity issued during the year (Refer Note 45)	-	-	-	845.56	-	845.56
As at March 31, 2020	**1,106.19**	**25.71**	**59.17**	**845.56**	**-**	**2,036.63**

Summary of significant accounting policies (refer note 2)

As per our report of even date

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

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
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For and on behalf of the Board of Directors of Affle (India) Limited
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[DIN: 00554760]
Place: Gurugram
Date: May 30, 2020

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 30, 2020

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2020

1. CORPORATE INFORMATION

The consolidated financial statements comprise of financial statements of Affle (India) Limited ("the Company") and its subsidiaries (collectively, the Group) for the year ended March 31, 2020. The Company is a public limited company, domiciled in India, incorporated under the provisions of the Companies Act, 1956, and is a subsidiary of Affle Holdings Pte. Ltd. The Company was incorporated on 18 August 1994. The shares of the Company got listed on National Stock Exchange Limited and Bombay Stock Exchange Limited on August 8, 2019.

The Group is engaged in providing mobile advertisement services through information technology and software development services for mobiles. The registered office of the Group is situated at 312, B-Wing, Kanakia Wallstreet, Andheri Kurla Road, Andheri (East), Mumbai 400 093. The principal place of business is in Haryana, India.

The consolidated financial statements were authorized for issue in accordance with the resolution of directors on
May 30, 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i. Basis of preparation of financial statements

The consolidated financial statements of the Group have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention, except for certain financial assets and financial liabilities that are measured at fair value as required under relevant Ind AS.

The consolidated financial statements are presented in Indian rupees (INR) and all values are rounded to the nearest millions upto two decimals, except when otherwise stated. Amounts less than INR 1 million has been shown as "0".

The consolidated financial statements provide comparative information in respect of the previous year.

ii. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Company has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., the year ended on March 31, 2020. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the Company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

List of entities consolidated

The list of entities consolidated by the Group, which are included in the consolidated financial statements are as under:

			Percentage of ownership interest as at	
S. No.	Entity	Place of incorporation	March 31, 2020	March 31, 2019
1	Affle International Pte. Ltd.	Singapore	100%	100%
2	PT Affle Indonesia	Indonesia	100%	100%
3	Affle MEA FZ-LLC	Dubai, United Arab Emirates	100%	-
4	Mediasmart Mobile S.L.	Madrid, Spain	100%*	-
5	Mediasmart Mobile Limited	London, United Kingdom	100%	-

*Includes 94.78% shares acquired by the Group and for balance 5.22% the Group has acquired voting rights and has definite agreement for purchase of shares.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Company's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

iii. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

a. Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
b. Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
c. Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
d. Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
e. Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or other comprehensive income, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss.

Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date. Refer Note 40.

iv. Business combinations under common control

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party both before and after the business combination, and that control is not transitory.

The Group accounts for its business combination under common control using pooling of interest method of accounting as per Appendix C of Ind AS 103. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the definition for recognition are recognized at their carrying amount at the acquisition date. Transferor's reserves are preserved and are appeared in the financial statements of the transferee in the same form in which they appear in the financial statements of the transferor. Acquisition date is the beginning of the preceding period in case the common control is established prior to such date. However, if business combination had occurred after such date, the acquisition date is considered only from that date.

The consolidated financial statements incorporate the financial statements of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The consolidated income statement includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where there is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the previous balance sheet date or when they first came under common control, whichever is shorter.
Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses,

etc., incurred in relation to the common control combination that is to be accounted for by using merger accounting is recognised as an expense in the year in which it is incurred.

v. Current versus non-current classification

The Group presents assets and liabilities in the consolidated balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

vi. Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and other directly attributable cost incurred in bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. All other repair and maintenance costs are recognized in profit or loss as incurred.
Subsequent costs are capitalized on the carrying amount or recognized as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Group and cost of the item can be measured reliably.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss on the date of disposal or retirement.

vii. Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a pro-rata basis from the date on which the asset is ready to use, using written down value method ("WDV") over the useful lives of the assets estimated by the management, which are in line with the useful lives prescribed under Schedule II to the Companies Act, 2013.

The Group has used the following rates to provide depreciation on its property, plant and equipment:

Asset Category	Useful lives estimated by management
Computers	3 years
Office equipments	5 years
Furniture and fixtures	10 years
Motor vehicles	8 years

The residual value of these assets has been considered at 5% of original cost to the Group.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

viii. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Group can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight-line basis over the period of expected future benefit from the related project. Amortization is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

A summary of amortization periods applied to the Group's intangible assets is as below:

Asset Category	Useful lives estimated by management
Computer software	5 years
Software application development	4 years
Non-Compete fee	4 years
Trademark	5 years

ix. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

x. Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in the consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the period of the lease term (Refer Note 30(a)).

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in clause (xi) Impairment of non-financial assets.

ii. Lease Liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The effective interest rate for the lease liabilities of the Group ranges from 2% to 11% per annum. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in financial liabilities (Refer Note 30 (a)).

iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of rent on property and on rent of computer equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also recognizes leases with original lease term of more than 12 months from the commencement date and do not contain any non-cancellable period/ lock-in period. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

xi. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

xii. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income ("FVTOCI")
- Debt instruments, derivatives and equity instruments at fair value through profit or loss ("FVTPL")
- Equity instruments measured at fair value through other comprehensive income ("FVTOCI")

Debt instruments at amortized cost
A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most applicable to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI
A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss (P&L).

Debt instrument at FVTPL
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Equity Instruments
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value. All changes in fair value including dividend are recognized in the statement of profit and loss.

Derecognition
A financial asset is de-recognized only when
- The rights to receive cash flows from the asset have expired, or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets
Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant accounting judgements, estimates and assumptions – Refer Note 28.
- Trade receivables and contract assets – Refer Note 10 and Note 19.

In accordance with Ind AS 109, the Group applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract asset. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head other expenses in the statement of profit and loss. For the financial assets measured as at amortized cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include borrowings, trade and other payables.

Subsequent measurement
For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (borrowings):

Financial liabilities at fair value through profit or loss: Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities at amortized cost (Borrowings): This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.
This category generally applies to borrowings.

De-recognition
A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

xiii. Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.
At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management or its expert verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for significant accounting judgements, estimates and assumptions (Refer Note 28)
- Quantitative disclosures of fair value hierarchy (Refer Note 35)
- Investment in unquoted equity investments (Refer Note 5)
- Statement of fair values containing financial instruments (including those carried at amortized cost) (Refer Note 34)
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xiv. Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria discussed below must also be met before revenue is recognized:

Consumer platform

Revenue from rendering of advertisement services is recognized on accrual basis as and when services are rendered based on the terms of the contract. The Group collects taxes on behalf of governments and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue. In respect of consumer platform, the revenue is recognised as and when the advertisements are delivered by the Group.

Enterprise platform

Revenue from software development comprises income from time & material and fixed price contracts. Revenue with respect to time & material contracts is recognized when the related services are performed. Revenue from fixed price contracts is recognized in accordance with the proportionate completion method which is determined by reference to the milestone achieved as per the terms of the contract. The Group collects taxes on behalf of governments and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue. In respect of enterprise platform, the revenue is recognised over the period of time based on the projects completed by the Group.

Other Operating Revenue

Other operating revenue is derived from the allocation of salary and operational cost charged to the associated entity for the work performed. The transaction is at arm's length which is on usual commercial terms. The amount charged includes cost plus margin based on the transfer pricing study carried at the year end. The revenue is recognized on accrual basis.

Contract balances

Contract assets - A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in clause (xii) Financial instruments – initial recognition and subsequent measurement.

Trade receivables - A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in clause xii) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities- A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Interest

For all debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

xv. Foreign currencies

The Group's consolidated financial statements are presented in Indian Rupees (INR) which is also the Parent's functional currency. Each entity of the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses a quarterly average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS, are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

xvi. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expenditure in the statement of profit and loss, when an employee renders the related service.

The Group operates an unfunded defined benefit gratuity plan for its employees. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end, using the projected unit credit method and charged to statement of profit and loss. Remeasurements, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service costs are recognised in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income
-

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

xvii. Taxes

Income tax expense comprises current income tax and deferred tax.

Current income tax

Current income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities in accordance. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit and loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. The unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Minimum Alternate Tax

Minimum Alternate Tax ("MAT") credit is recognized as deferred asset only when it is probable that taxable profit will be available against which the credit can be utilized. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss account. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is no longer probable that the Group will pay normal income tax during the specified period.

xviii. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

xix. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortization recognised in accordance with the requirements for revenue recognition.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

xx. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

xxi. Share based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest.

No expense is recognized for awards that do not ultimately vest because service conditions have not been met.

xxii. Earnings per share

Basic earnings per share ("EPS") are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit or loss attributable to equity holders of the Group (after adjusting the corresponding income/charge for dilutive potential equity shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

xxiii. Segment reporting
Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM"). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

Inter-segment transfers

The Group generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general income and expense items which are not allocated to any business segment.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

xxiv. Changes in accounting policies and disclosures

New and amended standards

The Group applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments apply for the first time for the year ending March 31, 2020, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its Appendix A Operating Leases-Incentives, Appendix B Evaluating the Substance of Transactions Involving the Legal Form of a Lease and Appendix C , Determining whether an Arrangement contains a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognize most leases on the balance sheet.

The Group adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application being April 01, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at April 01, 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C to Ind AS 17 at the date of initial application.

Before the adoption of Ind AS 116, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of Ind AS 116, the Group applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which have been applied by the Group.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Based on the above, as at April 01, 2019, for all lease contracts existing on April 01, 2019 there is no impact to be adjusted with retained earnings.

The adoption of standard resulted in recognition of right-of-use asset of INR 36.54 million and lease liabilities of INR 37.17 million as on March 31, 2020 in the consolidated balance sheet. Resulting impact in the statement of profit and loss is an increase of INR 8.98 million for the year ended March 31, 2020 in depreciation for the right-of-use assets, INR 1.32 million for the year ended March 31, 2020 in finance costs on lease liabilities and a decrease in lease rent cost of INR 9.74 million for the year ended March 31, 2020.

Accounting policy till March 31, 2019: Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the consolidated statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Operating lease payments are recognised as an expense in the consolidated statement of profit and loss on a straight-line basis over the lease term.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty. The Group applies significant judgement in identifying uncertainties over income tax treatments. Since the Group operates in a complex multinational environment, it assessed whether the Appendix had an impact on its financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Group considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Group determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix did not have an impact on the financial statements of the Group.

Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortized cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of an event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

These amendments have no impact on the consolidated financial statements of the Group.

Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to determine the current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. An entity is also required to determine the net interest for the remainder of the period after the plan amendment, curtailment or settlement using the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event, and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments have no impact on the consolidated financial statements of the Group as it did not have any plan amendments, curtailments, or settlements during the period.

Amendments to Ind AS 28: Long-term interests in associates and joint ventures

The amendments clarify that an entity applies Ind AS 109 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in Ind AS 109 applies to such long-term interests.

The amendments also clarified that, in applying Ind AS 109, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying Ind AS 28 Investments in Associates and Joint Ventures.

The Group does not have any associate and joint venture therefore, the amendment does not have any impact.

Annual Improvements to Ind AS

Ind AS 103 Business Combinations

The amendments clarify that, when an entity obtains control of a business that is a joint operation, it applies the requirements for a business combination achieved in stages, including remeasuring previously held interests in the assets and liabilities of the joint operation at fair value. In doing so, the acquirer remeasures its entire previously held interest in the joint operation.

An entity applies those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after April 01, 2019.

These amendments have no impact on the consolidated financial statements of the Group as there is no transaction where joint control is obtained.

Ind AS 111 Joint Arrangements

An entity that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in Ind AS 103. The amendments clarify that the previously held interests in that joint operation are not remeasured.

An entity applies those amendments to transactions in which it obtains joint control on or after the beginning of the first annual reporting period beginning on or after April 01, 2019.

These amendments have no impact on the consolidated financial statements of the Group as there is no transaction where a joint control is obtained.

Ind AS 12 Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where it originally recognised those past transactions or events.

An entity applies the amendments for annual reporting periods beginning on or after April 01, 2019.

These amendments have no impact on the consolidated financial statements of the Group as there is no dividend distributed by the Group during the year.

Ind AS 23 Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

The entity applies the amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after April 01, 2019.

These amendments have no impact on the consolidated financial statements of the Group as there is no qualifying asset under development.

(Amount in INR million, unless otherwise stated)

3. Property, plant and equipment

Particulars	Computers	Furniture & fixtures	Office equipments	Motor Vehicles	Total
Cost					
As at April 1, 2018	**3.55**	**1.53**	**1.55**	**1.95**	**8.58**
Additions during the year	5.59	0.04	1.36	-	6.99
Disposals during the year	0.07	-	0.02	-	0.09
Foreign exchange difference	(0.01)	-	-	-	(0.01)
As at March 31, 2019	**9.06**	**1.57**	**2.89**	**1.95**	**15.47**
As at April 1, 2019	**9.06**	**1.57**	**2.89**	**1.95**	**15.47**
Additions during the year	6.07	-	0.50	0.97	7.54
Additions on account of business combination (Refer Note 40)	2.50	0.47	0.05	-	3.02
Disposals during the year	1.70	-	0.25	-	1.95
Foreign exchange difference	(0.07)	-	(0.01)		(0.08)
As at March 31, 2020	**15.86**	**2.04**	**3.18**	**2.92**	**24.00**
Accumulated Depreciation					
As at April 1, 2018	**1.68**	**0.82**	**1.07**	**0.52**	**4.09**
Depreciation for the year	2.53	0.54	0.58	0.74	4.39
Disposals during the year	0.06	-	0.01	-	0.07
Foreign exchange difference	(0.43)	-	-	-	(0.43)
As at March 31, 2019	**3.72**	**1.36**	**1.64**	**1.26**	**7.98**
As at April 1, 2019	**3.72**	**1.36**	**1.64**	**1.26**	**7.98**
Depreciation for the year	5.27	0.04	0.65	0.43	6.39
Charge on account of business combination (Refer Note 40)	1.34	0.28	0.05	-	1.67
Disposals during the year	1.58	-	0.22	-	1.80
Foreign exchange difference	(0.41)	-	(0.01)		(0.42)
As at March 31, 2020	**8.34**	**1.68**	**2.11**	**1.69**	**13.82**
Net block					
As at March 31, 2020	**7.52**	**0.36**	**1.07**	**1.23**	**10.18**
As at March 31, 2019	**5.34**	**0.21**	**1.25**	**0.69**	**7.49**

(Amount in INR million, unless otherwise stated)

4. Other intangible assets

Particulars	Computer Software	Software application development	Non-compete fees	Trademark	Total	Goodwill (Refer Note 40)	Intangible assets under development (Refer Note 41)
Cost							
As at April 1, 2018	**24.72**	**682.28**	**-**	**-**	**707.00**	**59.24**	**-**
Additions during the year	0.36	90.49	-	-	90.85	-	17.95
Capitalised during the year	-	26.53	-	-	26.53	266.05	-
Foreign exchange difference	-	33.88	-	-	33.88	-	-
As at March 31, 2019	**25.08**	**833.18**	**-**	**-**	**858.26**	**325.29**	**17.95**
As at April 1, 2019	**25.08**	**833.18**	**-**	**-**	**858.26**	**325.29**	**17.95**
Additions during the year	0.03	226.80	-	-	226.83	-	256.85
Additions on account of business combination (Refer Note 40)	-	-	-	0.06	0.06	-	-
Capitalised during the year	-	-	-	-	-	-	226.80
Acquisition during the year (Refer Note 40)	-	78.11	19.66	-	97.77	764.28	-
Foreign exchange difference	-	75.69	-	-	75.69	17.16	-
As at March 31, 2020	**25.11**	**1,213.78**	**19.66**	**0.06**	**1,258.61**	**1,106.73**	**48.00**
Accumulated amortization							
As at April 1, 2018	**23.36**	**472.73**	**-**	**-**	**496.09**	**-**	**-**
Amortization for the year	0.95	95.61	-	-	96.56	-	-
Foreign exchange difference	-	25.41	-	-	25.41	-	-
As at March 31, 2019	**24.31**	**593.75**	**-**	**-**	**618.06**	**-**	**-**
As at April 1, 2019	**24.31**	**593.75**	**-**	**-**	**618.06**	**-**	**-**
Amortization for the year	0.49	117.45	-	0.00	117.94	-	-
Charge on account of business combination (Refer Note 40)	-	-	-	0.04	0.04	-	-
Foreign exchange difference	-	48.32	-	-	48.32	-	-
As at March 31, 2020	**24.80**	**759.52**	**-**	**0.04**	**784.36**	**-**	**-**
Net block							
As at March 31, 2020	**0.31**	**454.26**	**19.66**	**0.02**	**474.25**	**1,106.73**	**48.00**
As at March 31, 2019	**0.77**	**239.43**	**-**	**-**	**240.20**	**325.29**	**17.95**

(Amount in INR million, unless otherwise stated)

Net book value	March 31, 2020	March 31, 2019
Goodwill*	1,106.73	325.29
Other intangible assets	474.25	240.20
Intangible assets under development	48.00	17.95
Total	**1,628.98**	**583.44**

*Goodwill includes amount of INR 59.24 million (March 31, 2019: INR 59.24 million) on account of business combination (Refer Note 40.2) and amount of INR 1,047.49 million (March 31, 2019: INR 266.05 million) on account of business acquisition (Refer Note 40.1).

5. Non-current investments

	As at	
Unquoted equity investments fully paid-up	March 31, 2020	March 31, 2019
Investment at fair value through profit or loss (FVTPL)		
101 (March 31, 2019: 101) preference shares with face value of INR 10 each and with premium of INR 1,972 each in Affle X Private Limited (formerly known as "OOO Marketplaces Private Limited")	0.20	0.20
50 (March 31, 2019: 50) equity shares with face value of INR 10 each and with premium of INR 1,219 each in Affle X Private Limited (formerly known as "OOO Marketplaces Private Limited")	0.06	0.06
Total	**0.26**	**0.26**
Aggregate value of unquoted investments	0.26	0.26
Aggregate amount of impairment in the value of investments	-	-

6. Loans

	Non-current		Current	
	As at		As at	
Particulars	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
At amortised cost				
Unsecured, considered good unless otherwise stated				
Security deposits	3.34	0.07	31.69	8.92
Loans to employees	-	0.73	12.36	1.85
Total	**3.34**	**0.80**	**44.05**	**10.77**

Note:
1. During the year ended March 31, 2020 & March 31, 2019, there were no balances of loan to employees with a significant increase in credit risk or credit impairment.
2. There are no loans and advances to Directors / Promoters / Promoter group companies / Relatives of Promoters / Relatives of Directors.
3. List of persons /entities classified as 'Promoters' and 'Promoter group companies' has been determined by the management and relied upon by the auditors. The auditors have not performed any procedure to determine whether the list is accurate and complete.
4. Security deposits primarily include deposits given towards rented premises and other miscellaneous deposits. It represents fair value of amount paid to landlord for the leases premises. As on March 31, 2020, remaining tenure for security deposits ranges from one to nine years.

(Amount in INR million, unless otherwise stated)

7. Other financial assets

	Current	
	As at	
	March 31, 2020	March 31, 2019
At amortised cost		
Unsecured, considered good unless otherwise stated		
Interest accrued but not due on deposit	5.33	0.71
Others*	5.07	28.32
Total	**10.40**	**29.03**

* includes amount of INR 0.06 million (March 31, 2019: INR 2.70 million) due from related parties (Refer Note 32)

8. Income tax

The major component of income tax expense for the year ended March 31, 2020 and March 31, 2019 are as follows:

(i) Profit or loss section

	For the year ended	
	March 31, 2020	March 31, 2019
Current income tax:		
Income tax charge [includes INR 1.48 million for earlier year (March 31, 2019: Nil)]	138.35	102.12
Deferred tax:		
Relating to origination and reversal of temporary differences	(1.27)	7.67
Income tax expense reported in the statement of profit and loss	**137.08**	**109.79**

(ii) Other Comprehensive Income (OCI) section:

Deferred tax relating to items recognised in OCI during in the year:

	For the year ended	
	March 31, 2020	March 31, 2019
Net (loss) / gain on measurement of defined benefit plans	(0.39)	0.07
Total	**(0.39)**	**0.07**

(Amount in INR million, unless otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2019 and 31 March 2020:

	For the year ended	
	March 31, 2020	March 31, 2019
Accounting profit before income tax	**792.25**	**598.00**
At India's statutory income tax rate of 25.17% (March 31, 2019: 29.12%)	199.41	174.14
Share based payment	-	(1.62)
Non-deductible / taxable expenses for tax purposes	(9.23)	(18.82)
Effect of lower tax rate in case of foreign subsidiaries	(50.40)	(42.76)
Income tax expense relating to earlier year	1.48	-
Tax effect on partial tax exemption and tax relief	(1.87)	(1.89)
Effect of change in tax rate	(2.31)	0.74
At the effective income tax rate of 17.30% (March 31, 2019: 18.36%)	**137.08**	**109.79**
Income tax expense reported in the statement of profit and loss	**137.08**	**109.79**

Deferred tax:

Deferred tax relates to the following:

	As at	
	March 31, 2020	March 31, 2019
Property, plant and equipment and intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	7.58	5.25
Impact of fair valuation of financial instruments	-	0.03
Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	4.46	4.85
Allowance for impairment of trade receivables and contract asset	5.55	4.45
Impact of right of use assets and lease liability	0.26	-
Tax deductible goodwill	(19.65)	(17.26)
Deferred tax liability (net)	**(1.80)**	**(2.68)**

Reconciliation of deferred tax liability (net)

	As at	
	March 31, 2020	March 31, 2019
Opening balance as of 1 April	**(2.68)**	**4.92**
Tax income / (expense) during the year recognised in profit or loss	1.27	(7.67)
Tax income / (expense) during the year recognised in OCI	(0.39)	0.07
Closing balance as at 31 March	**(1.80)**	**(2.68)**

(Amount in INR million, unless otherwise stated)

Reconciliation of deferred tax (income)/expenses recognised in the statement of profit and loss

	For the year ended	
	March 31, 2020	March 31, 2019
Property, plant and equipment and intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	(2.32)	(2.85)
Impact of fair valuation of financial instruments	0.02	(0.02)
Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	-	(0.50)
Allowance for impairment of trade receivables and contract asset	(1.10)	5.64
Impact of right of use assets and lease liability	(0.25)	-
Tax deductible goodwill	2.38	5.40
Deferred tax (income)/expense on profit for the year	**(1.27)**	**7.67**

	For the year ended	
	March 31, 2020	March 31, 2019
Re-measurement gains/(losses) on defined benefit plans	(0.39)	0.07
Deferred tax related to other comprehensive income of the year	**(0.39)**	**0.07**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relates to income taxes levied by the same tax authority.

In assessing the realisability of deferred tax assets, management considers whether it is probable, that some portion, or all, of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the years in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the years in which the deferred tax assets are deductible, management believes that it is probable that the Group will be able to realise the benefits of those deductible differences in future.

9. Other current assets

	As at	
	March 31, 2020	March 31, 2019
Unsecured, considered good		
Prepayments	15.56	3.95
Deferred lease expense on security deposits paid	(0.12)	0.03
Balance with statutory/government authorities	35.73	13.74
Advances other than capital advances	7.53	5.96
Total	**58.70**	**23.68**

(Amount in INR million, unless otherwise stated)

10. Trade receivables

	As at	
	March 31, 2020	March 31, 2019
Unsecured, considered good		
Trade receivables from related parties (Refer Note 32)	0.22	10.41
Trade receivables from other than related parties	744.13	468.42
	744.35	**478.83**
Unsecured, considered doubtful		
Trade receivables from other than related parties	68.46	35.95
	68.46	**35.95**
Allowance for impairment of trade receivables	(68.46)	(35.95)
Total	**744.35**	**478.83**

Break-up for security details:

	As at	
Trade receivable	March 31, 2020	March 31, 2019
Unsecured, considered good	744.35	478.83
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	68.46	35.95
	812.81	**514.78**
Allowance of impairment		
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	(68.46)	(35.95)
Total trade receivables	**744.35**	**478.83**

The movement in allowance for impairment of trade receivables is as follows:

	For the year ended	
	March 31, 2020	March 31, 2019
Opening balance	35.95	25.30
Additions	21.52	10.65
Acquired during business combination (Refer Note 40)	23.63	-
Bad debts written off (net of recovery)	(12.64)	-
Closing balance	**68.46**	**35.95**

Note:

1. Trade receivables are non-interest bearing and are generally on credit terms of 30 to 90 days. For terms and conditions relating to related party receivables, refer Note 32.
2. Following are the amounts due from Directors/Promoters/Promoter group companies/Relatives of Promoters/Relatives of Directors (Refer Note 32):

	As at	
	March 31, 2020	March 31, 2019
Affle Global Pte. Ltd., Singapore	0.22	10.41
	0.22	**10.41**

3. List of persons /entities classified as 'Promoters' and 'Promoter group companies' has been determined by the management and relied upon by the auditors. The auditors have not performed any procedure to determine whether the list is accurate and complete.
4. During the year ended March 31, 2020 & March 31, 2019; there were no balances of trade receivables with a significant increase in credit risk or credit impairment.

(Amount in INR million, unless otherwise stated)

11. Cash and bank balances

(i) Cash and cash equivalents

	As at	
	March 31, 2020	March 31, 2019
Balances with banks:		
On current accounts *	246.31	205.99
Deposits with original maturity of less than three months	449.48	-
Cash in hand	0.11	0.09
Total	**695.90**	**206.08**

Note: *The cash credit facility included in balances with banks on current accounts amounting to INR 104.77 million (March 31, 2019: INR 43.28 million) is secured by hypothecation of trade receivable (first and exclusive charge), 10% fixed deposit margin and corporate guarantee from parent entity M/s Affle Holdings Pte Limited.

Note: There are no non-cash items in investing and financing activities.

(ii) Other bank balances

Deposits with original maturity of more than three months but less than twelve months	568.81	98.83
Total	**568.81**	**98.83**

For the purpose of the statement of cash flow, cash and cash equivalent comprise the following:

	As at	
	March 31, 2020	March 31, 2019
Balances with banks:		
On current accounts	246.31	205.99
Deposits with original maturity of less than three months	449.48	-
Cash in hand	0.11	0.09
Total	**695.90**	**206.08**

12. Current tax assets (net)

	As at	
	March 31, 2020	March 31, 2019
Advance tax [net of provision for tax amounting to Nil (March 31, 2019: INR 134.31 million)]	-	11.58
Total	**-**	**11.58**

(Amount in INR million, unless otherwise stated)

13(a). Share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised share capital		
30,000,000 (March 31, 2019: 30,000,000) equity shares of INR 10 each	300.00	300.00
Issued share capital		
25,496,367 (March 31, 2019: 24,288,314) equity shares of INR 10 each fully paid up	254.96	242.88
	254.96	**242.88**
Subscribed and fully paid-up share capital		
25,496,367 (March 31, 2019: 24,288,314) equity shares of INR 10 each fully paid up	254.96	242.88
	254.96	**242.88**

A. Reconciliation of the number of equity shares outstanding at the beginning and end of the year:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Opening balance as on April 1	24,288,314	242.88	24,288,314	242.88
Shares issued during the year (Refer Note 45)	1,208,053	12.08	-	-
Shares bought back during the year	-	-	-	-
Closing Balance as on March 31	**25,496,367**	**254.96**	**24,288,314**	**242.88**

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of INR10 per share. The holders of equity shares are entitled to receive dividends and are entitled to one vote per share. In the event of liquidation, equity shareholders will be entitled to receive assets of the Company in proportion to the number of shares held to the total equity shares outstanding as on that date.

C. Shares held by holding company and/or their subsidiaries

Out of the equity shares issued by the Company, shares held by its Holding Company and its subsidiaries are as below:

Particulars	As at March 31, 2020	As at March 31, 2019
Affle Holdings Pte. Ltd., Singapore, ultimate holding Company		
13,415,919 (March 31, 2019: 18,368,939) equity shares of INR 10 each fully paid up	134.16	183.69
Affle Global Pte. Ltd. (earlier known as Affle Appstudioz Pte. Ltd.) , Singapore, subsidiary of Affle Holdings Pte. Ltd.		
4,017,911 (March 31, 2019: 4,017,911) equity shares of INR 10 each fully paid up	40.18	40.18

(Amount in INR million, unless otherwise stated)

D. Details of shareholders holdings more than 5% shares (Refer Note 45)

Particulars	As at			
	March 31, 2020		March 31, 2019	
	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
Equity shares of INR 10 each fully paid				
Affle Holdings Pte. Ltd., Singapore	13,415,919	52.62%	18,368,939	75.63%
Affle Global Pte. Ltd., Singapore	4,017,911	15.76%	4,017,911	16.54%
Malabar India Fund Limited, Mauritius	1,616,214	6.34%	1,616,214	6.65%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date is Nil.

13(b). Other equity

	As at	
	March 31, 2020	March 31, 2019
Retained earnings	1,106.19	449.86
Capital reverve	25.71	25.71
Exchange differences on translating the financial statements of a foreign operation	59.17	5.60
Securities premium	845.56	-
Capital contribution from parent - employee share based payment	-	-
Total	**2,036.63**	**481.17**

(i) Retained earnings

	As at	
	March 31, 2020	March 31, 2019
Opening balance	449.86	19.17
Profit for the year	655.17	488.21
Other comprehensive income	1.16	(0.18)
Less: Profit adjustment on account of business combination	-	(59.94)
Transferred from capital contribution from parent-employee share based payment	-	2.60
Closing balance	**1,106.19**	**449.86**

(ii) Capital reserve

	As at	
	March 31, 2020	March 31, 2019
Opening balance	25.71	25.71
Additions for the year	-	-
Closing balance	**25.71**	**25.71**

(Amount in INR million, unless otherwise stated)

(iii) Exchange differences on translating the financial statements of a foreign operation

	As at	
	March 31, 2020	March 31, 2019
Opening balance	5.60	8.71
Other comprehensive income	53.57	(3.11)
Closing balance	**59.17**	**5.60**

(iv) Securities premium

	As at	
	March 31, 2020	March 31, 2019
Opening balance	-	-
Fresh equity issued during the year (refer note 45)	845.56	-
Closing balance	**845.56**	**-**

(v) Capital contribution from parent - employee share based payment

	As at	
	March 31, 2020	March 31, 2019
Opening balance	-	8.18
Share based payments	-	(5.58)
Transferred to retained earnings	-	(2.60)
Closing balance	**-**	**-**

Nature and purpose of other equity

Retained earnings
Retained earnings represent the undistributed profits of the Group.

Capital reserve
The Group recognizes profit or loss on purchase, sale, issue or cancellation of the group's own equity instruments to capital reserve.

Exchange differences on translating the financial statements of a foreign operation
Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Securities premium
Securities premium represents the amount received in excess of par value of equity shares. Section 52 of Companies Act, 2013 specifies restriction and utilisation of security premium.

Capital contribution from parent - employee share based payment
Capital contribution from parent represents the share based payment arrangement with employees of the Company by Affle Holdings Pte. Ltd., Singapore. It is the cost of equity settled transactions determined by the fair value at the date when the grant is made using an appropriate valuation model.

(Amount in INR million, unless otherwise stated)

14. Provisions

Particulars	Non-current As at March 31, 2020	Non-current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Provision for employee benefits				
Provision for gratuity * (Refer Note 29)	9.46	11.77	3.49	0.88
Provision for leave benefits	3.33	3.60	3.03	2.50
Total (A)	**12.79**	**15.37**	**6.52**	**3.38**
Other provisions				
Provision for contingency (Refer Note 42)	-	-	0.07	0.10
Provision for income tax [net of advance tax amounting to INR 233.63 million (March 31, 2019: Nil)]	-	-	17.12	-
Total (B)	**-**	**-**	**17.19**	**0.10**
Total (A+ B)	**12.79**	**15.37**	**23.71**	**3.48**

Note: *Due to non-applicability of gratuity to the employees of subsidiary companies, the balance pertains to the Company only.

Movement in provision for contingency

	For the year ended March 31, 2020	For the year ended March 31, 2019
At the beginning of the year	0.10	0.15
Write off/utilized during the year	(0.03)	(0.05)
At the end of the year	**0.07**	**0.10**

15. Borrowings

Particulars	Non-current As at March 31, 2020	Non-current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Unsecured				
Term loan from related parties (Refer Note 32)	241.23	69.17	278.93	20.75
Term loan from financial institutions	11.73	-	50.36	-
Term loan from non-financial institutions	27.64	-	27.95	-
Total	**280.60**	**69.17**	**357.24**	**20.75**

Details of borrowings i.e. interest rate, currency and terms of repayments of borrowings:

Particulars	Currency	Effective interest rate	Terms of repayment
From related parties			
Loan from Affle Holdings Pte. Ltd. vide loan agreement dated February 28, 2020	USD	2.00%	The outstanding amount of loan is payable in 18 equal monthly installments starting from August 31, 2020 along with applicable interest.
Loan from Affle Holdings Pte. Ltd. vide loan agreement dated March 26, 2020	USD	2.00%	The outstanding amount of loan is payable in 14 equal monthly installments starting from August 31, 2020 along with applicable interest.
Loan from Affle Global Pte. Ltd. vide loan agreement dated July 25, 2019	USD	3.00%	The outstanding amount of loan is payable in 3 equal monthly installments starting from May 31, 2020 along with applicable interest.
From financial institutions			
Loan from BBVA vide approval dated March 8, 2018	Euro	3.35%	The outstanding amount of loan is payable in 4 equal quarterly installments along with applicable interest.
Loan from Bankinter vide approval in 2018	Euro	2.75%	The outstanding amount of loan is payable in 26 equal monthly installments along with applicable interest.
Loan from Sabadell vide approval April 3, 2019.	Euro	1.75%	The outstanding amount of loan is payable in 5 equal quarterly installments along with applicable interest.
Cash credit facility from BBVA vide approval dated March 8, 2018	Euro	Euribor 3M+ 300 bp	Interest is payable on monthly basis.
Click and pay facility from BBVA	Euro	1.25%	The outstanding amount of loan is payable in 3 equal monthly installments along with applicable interest.
From non-financial institutions			
Ministry of Energy, Industry and Tourism (Avanza program) dated September 9, 2014	Euro	0.51%	The outstanding amount of loan is payable in 12 equal monthly installments along with applicable interest.
Ministry of Energy, Industry and Tourism (Emprendetur I+D+i program) dated September 30, 2016.	Euro	0.57%	The outstanding amount of loan is payable in September 2021 along with applicable interest.
Technological and Industrial Development Center dated July 2019	Euro	0.00%	The disbursement of the entire loan has not yet happened. The outstanding amount is repayable in June 2030.
Billfront vide approval dated July 8, 2017	Euro	2.50%	This is a bill discounting facility payable in 30-45 days along with applicable interest.

Notes:

1. Following are the unsecured loans due to Directors/Promoters/Promoter group companies/Relatives of Promoters/Relatives of Directors (Refer Note 32):

(Amount in INR million, unless otherwise stated)

	Non-current		Current	
	As at		As at	
Particulars	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Affle Holdings Pte. Ltd., Singapore	241.23	69.17	233.70	20.75
Affle Global Pte. Ltd., Singapore	-	-	45.23	-
	241.23	**69.17**	**278.93**	**20.75**

2. List of persons/ entities classified as 'Promoters' and 'Promoter group companies' has been determined by the Management and relied upon by the auditors. The auditors have not performed any procedures to determine whether the list is accurate and complete.
3. There are no financial covenants in respect of the borrowings mentioned above.

16. Trade payables

	As at	
	March 31, 2020	March 31, 2019
Trade payables:		
- total outstanding dues of micro enterprises and small enterprises (Refer Note 39)	6.85	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	743.33	517.11
Total	**750.18**	**517.11**

Terms and conditions of the above trade payables:

- Trade payables are non-interest bearing and are normally settled on 30-90 days term.
- For terms and conditions with related parties, refer note 32

Notes:

1. Following are the amounts due to Directors/Promoters/Promoter group companies/Relatives of Promoters/Relatives of Directors (Refer Note 32):

	As at	
	March 31, 2020	March 31, 2019
Affle X Private Limited (formerly known as "OOO Marketplaces Private Limited")	28.74	-
	28.74	

2. List of persons /entities classified as 'Promoters' and 'Promoter group companies' has been determined by the management and relied upon by the auditors. The auditors have not performed any procedure to determine whether the list is accurate and complete.

(Amount in INR million, unless otherwise stated)

17. Other financial liabilities

	Non-current		Current	
	As at		As at	
Particulars	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
At amortised cost				
Salary payable	-	-	51.69	46.86
Others				
- Amount due to related party against business transfer (Refer Note 40)	-	-	-	33.57
- Amount due to others against business acquisition (Refer Note 40)	117.58	-	18.65	118.32
Total	**117.58**	**-**	**70.34**	**198.75**

Terms and conditions of the above current financial liabilities:

- Other current financial liabilities are non-interest bearing and are normally settled on 30-90 days term.
- For terms and conditions with related parties, refer note 32

Notes:

1. Following are the amounts due to Directors/Promoters/Promoter group companies/Relatives of Promoters/ Relatives of Directors (Refer Note 32):

	Non-current		Current	
	As at		As at	
Particulars	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Affle Global Pte. Ltd., Singapore	-	-	-	33.57
	-	**-**	**-**	**33.57**

2. List of persons /entities classified as 'Promoters' and 'Promoter group companies' has been determined by the management and relied upon by the auditors. The auditors have not performed any procedure to determine whether the list is accurate and complete.

18. Other current liabilities

	As at	
	March 31, 2020	March 31, 2019
Statutory dues payable	49.23	24.51
Total	**49.23**	**24.51**

(Amount in INR million, unless otherwise stated)

19. Revenue from contracts with customers

(a) Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	For the year ended	
	March 31, 2020	March 31, 2019
Type of service		
Consumer platform	3,245.57	2,419.43
Enterprise platform	92.26	74.53
Other operating revenue	-	0.01
Total revenue from contracts with customers	**3,337.83**	**2,493.97**

	For the year ended	
	March 31, 2020	March 31, 2019
Geographical markets		
India	1,576.23	1,088.55
Outside India	1,761.60	1,405.42
Total revenue from contracts with customers	**3,337.83**	**2,493.97**

	For the year ended	
	March 31, 2020	March 31, 2019
Timing of revenue recognition		
Services transferred at a point in time	3,245.57	2,419.44
Services transferred over time	92.26	74.53
Total revenue from contracts with customers	**3,337.83**	**2,493.97**

(b) Contract balances

	As at	
	March 31, 2020	March 31, 2019
Trade receivables (Refer Note 10)	744.35	478.83

Contract assets (net)

A contract asset is the right to consideration that is conditional upon factors other than the passage of time. Contract assets are recognised where there is excess of revenue over billings. Revenue recognised but not billed to customer is classified as unbilled revenue (contract assets) in our balance sheet.

Changes in contract assets (net) are as follows:

	As at	
	March 31, 2020	March 31, 2019
Balance at the beginning of the year [net of allowance for impairment amounting to INR 2.39 million (April 1, 2018: INR 3.70 million)]	131.87	79.13
Revenue recognized during the year	3,337.83	2,493.97
Invoices raised during the year	3,270.95	2,441.23
Balance at the end of the year [net of allowance for impairment amounting to INR 2.39 million (March 31, 2019: INR 2.39 million)]	**198.75**	**131.87**

(Amount in INR million, unless otherwise stated)

Contract liability

	As at	
	March 31, 2020	March 31, 2019
Advance from customers	7.76	6.40
Deferred revenue	0.27	0.39
	8.03	**6.79**

Changes in advance from customers are as follows:

	As at	
	March 31, 2020	March 31, 2019
Balance at the beginning of the year	6.40	3.42
Advance received during the year	19.12	9.55
Advance adjusted against invoices during the year	17.57	6.57
Advance written back	0.19	-
Balance at the end of the year	**7.76**	**6.40**

Changes in deferred revenue are as follows:

	As at	
	March 31, 2020	March 31, 2019
Balance at the beginning of the year	0.39	-
Added during the year	0.27	1.10
Invoiced during the year	0.39	0.71
Balance at the end of the year	**0.27**	**0.39**

(c) Performance obligations

Information about the Group's performance obligations are summarised below:

Consumer platform
The performance obligation is satisfied at a point in time and payment is generally due within 30 to 90 days of completion of services and acceptance of the customer. In some contracts, short-term advances are required before the advertisement services are provided.

Enterprise platform
The performance obligation is satisfied over time and payment is generally due within 30 to 90 days of completion of services and acceptance of the customer. In some contracts, short-term advances are required before the advertisement services are provided.

As the duration of the contracts for consumer and enterprise platform is less than one year, the Group has opted for practical expedient and decided not to disclose the amount of the remaining performance obligations.

Other operating revenue
The performance obligation is satisfied at a point in time and payment is generally due within 60 to 180 days of completion of services and acceptance of the customer.

Notes: Due to the adoption of Ind AS 115 in the previous year, there is no impact on the revenue recognised by the Group. Hence, the reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price is not required.

(Amount in INR million, unless otherwise stated)

20. Other income

	For the year ended	
	March 31, 2020	March 31, 2019
Recurring other income:		
Interest income on financial assets measured at amortised cost:		
Bank deposits	35.44	3.33
Security deposits	0.13	0.42
Income tax refund	2.62	-
Bad debts recovered	-	0.01
Non-recurring other income:		
Liabilities written back	9.37	-
Miscellaneous income [Refer Note 40.1(ii)(b)]	13.32	0.18
Total	**60.88**	**3.94**

Notes: The classification of other income as recurring / non-recurring, to business entity is based on the current operations and business activity of the group as determined by the management.

21. Inventory and data costs

	For the year ended	
	March 31, 2020	March 31, 2019
Inventory cost	1,703.44	1,236.66
Platform cost	72.64	65.55
Cloud hosting charges	193.44	50.03
	1,969.52	**1,352.24**
Less: Cost capitalised as intangible assets or intangible assets under development (Refer Note 41)	(48.12)	(11.11)
Total	**1,921.40**	**1,341.13**

22. Employee benefits expense

	For the year ended	
	March 31, 2020	March 31, 2019
Salaries, wages and bonus	451.89	248.19
Contribution to provident and other funds	15.22	9.09
Gratuity expense (Refer Note 29)	3.21	3.43
Employee share based payment expense (Refer Note 38)	-	(5.58)
Staff welfare expenses	6.95	7.20
	477.27	**262.33**
Less: Cost capitalised as intangible assets or intangible assets under development (Refer Note 41)	(204.34)	(50.06)
Total	**272.93**	**212.27**

(Amount in INR million, unless otherwise stated)

23. Finance costs

	For the year ended	
	March 31, 2020	March 31, 2019
Interest on borrowings	8.56	4.86
Interest on lease liabilities	1.32	-
Interest on income tax	0.07	1.26
Bank charges	3.94	1.95
Others	0.33	0.04
Total	**14.22**	**8.11**

24. Depreciation and amortization expense

	For the year ended	
	March 31, 2020	March 31, 2019
Depreciation of property, plant and equipments (Refer Note 3)	6.39	4.39
Amortization of intangible assets (Refer Note 4)	117.94	96.56
Depreciation on right-of-use assets (Refer Note 30 (a))	8.98	-
Total	**133.31**	**100.95**

(Amount in INR million, unless otherwise stated)

25. Other expenses

		For the year ended	
		March 31, 2020	March 31, 2019
Power and fuel		0.64	0.64
Rent		20.34	22.59
Rates and taxes		12.04	0.55
Insurance		3.63	2.30
Repair and maintenance - Others		7.00	7.17
Legal and professional fees (including payment to statutory auditor, refer detail below)*		88.37	29.19
Travelling and conveyance		20.77	18.82
Communication costs		2.69	2.26
Printing and stationery		0.70	0.84
Recruitment expenses		4.01	0.49
Business promotion		39.34	110.77
Bad debts written off	14.30		
Less: Utilisation from provision for doubtful debts	(14.30)	-	-
Impairment allowance of trade receivables and contract asset		21.52	10.56
Advances given written off		-	0.08
Loss on disposal of property, plants and equipment and intangible assets (net)		0.11	-
Exchange differences (net)		8.69	8.10
Software license fee		4.92	1.81
Project development expenses		8.23	9.14
Directors sitting fee		6.64	7.40
Corporate social responsibility expenses**		2.56	-
Miscellaneous expenses		16.79	8.62
		268.99	**241.33**
Less: Cost capitalised as intangible assets or intangible assets under development (Refer Note 41)		(4.39)	(3.88)
Total		**264.60**	**237.45**

	For the year ended	
	March 31, 2020	March 31, 2019
*Payment to statutory auditor:		
As auditors:		
Audit fee	13.19	6.09
In other capacity		
Advisory and certification services	0.15	1.18
Reimbursement of expenses	0.22	0.04
Total	**13.56**	**7.31**

Note:

1. The audit fee pertaining to the quarter ended June 30, 2018 and period ended October 31, 2018 has been treated as Initial Public Offer (IPO) expenses and accordingly have been clubbed under the heading 'other financial assets'.

(Amount in INR million, unless otherwise stated)

**Details of corporate social responsibility expenses

	For the year ended	
	March 31, 2020	March 31, 2019
a) Gross amount required to be spent during the year	2.56	0.77

	In Cash	Yet to be paid in cash	Total
b) Amount spent during the year ending on March 31, 2020:			
(i) Construction/ acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	2.25	0.31	2.56
c) Amount spent during the year ending on March 31, 2019:			
(i) Construction/ acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	0.81	-	0.81

26. Other comprehensive income

The disaggregation of changes to other comprehensive income by each type of reserve in equity is shown below:

	For the year ended	
	March 31, 2020	March 31, 2019
Exchange differences on translating the financial statements of a foreign operation	53.57	(3.11)
Re-measurement gains/ (losses) on defined benefit plans	1.55	(0.25)
Income tax (expense) / income	(0.39)	0.07
Total	**54.73**	**(3.29)**

27. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

(Amount in INR million, unless otherwise stated)

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended	
	March 31, 2020	March 31, 2019
Profit attributable to equity holders of the parent for basic earnings	655.17	488.21
Effect of dilution	-	-
Profit attributable to equity holders of the parent for the effect of dilution	**655.17**	**488.21**
Weighted average number of equity shares used for computing basic earning per share (in million)	25.07	24.29
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution*	25.07	24.29
Basic EPS attributable to the equity holders of the parent (absolute value in INR)	26.13	20.10
Diluted EPS attributable to the equity holders of the parent (absolute value in INR)	26.13	20.10

Note: *The weighted average number of equity shares takes into account the weighted average effect of equity shares issued during the year.

28. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the Grouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:
- Capital management, Refer Note 37
- Financial risk management objectives and policies, Refer Note 36
- Sensitivity analysis, Refer Note 29, Note 36 and Note 40

Judgements

In the process of applying the Group's accounting policies, management has not made any significant judgement, which have the most significant effect on the amounts recognised in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash flow ("DCF") model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group has not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group. Refer Note 40 for further disclosures.

(b) Provision for expected credit losses of trade receivables and contract assets
Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience adjusted for forward-looking estimates. Individual trade receivables are written off when management deems them not to be collectible. For details of allowance of doubtful debts please refer Note 10.

(c) Taxes
Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised based on the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 8 for further disclosures.

(d) Defined benefit plans (Gratuity benefits)
The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

"The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation."

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India. Further details about gratuity obligations are given in Note 29.

(e) Intangible assets under development
The Group capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. At 31 March 2020, the carrying amount of capitalised intangible asset under development was INR 48 million (March 31, 2019: INR 17.95 million).

This amount includes significant investment in the development of an innovative fire prevention system. Prior to being marketed, it will need to obtain a safety certificate issued by the relevant regulatory authorities. The innovative nature of the product gives rise to some uncertainty as to whether the certificate will be obtained.

(f) Revenue from contracts with customers
The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- **Determining the timing of satisfaction of services**
  i. **Consumer Platform**
  The Group concluded that revenue for consumer platform services is to be recognised at a point in time because the customer simultaneously receives and consumes the benefits provided by the Group.

ii. Enterprise Platform

The Group concluded that revenue for enterprise platform services is to be recognised over time because the Group's performance does not create an asset with alternative use and the Group has a right to payment for performance completed to date.

The Group determined that the input method is the best method in measuring progress of both the services because there is a direct relationship between the Group's effort and the transfer of service to the customer.

iii. Other operating revenue

The Group concluded that the other operating revenue is to be recognised at a point in time because the customer simultaneously receives and consumes the benefits provided by the Group.

(g) Leases- estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available.

29. Employee benefits

A. Defined contribution plans

Provident fund: The Group makes contribution towards employees' provident fund. The Group has recognised INR 15.22 million (March 31, 2019: INR 9.09 million) as an expense towards contribution to this plan.

B. Defined benefit plans

Gratuity: The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognised immediately in the Other Comprehensive Income (OCI).

This is a unfunded benefit plan for qualifying employees. The scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

The following tables summarise the components of net benefit expense recognised in the consolidated statement of profit or loss and other comprehensive income and amounts recognised in the balance sheet for the gratuity plan:

(Amount in INR million, unless otherwise stated)

Changes in the present value of the defined benefit obligation are, as follows:

	For the year ended	
Particulars	March 31, 2020	March 31, 2019
Balance as at the beginning of the year	12.65	9.45
Current service cost	2.24	2.72
Interest cost	0.97	0.71
Benefits paid	(1.36)	(0.47)
Re-measurement (gain) / loss on obligation	(1.55)	0.24
Balance as at the end of the year	**12.95**	**12.65**

Amount recognised in the consolidated statement of profit and loss:

	For the year ended	
Particulars	March 31, 2020	March 31, 2019
Current service cost	2.24	2.72
Interest cost	0.97	0.71
Net expense recognised in the consolidated statement of profit and loss	**3.21**	**3.43**

Amount recognised in the consolidated other comprehensive income:

	For the year ended	
Particulars	March 31, 2020	March 31, 2019
Re-measurement (gain) / loss on arising in demographic assumptions	(2.35)	-
Re-measurement (gain) / loss on arising in financial assumptions	(3.19)	(0.20)
Re-measurement (gain) / loss on arising from experience adjustment	3.99	0.44
Net expense recognised in the consolidated other comprehensive income	**(1.55)**	**0.24**

The principal actuarial assumptions used in determining gratuity liability for the Group's plan is shown below:

	For the year ended	
Particulars	March 31, 2020	March 31, 2019
Discount rate	6.76%	7.65%
Future salary increase	5.00%	8.00%
Withdrawal rate (per annum)		
- Up to 30 years	33.00%	20.00%
- From 31 years to 44 years	33.00%	10.00%
- From 44 years to 58 years	33.00%	0.00%
Retirement age (years)	58	58
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2006 - 08)

The discount rate is based on the prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligations. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(Amount in INR million, unless otherwise stated)

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Present Value of Obligation at the end of the year	12.95	12.65
Impact of the change in discount rate		
Impact due to increase of 0.50 %	(0.17)	(0.67)
Impact due to decrease of 0.50 %	0.17	0.73
Impact of the change in salary rate		
Impact due to increase of 0.50 %	0.17	0.73
Impact due to decrease of 0.50 %	(0.17)	(0.67)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on define benefit obligation as a result of reasonable changes in key assumptions occurring at the end of reporting year. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Within the next 12 months (next annual reporting period)	3.49	0.88
Between 1 and 5 years	7.10	3.36
Between 5 and 10 years	2.36	8.41
Total expected payments	**12.95**	**12.65**

The average duration of the defined benefit plan obligation at the end of the reporting year is 2.46 years (March 31, 2019: 8.48 years).

Amount for the current and previous four years are as follows :

Gratuity	For the year ended March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Defined benefit obligation	12.95	12.65	9.45	7.48	9.89
Experience adjustments on liabilities (gain)/ loss	3.98	0.45	0.12	(4.53)	(2.40)

30. Commitments and contingent liability

a. Leases

Group as lessee

The Group has taken office premises on lease. The lease has been entered for a period ranging from one to nine years with renewal option. The Group has the option, under some of its lease, to renew the lease for an additional years on a mutual consent basis.

The effective interest rate for the lease liabilities of the Group ranges from 2% to 11% per annum.

(Amount in INR million, unless otherwise stated)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	March 31, 2020	March 31, 2019
As at April 01, 2019	-	-
Addition during the year	45.59	-
Depreciation expense	8.98	-
Foreign exchange gain / (loss)	(0.07)	-
As at March 31, 2020	**36.54**	-

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	March 31, 2020	March 31, 2019
As at April 01, 2019	-	-
Addition during the year	45.59	-
Accretion of interest	1.32	-
Payments during the year	9.74	
As at March 31, 2020	**37.17**	-
Current	**17.09**	-
Non-current	**20.08**	-

The following are the amounts recognised in consolidated statement of profit or loss:

Particulars	March 31, 2020	March 31, 2019
Depreciation expense of right-of-use assets	8.98	-
Interest expense on lease liabilities	1.32	-
Expenses relating to short term leases (included in other expenses)	12.43	-
Expenses relating to low value assets (included in other expenses)	0.05	-

Till March 31, 2019, the Company was recording rental costs in the consolidated statement of profit and loss. For the year ended March 31, 2019, cost charged to the standalone statement of profit and loss is INR 22.59 million.

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	Contractual undiscounted value	0-1 year	1-2 years	2-5 years	More than 5 years
As at March 31, 2020	37.17	17.09	15.10	4.98	-
As at March 31, 2019	-	-	-	-	-

b. Capital commitments

As at March 31, 2020, the Group has commitments on capital account and not provided for (net of advances) is INR 15.35 million (March 31, 2019: INR 11.99 million).

c. Contingent liabilities

(i) Claims against the Group not acknowledged as debts includes the following:

- Income tax demand from the Income tax authorities for assessment year 2017-18 of INR 64.88 million on account of disallowance of bad debts written off, advances written off, amortization of goodwill and certain expenses under various heads as claimed by the Group in the income tax. The matter is pending before Commissioner of Income Tax (Appeals), Mumbai.

(Amount in INR million, unless otherwise stated)

- Income tax demand from the Income tax authorities for assessment year 2015 16 of INR 2.95 million on account of disallowance of availment of cenvat credit and write off of certain advances in the income tax. The matter is pending before ITAT.

The Group is contesting the demands and the Management, including its tax advisors, believes that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the demand raised. The management believes that the ultimate outcome of this proceedings will not have a material adverse effect on the Group's financial position and results of operations. The likelihood of the above cases going in favour of the Group is probable and accordingly have not considered any provision against the demands in the financial statements.

(ii) Other:

- There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. As a matter of caution, the Group has made a provision on a prospective basis from the date of the SC order. The Group will update its provision, on receiving further clarity on the subject.

31. Group information

Information about subsidiaries

The consolidated financial statements of the Group includes subsidiary listed in the table below:

Name	Country of Incorporation	Principal activities	Name of Holding	% equity interest as at March 31, 2020	% equity interest as at March 31, 2019
Affle International Pte. Ltd., Singapore	Singapore	Mobile advertisement services	Affle (India) Limited	100%	100%
PT Affle Indonesia, Indonesia	Indonesia	Mobile advertisement services	Affle International Pte. Ltd., Singapore	100%	100%
Affle MEA FZ-LLC, Dubai	Dubai	Mobile advertisement services	Affle International Pte. Ltd., Singapore	100%	-
Mediasmart Mobile S.L., Spain	Spain	Mobile advertisement services	Affle International Pte. Ltd., Singapore	100% *	-
Mediasmart Mobile Limited, London	London	Mobile advertisement services	Mediasmart Mobile S.L., Spain	100%	-

Note: *Includes 94.78% stake acquired by the Group and for balance 5.22% the Group has acquired voting rights and has definite agreement for purchase of shares and therefore, has been consolidated at 100%.

(Amount in INR million, unless otherwise stated)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	INR million	As % of consolidated profit and loss	INR million	As % of consolidated other comprehensive income	INR million	As % of total comprehensive income	INR million
Parent								
Affle (India) Limited								
Balance as at March 31, 2020	72.02%	1,650.33	50.19%	328.85	2.12%	1.16	46.49%	330.01
Balance as at March 31, 2019	63.90%	462.68	34.16%	166.79	5.36%	(0.18)	34.36%	166.61
Foreign Subsidiaries								
Affle International Pte. Ltd., Singapore								
Balance as at March 31, 2020	22.06%	505.44	29.36%	192.38	0.00%	-	27.10%	192.38
Balance as at March 31, 2019	36.91%	267.27	63.16%	308.37	0.00%	-	63.59%	308.37
PT Affle Indonesia, Indonesia								
Balance as at March 31, 2020	(1.26%)	(6.04)	(0.09%)	(0.62)	0.00%	-	(0.09%)	(0.62)
Balance as at March 31, 2019	(0.81%)	(5.90)	2.67%	13.05	0.00%	-	2.69%	13.05
Affle MEA FZ-LLC, Dubai								
Balance as at March 31, 2020	5.90%	135.53	19.60%	128.44	0.00%	-	18.09%	128.44
Balance as at March 31, 2019	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Mediasmart Mobile S.L., Spain (consolidated)								
Balance as at March 31, 2020	0.28%	6.33	0.94%	6.12	0.00%	-	0.86%	6.12
Balance as at March 31, 2019	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Adjustment arising out of consolidation								
Balance as at March 31, 2020	0.00%	-	0.00%	-	97.88%	53.57	7.55%	53.57
Balance as at March 31, 2019	0.00%	-	0.00%	-	94.64%	(3.11)	(0.64%)	(3.11)
Total								
Balance as at March 31, 2020	98.99%	2,291.59	100.00%	655.17	100.00%	54.73	100.00%	709.90
Balance as at March 31, 2019	100.00%	724.05	100.00%	488.21	100.00%	(3.29)	100.00%	484.92

(Amount in INR million, unless otherwise stated)

32. Related party disclosures

(i) Names of related parties and related party relationship

S.No.	Relationship	Name of the related party
(i)	Holding company	Affle Holdings Pte. Ltd. Singapore
(ii)	Fellow subsidiaries	Affle X Private Limited (formerly known as "OOO Marketplaces Private Limited") Affle Global Pte. Ltd., Singapore (formerly known as "Affle Appstudioz Pte. Ltd., Singapore")
(iii)	Key management personnel	• Anuj Kumar (Director) • Anuj Khanna Sohum (Chairman, Managing Director & Chief Executive Officer) • Kapil Mohan Bhutani (Director, Chief Financial & Operations Officer) • Akanksha Gupta (Company Secretary) [till April 30, 2019] • Parmita Choudhury (Company Secretary) [w.e.f. June 01, 2019]

(ii) The following table provides the total value of transactions that have been entered into with related parties for the relevant year:

	Fellow subsidiaries		Holding company	
Particulars	**March 31, 2020**	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Reimbursement of expenses by the Group				
Affle Holdings Pte. Ltd., Singapore	0.19	15.99	-	-
Reimbursement of expenses to the Group				
Affle Holdings Pte. Ltd., Singapore	-	-	121.91	77.93
Affle Global Pte. Ltd., Singapore	6.88	16.13	-	-
Affle X Private Limited (formerly known as "OOO Marketplaces Private Limited")	-	0.03	-	-
Rendering of service*				
Affle Holdings Pte. Ltd., Singapore	-	-	13.38	-
Affle Global Pte. Ltd., Singapore	1.57	-	-	-
Other expenses				
Affle X Private Limited (formerly known as "OOO Marketplaces Private Limited")	48.33	-	-	-
Affle Holdings Pte. Ltd., Singapore	-	-	7.51	-
Affle Global Pte. Ltd., Singapore	2.09	-	-	-
Short-term borrowings				
Affle Holdings Pte. Ltd., Singapore	-	-	376.93	-
Affle Global Pte. Ltd., Singapore	128.16	-	-	-
Long-term borrowings				
Affle Holdings Pte. Ltd., Singapore	-	-	233.70	-
Affle Global Pte. Ltd., Singapore	45.23	-	-	-

(Amount in INR million, unless otherwise stated)

Transaction with key management personnel

Particulars	March 31, 2020	March 31, 2019
Compensation paid:**		
Anuj Kumar		
Short-term employee benefits	11.63	11.37
Share based payments	-	(3.23)
Kapil Mohan Bhutani		
Short-term employee benefits	9.30	8.12
Share based payments	-	(0.24)
Parmita Choudhury (w.e.f. June 01, 2019)		
Short-term employee benefits	0.71	-
Akanksha Gupta (till April 30, 2019)		
Short-term employee benefits	0.15	1.24
Anuj Khanna Sohum		
Short-term employee benefits	0.25	0.25

Notes:
*Includes other income of INR 2.77 million (March 31, 2019: Nil).
**The remuneration to the key management personnel does not include the director sitting fees, provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole. Also, it does not include provision for incentives, payable on the basis of actual performance parameters, in next year.

(Amount in INR million, unless otherwise stated)

(iii) Balances as at the year end

	Fellow subsidiaries		Holding company	
Particulars	**March 31, 2020**	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Trade receivables				
Affle Global Pte. Ltd., Singapore	0.22	10.41	-	-
Other current financial assets				
Affle X Private Limited (formerly known as "OOO Marketplaces Private Limited")	-	0.03	-	-
Affle Global Pte. Ltd., Singapore	0.02	-	-	-
Affle Holdings Pte. Ltd., Singapre	-	-	0.04	2.67
Long-term borrowings				
Affle Holdings Pte. Ltd., Singapre	-	-	241.23	69.17
Short-term borrowings				
Affle Holdings Pte. Ltd., Singapre	-	-	233.70	20.75
Affle Global Pte. Ltd., Singapore	45.23	-	-	-
Trade payables				
Affle X Private Limited (formerly known as "OOO Marketplaces Private Limited")	28.74	-	-	-
Other current financial liabilities				
Affle Global Pte. Ltd., Singapore	-	33.57	-	-

	Key management personnel	
Particulars	**March 31, 2020**	**March 31, 2019**
Payable to key management personnel:		
Akanksha Gupta (till April 30, 2019)		
Other Payable	-	-
Salary payable	-	0.08
Parmita Choudhury (w.e.f. June 01, 2019)		
Salary payable	0.07	-
Anuj Kumar		
Other Payable	-	0.20
Salary payable	0.73	0.16
Kapil Mohan Bhutani		
Other Payable	-	0.04
Salary payable	0.65	0.34
Anuj Khanna Sohum		
Salary payable	0.02	0.02

No amount has been written off or written back in the year in respect of debts due from/to above related parties.

(Amount in INR million, unless otherwise stated)

Terms and conditions of transactions with related parties

The sale and purchase from related parties are made on terms equivalent to those that prevail in arm's length transaction. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2020 and March 31, 2019, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

33. Segment information

The Group's operations pre-dominantly relate to providing mobile advertising services through consumer intelligence platforms.

The Board of Directors, which has been identified as being the Chief Operating Decision Maker (CODM), evaluates the Group's performance and allocates resources based on the analysis of the various performance indicators of the Group as a single unit. Therefore, there is no reportable segment for the Group as per the requirements of Ind AS 108 "Operating Segments".

Geographical information

In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets, which have been based on the geographical location of the assets.

Year ended and as at March 31, 2020

Particulars	India	Outside India	Total
Revenue from contracts with customers			
Sales to external customers	1,576.23	1,761.60	3,337.83
Other segment information			
Non-current assets (other than financial assets and deferred tax asset)	318.31	1,357.38	1,675.69
Capital expenditure:			
Property, plant and equipment	31.62	(24.08)	7.54
Intangible assets	57.26	(496.94)	(439.68)

Year ended and as at March 31, 2019

Particulars	India	Outside India	Total
Revenue from contracts with customers			
Sales to external customers	1,088.55	1,405.42	2,493.97
Other segment information			
Non-current assets (other than financial assets and deferred tax asset)	253.62	337.31	590.93
Capital expenditure:			
Property, plant and equipment	6.31	0.68	6.99
Intangible assets	47.28	(195.95)	(148.67)

(Amount in INR million, unless otherwise stated)

Information about major customers

The Group had one and two customers that each contributed more than 10% of the Group's revenue from contracts with customers for the year ended March 31, 2020 and March 31, 2019 respectively. The total amount of revenue from contracts with these customers for the year ended March 31, 2020 was INR 491.65 million (March 31, 2019: INR 1,068.35 million).

34. Statement of fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments:

	Carrying value		Fair value	
	As at		As at	
Particulars	**March 31, 2020**	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Financial assets				
A. FVTPL financial instruments:				
Investments	0.26	0.26	0.26	0.26
B. Amortised Cost:				
Loans	47.39	11.57	47.39	11.57
Trade receivables	744.35	478.83	744.35	478.83
Cash and cash equivalents	695.90	206.08	695.90	206.08
Other bank balances	568.81	98.83	568.81	98.83
Other financial assets	10.40	29.03	10.40	29.03
Total	**2,067.11**	**824.60**	**2,067.11**	**824.60**
Financial liabilities				
Amortised Cost:				
Borrowings	637.84	89.92	637.84	89.92
Trade payables	750.18	517.11	750.18	517.11
Other financial liabilities	187.92	198.75	187.92	198.75
Total	**1,575.94**	**805.78**	**1,575.94**	**805.78**

The management assessed that cash and cash equivalents, other bank balances, trade receivables, borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Further, the subsequent measurements of all assets and liabilities (other than investments) is at amortised cost, using effective interest rate (EIR) method.

The following methods and assumptions were used to estimate the fair values:

Receivables are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

(Amount in INR million, unless otherwise stated)

The fair value of unquoted instruments is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

For other financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

35. Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.
Level 3: Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020:

			Fair value measurement using		
Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
FVTPL financial instruments:					
Investments	March 31, 2020	0.26	-	0.26	-
		0.26	**-**	**0.26**	**-**
Assets measured at FVTOCI	March 31, 2020	-	-	-	-
Liabilities measured at FVTPL	March 31, 2020	-	-	-	-
Liabilities measured at FVTOCI	March 31, 2020	-	-	-	-

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2020.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019:

			Fair value measurement using		
Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
FVTPL financial instruments:					
Investments	March 31, 2019	0.26	-	0.26	-
		0.26	**-**	**0.26**	**-**
Assets measured at FVTOCI	March 31, 2019	-	-	-	-
Liabilities measured at FVTPL	March 31, 2019	-	-	-	-
Liabilities measured at FVTOCI	March 31, 2019	-	-	-	-

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2019.

Valuation technique used to derive fair values

The Group's unquoted instruments is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

36. Financial risk management objectives and policies

The Group's principal financial liabilities comprise of borrowings, trade payables, lease liabilities and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include trade and other receivables, and cash and cash equivalent that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is responsible to ensure that Group's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market price.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group does not use derivative financial instruments such as forward exchange contracts or options to hedge its risk associated with foreign currency fluctuations or for trading/speculation purpose.

(Amount in INR million, unless otherwise stated)

The amount of foreign currency exposure not hedged by derivative instruments or otherwise is as under:

	As at March 31, 2020		As at March 31, 2029	
Particulars	Foreign currency	Amount in INR	Foreign currency	Amount in INR
Trade payables				
USD	1.51	113.62	0.75	51.57
SGD	0.09	4.81	0.03	1.50
AED	0.00	0.09	-	-
MYR	-	-	0.04	0.76
Other financial liabilities				
EURO	1.64	136.23	-	-
Contract liabilities				
USD	0.03	2.26	0.02	1.15
Trade receivables				
USD	0.80	60.43	0.82	56.52
SGD	0.13	6.92	0.10	5.16
MYR	3.77	65.18	1.06	18.07
EURO	0.01	0.80	0.34	26.12
CAD	0.02	1.01	0.00	0.09
GBP	0.22	20.46	-	-
Cash and cash equivalents				
USD	0.48	36.11	0.55	37.70
AED	0.11	2.26	-	-
SGD	0.08	4.23	-	-
GBP	0.00	0.28	-	-

(Amount in INR million, unless otherwise stated)

The following table demonstrate the sensitivity to a reasonable possible change in exchange rates on profit before tax arising as a result of the revaluation of the Group's foreign currency financial assets and unhedged liabilities.

	Effect on profit before tax	Effect on pre-tax equity	Effect on profit before tax	Effect on pre-tax equity
Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
Effect of 10% strengthening of INR against USD*	1.93	1.93	(4.19)	(4.19)
Effect of 10% strengthening of INR against SGD*	(0.63)	(0.63)	(0.37)	(0.37)
Effect of 10% strengthening of INR against MYR*	(6.52)	(6.52)	(1.73)	(1.73)
Effect of 10% strengthening of INR against EURO*	13.54	13.54	(2.61)	(2.61)
Effect of 10% strengthening of INR against CAD*	(0.10)	(0.10)	(0.01)	(0.01)
Effect of 10% strengthening of INR against AED*	(0.22)	(0.22)	-	-
Effect of 10% strengthening of INR against GBP*	(2.07)	(2.07)	-	-
Effect of 10% weakening of INR against USD**	(1.93)	(1.93)	4.19	4.19
Effect of 10% weakening of INR against SGD**	0.63	0.63	0.37	0.37
Effect of 10% weakening of INR against MYR**	6.52	6.52	1.73	1.73
Effect of 10% weakening of INR against EURO**	(13.54)	(13.54)	2.61	2.61
Effect of 10% weakening of INR against CAD**	0.10	0.10	0.01	0.01
Effect of 10% weakening of INR against AED**	0.22	0.22	-	-
Effect of 10% weakening of INR against GBP**	2.07	2.07	-	-

Notes:
* Figures in bracket signifies credit to consolidated statement of profit and loss.
** Figures in bracket signifies debit to consolidated statement of profit and loss.

b. Interest risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has availed term loans for a limited time and has fulfilled its interest obligation without any default. The Group does not foresee any significant exposure due to change in interest rate.

c. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions.

A counterparty whose payment is due more than 90 days after the due date is considered as a defaulted party. This is based on considering the market and economic forces in which the Group operates. The Group write-off the amount if the credit risk of counter-party increases significantly due to its poor financial position.

All the financial assets carried at amortised cost were into good category except some portion of trade receivables considered under doubtful category (Refer Note 10).

Trade receivables and contract asset

Trade receivables and contract assets are typically unsecured. Credit risk is managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as

(Amount in INR million, unless otherwise stated)

its customers are located in several jurisdictions and industries and operate in largely independent markets. The Group is exposed to credit risk in the event of non-payment by customers. An impairment analysis is performed at each reporting date. The estimate is based on lifetime expected credit losses and is reassessed periodically. Trade receivables disclosed in note 10 include amounts which are past due at the reporting date but against which the Company has not recognized an allowance for doubtful receivables because the amount are still considered recoverable.

The ageing analysis of trade receivables as of the reporting date is as follows:

Trade receivables as at	Particulars	0-90 days	90-180 days	180-360 days	1-2 year	2-3 year	> 3 year	Total
March 31, 2020	Gross carrying amount	617.48	93.76	30.65	41.90	10.19	18.83	812.81
March 31, 2019	Gross carrying amount	448.31	38.77	11.90	4.53	7.25	4.02	514.78

The Group has provision of INR 68.46 million (March 31, 2019: INR 35.95 million) for doubtful debts.

The ageing analysis of contract asset (gross) as of the reporting date is as follows:

Contract asset as at	Particulars	0-90 days	90-180 days	180-360 days	1-2 year	2-3 year	> 3 year	Total
March 31, 2020	Gross carrying amount	190.15	10.67	0.32	-	-	-	201.14
March 31, 2019	Gross carrying amount	134.26	-	-	-	-	-	134.26

The Group has provision of INR 2.39 million (March 31, 2019: INR 2.39 million) for contract assets.

Reconciliation of impairment allowance on trade receivables and contract asset

Particulars	March 31, 2020	March 31, 2019
Opening impairment allowance	38.34	25.30
Add: Asset originated	21.52	13.04
Acquired during business combination (Refer Note 40)	23.63	-
Less: write-offs (net of recovery)	(12.64)	-
Closing impairment allowance	**70.85**	**38.34**

None of those trade receivables past due or impaired have had their terms renegotiated. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables presented in the financial statement. The Group does not hold any collateral or other credit enhancements over balances with third parties nor does it have a legal right of offset against any amounts owed by the Group to the counterparty. For receivables which are overdue the Group has subsequently received payments and has reduced its overdue exposure.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's finance committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

d. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group monitors their risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations. The Group's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner.

(Amount in INR million, unless otherwise stated)

A balance between continuity of funding and flexibility is maintained through the use of borrowings. The Group also monitors compliance with its debt covenants. The maturity profile of the Group's financial liabilities based on contractual undiscounted payments is given in the table below:

Particulars	Contractual undiscounted value	0-1 year	1-2 years	2-5 years	More than 5 years
As at March 31, 2020					
Borrowings	637.84	357.24	280.60	-	-
Trade payables	750.18	745.40	2.64	2.14	-
Lease liabilities	37.17	17.09	15.10	4.98	-
Other financial liabilities	187.92	70.34	117.58	-	-
	1,613.11	**1,190.07**	**415.92**	**7.12**	**-**
As at March 31, 2019					
Borrowings	89.92	20.75	69.17	-	-
Trade payables	517.11	517.11	-	-	-
Other financial liabilities	198.75	198.75	-	-	-
	805.78	**736.61**	**69.17**	**-**	**-**

37. Capital management

The Board's policy maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital employed as well as the level of dividend to shareholders.

For the purpose of the Group's capital management, capital includes issued equity capital general reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents. The Group's policy is to keep the gearing ratio between 0% and 50%.

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings [Note 15]	637.84	89.92
Trade payables [Note 16]	750.18	517.11
Other financial liabilities [Note 17]	187.92	198.75
Less: Cash and cash equivalents [Note11]	(695.90)	(206.08)
Net debts	**880.04**	**599.70**
Total capital	**2,291.59**	**724.05**
Capital and net debt	**3,171.63**	**1,323.75**
Gearing ratio (%)	**28%**	**45%**

(Amount in INR million, unless otherwise stated)

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year.

38. Share-based payments

Affle Holdings Pte. Ltd., Singapore (AHPL), the holding company, had certain stock options plans which entitled the employees of the group, the option to purchase shares of AHPL at the exercise date.

Description of the plan

Share options were granted to key management at the absolute discretion of the Compensation Committee of the Board of Directors under the Affle Employee Share Option Scheme and Affle Restricted Share Plan, which became operative on June 18, 2009.

The option were vesting at the rate of one-fourth (1/4) per year starting on every one-year anniversary from the grant date. Vesting of the options granted under the Scheme is conditional on:
(i) the key management or employee remaining in the Group at grant date
(ii) atleast 30% year on year revenue growth of AHPL

Once the options were vested, they are exercisable for a period of ten years. The options may be exercised in full or in part, to purchase a whole number of vested shares not less than 100 shares, unless the number of shares subscribed is the total number available for subscription under the option.

The details of the plan is as follows:

Date of grant	January 15, 2010	May 31, 2011	April 1, 2013	April 1, 2014	April 1, 2015	April 1, 2016
Exercise price	41.09	62.35	105.40	137.55	132.09	154.96
Options granted	1,042,500	236,250	203,250	30,000	57,000	57,000
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity
Validity	10 years	10 years	10 years	10 years	10 years	10 years
Vesting schedule	25% of the options vest every year from the respective grant dates up to the 4th year					

On July 11, 2018, the Annual General Meeting of Affle Holdings Pte. Ltd (AHPL) was held in which resolution for the forfeiture of all the vested, unvested and unexercised options under Affle Employee Share Option Scheme (ESOS) and Affle Restricted Share Plan (RSU) for years 2008 to 2018 was passed with immediate effect as the vesting conditions relating to options was not met.

Subsequently on July 12, 2018 the employees who were granted ESOS - RSU options signed the waiver letter with regards to their unexercised options right.

Accordingly, as per the provisions of Ind AS 102 Share Based Payments, the expense previously recognised for the unvested options was reversed in the previous year.

(Amount in INR million, unless otherwise stated)

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

	As at March 31, 2020		As at March 31, 2029	
Particulars	Number	WAEP	Number	WAEP
Outstanding at the beginning	**-**	**-**	**1,276,250**	**55.71**
Granted during the year	-	-	-	-
Forfeited during the year	-	-	(1,276,250)	(55.71)
Exercised during the year	-	-	-	-
Exercisable at the end	**-**	**-**	**-**	**-**

The expenses arising from equity settled share based payment transactions in the year ended March 31, 2020 was Nil (March 31, 2019: INR (1.29) million).

The weighted average remaining contractual life for the share options outstanding as at March 31, 2020 and March 31, 2019 was Nil years.

The range of exercise prices for options outstanding as at March 31, 2020 and March 31, 2019 was Nil.

The following table lists the inputs to the models used for the plan:

Particulars	January 15, 2010	May 31, 2011	April 1, 2013	April 1, 2014	April 1, 2015	April 1, 2016
Dividend yield (%)	-	-	-	-	-	-
Expected volatility (%)	85.0 - 86.8	80	78.4 - 84.2	75.1 - 79.3	75.1 - 79.3	66.1 - 68.9
Risk free interest rate (%)	2.6 - 3.2	2.7 - 3.3	0.9 - 12	1.8 - 2.0	1.8 - 2.0	1.8 - 2.0
Expected life of share options (years)	5.5 - 7.10	5.5 - 7.10	5.5 - 7.10	5.5 - 7.10	5.5 - 7.10	5.5 - 7.10
Weighted average share price (INR)	36.09	28.40	47.29	16.78	42.37	82.13
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

The expected life of the share options was based on historical data and current expectations and was not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Restricted share plan

Under Affle Restricted Share Plan, the employee was not required to pay for the grant of the awards. Awards were forfeited when either of the vesting conditions as stated above is not met.

The details of the plan is as follows:

Date of grant	April 1, 2015	April 1, 2016
Options granted	166,428	260,000
Vesting period	10 years	10 years
Method of settlement	Equity	Equity
Share price (INR)	42.96	82.39

(Amount in INR million, unless otherwise stated)

Movements during the year

Particulars	March 31, 2020 Number	March 31, 2019 Number
Outstanding at the beginning of the year	**-**	**316,055**
Granted during the year	-	-
Forfeited during the year	-	(316,055)
Exercised during the year	-	-
Outstanding at the end of the year	**-**	**-**

The expenses arising from equity settled share based payment transactions was Nil (March 31, 2019: INR (4.29) million).

The weighted average remaining contractual life for the share options outstanding as at March 31, 2020 and March 31, 2019 was Nil years.

39. Dues to micro and small enterprises as defined under the MSMED Act, 2006

In term of the requirement of the Micro, Small and Medium Enterprise Development Act, 2006, the Group has continuously sought confirmations. Based on the information available with the Group, there is following principal amount due to micro and small enterprises.

Particulars	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	6.85	-
- Interest due thereon	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	Nil	Nil

Note: The above table is as certified by the management.

(Amount in INR million, unless otherwise stated)

40. Business combination

40.1 Business combinations under non common control entities

(i) Acquisition of Mediasmart Mobile S.L., Spain

Affle International Pte. Ltd., Singapore (""Affle International""), a wholly owned Subsidiary of the Company has acquired 100% control in Mediasmart Mobile S.L., Spain (""Mediasmart""), vide Share purchase Agreement dated February 28, 2020, for a consideration of INR 373.94 million w.e.f. January 22, 2020. Also, Affle MEA FZ-LLC, Dubai (""Affle MEA""), a step down subsidiary of the Company has entered into an Assets Purchase Agreement dated February 27, 2020, to acquire all Tech IP assets of Mediasmart for a consideration of INR 27.11 million. The total purchase consideration transferred is INR 401.05 million

Affle International had obtained control by virtue of a legally enforceable MoU entered between Affle International and shareholders of Mediasmart dated January 22, 2020. However, as per Ind AS 110, the consolidation has been done effective January 1, 2020 for convenience, being start of the month and quarter, as the date of acquisition.

Affle International and its subsidiary - Affle MEA FZ-LLC, Dubai acquired Mediasmart so as to continue the expansion of the consumer platform segment and omnichannel platform.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Mediasmart as at the date of acquisition were:

Fair value recognised on acquisition	INR million
Total Assets acquired	187.58
Total Liabilities acquired	267.89
Total net assets at fair value	**(80.31)**
Total identifiable net assets	
- Non-compete	19.66
- Other intangible assets	27.11
Goodwill arising on acquisition	434.59
Purchase consideration transferred	**401.05**

a. A contingent liability at fair value of INR 7.10 million was recognised at the acquisition date resulting from the settlement of pre-existing relationship with some vendors.
b. As at March 31, 2020, Mediasmart has negative working capital of INR 43.70 million and uncertainty in utilisation of tax credit of INR 30.29 million due to which the auditors of Mediasmart have included an emphasis of matter in their audit report on going concern presumption, the resolution of which depends on the financial support of parent and compliance with the business plan. In this regards Affle International has provided the parent support letter to Mediasmart and the Group has not recognised tax credits in the consolidated financial statements.
c. c) The goodwill and assets identified in case of above acquisition is based on provisional purchase price allocation ("PPA") available with Affle International and its subsidiary. The management of Affle International and its subsidiary shall be using the services of an external expert to carry out a detailed PPA of the purchase consideration paid / payable to the shareholders of Mediasmart. Adjustment, resulting from such PPA shall be carried out in the financial statements of Affle International and its subsidiary. Consequently, the values of assets and liabilities acquired, and the resultant goodwill could be materially different once the PPA valuation is completed. The forgoing is in line with the provisions of Ind AS 103 Business Combinations which allows the initial accounting for a business combination to be completed within one year from the acquisition date.

(Amount in INR million, unless otherwise stated)

Analysis of cash flow on acquisition	INR million
Transaction costs of the acquisition (included in cash flows from operating activities)	2.48
Consideration paid in cash (included in cash flows from investing activities)	345.13
Net assets acquired of Mediasmart (included in cash flows from investing activities)	(80.31)
Consideration payable in cash	136.23
Net cash flow on acquisition	**403.52**

Acquisition related costs

Affle International has incurred acquisition-related costs of INR 2.48 million on legal fees and due diligence costs. These costs have been recognised as an expense in statement of profit or loss in the current year, within the 'other expenses' line item.

Contingent consideration

As part of the Share Purchase Agreement signed between Affle International and shareholders of Mediasmart, a contingent consideration of INR 98.03 million has been agreed. The amount of contingent consideration is included in the total purchase consideration mentioned above and shall be payable to the shareholders of Mediasmart upon meeting the earning targets.

As at March 31, 2020, the key performance indicators of Mediasmart reflects highly probability that the projected event linked to payment of contingent consideration will be met and hence the fair value of the contingent consideration has been estimated to be INR 98.03 million.

(ii) Acquisition of identified business of Shoffr Pte. Ltd.

Effective February 19, 2019, Affle International Pte Ltd., Singapore ("Affle International"), wholly owned subsidiary of the Company acquired the Business ("Identified Business") of Shoffr Pte. Ltd. ("Shoffr") for a consideration of INR 41.46 million. Affle International acquired the Identified Business of Shoffr so as to grow the Group's omnichannel platform and strengthen the consumer and enterprise platform segment.

Assets acquired and liabilities assumed

a) Affle International acquired intangible assets of the Identified Business including the Intellectual Properties, domain name, business relationships, employees and non-compete, the book value of which was Nil on the date of acquisition. The management of Affle International has used services of an external independent expert to carry out a detailed Purchase Price Allocation ("PPA") of the purchase consideration paid to the shareholders of Shoffr. Pursuant to such PPA valuation, conducted by an independent expert, it was concluded that there were no identifiable intangible assets which would meet the recognition criteria and hence the entire consideration of INR 41.46 million has been allocated to Goodwill. The accounting for this business combination has been finalised as at date of the financial statements.

Analysis of cash flow on acquisition:	INR million
Transaction costs of the acquisition (included in cash flows from operating activities)	-
Consideration paid in cash (included in cash flows from investing activities)	41.46
Net cash flow on acquisition	**41.46**

b) Pursuant to the business purchase agreement dated February 19, 2019, INR 7.5 million was payable after 3rd year of successful integration and performance of Shoffr business undertaking on February 19, 2022. This was recorded as a shareholder liability in the books in the previous year. In the current year, the above deferred consideration has been waived off by the shareholders through a mutual settlement with Affle International owing to negotiations and exit of one of the shareholders. As the deferred consideration was not contingent upon any future event and that there was no conditions existing on the date of acquisition which substantiates that this consideration will not be payable as on the respective due date or as at the year ended March 31, 2020, it has been recorded as other income in the financial statements.

(iii) Acquisition of identified business of RevX Inc.

Effective April 1, 2019, Affle International Pte. Ltd., Singapore ("Affle International"), wholly owned subsidiary of the Company acquired the Business ("Identified Business") of RevX Inc. ("RevX") for a consideration of INR 339.24 million. Affle International acquired the Identified Business of RevX so as to continue the expansion of the consumer platform segment.

Assets acquired and liabilities assumed

Affle International has acquired the intangible assets of Identified Business of RevX namely the Intellectual Properties, domain name, business relationships and non-compete whose book value as on the date of acquisition was Nil. The management of Affle International has used services of an external independent expert to carry out a detailed Purchase Price Allocation ("PPA") of the purchase consideration paid to the shareholders of RevX. Pursuant to such PPA valuation, conducted by an independent expert, the net consideration of INR 339.24 million have been allocated, based on the fair value computations, at the acquisition date, as an intangible asset, arising from this acquisition. The accounting for this business combination has been finalised as at date of the financial statements.

The following table summarises the recognised amounts of assets acquired at the date of acquisition:

Fair value recognised	INR million
Assets	
Software Application Development (Technology)	51.01
Total identifiable net assets	**51.01**
Goodwill arising on acquisition	288.23
Purchase consideration	**339.24**

Analysis of cash flow on acquisition:	INR million
Transaction costs of the acquisition (included in cash flows from operating activities)	0.90
Consideration paid in cash (included in cash flows from investing activities)	339.24
Net cash flow on acquisition	**340.14**

Acquisition related costs

Affle International has incurred acquisition-related costs of INR 0.90 million on legal fees and due diligence costs. These costs have been recognised as an expense in statement of profit or loss in the current year, within the 'other expenses' line item.

(iv) Acquisition of identified business of Vizury Interactive Solutions Private Limited

On September 1, 2018, Affle (India) Limited ("the Company") acquired the Commerce Business ("Identified Business") of Vizury Interactive Solutions Private Limited ("Vizury India") for a consideration of INR 106.44 million (equivalent to USD 1.50 million at the exchange rate of USD1= INR 70.96) minus profit after tax of Vizury India for the period May 15, 2018 to August 31, 2018 of INR 21.37 million (equivalent to USD 0.30 million at the exchange rate of USD1= INR 70.96).

The Company acquired the Identified Business of Vizury India so as to continue the expansion of the consumer platform segment.

(Amount in INR million, unless otherwise stated)

Assets acquired and liabilities assumed

"The Company, in the previous year, based on provisional purchase price allocation recorded intangible assets amounting to INR 85.07 million out of which goodwill computed was of INR 75.14 million. The initial accounting of the business combination was finalised as at the date of the previous year's financial statement.

In the current year, the management of the Company has used services of an external independent expert to carry out a detailed Purchase Price Allocation (""PPA"") of the purchase consideration paid to the shareholders of Vizury India. Pursuant to such PPA valuation, conducted by an independent expert, the net consideration of INR 85.07 million have been allocated, based on the fair value computations, at the acquisition date, as an intangible asset, arising from this acquisition. Based on the PPA information obtained, the fair value of the identifiable net asset arising from the transaction are as follows:"

Fair value recognised on acquisition:	INR million
Assets	
Software Application Development (Technology)	9.93
Total identifiable net assets	**9.93**
Goodwill arising on acquisition	75.14
Purchase consideration	**85.07**

Analysis of cash flow on acquisition:	INR million
Transaction costs of the acquisition (included in cash flows from operating activities)	**1.02**
Consideration paid in cash (included in cash flows from investing activities)	85.07
Net cash flow on acquisition	**86.09**

Acquisition related costs

The Company had incurred acquisition-related costs of INR 1.02 million on legal fees and due diligence costs. These costs have been recognised as an expense in statement of profit or loss in the previous year, within the 'other expenses' line item.

(v) Acquisition of identified business of Vizury Interactive Solutions Pte. Ltd. and Vizury Interactive Solutions FZ-LLC

On September 1, 2018, Affle International Pte. Ltd., Singapore ("Affle International"), wholly owned subsidiary of the Company acquired the Commerce Business ("Identified Business") of Vizury Interactive Solutions Pte. Ltd. ("Vizury Singapore") and Vizury Interactive Solutions FZ-LLC ("Vizury Dubai") for a consideration of INR 207.51 million.

Affle International acquired the Identified Business of Vizury Singapore and Vizury Dubai so as to continue the expansion of the consumer platform segment.

Assets acquired and liabilities assumed

"Affle International, in the previous year, based on provisional purchase price allocation recorded intangible assets amounting to INR 207.51 million out of which goodwill computed was of INR 190.91 million. The initial accounting of the business combination was finalised as at the date of the previous year's financial statement.

In the current year, the management of the Affle International has used services of an external independent expert to carry out a detailed Purchase Price Allocation (""PPA"") of the purchase consideration paid to the shareholders of Vizury Singapore and Vizury Dubai. Pursuant to such PPA valuation, conducted by an

(Amount in INR million, unless otherwise stated)

independent expert, the net consideration of INR 207.51 million have been allocated, based on the fair value computations, at the acquisition date, as an intangible asset, arising from this acquisition. Based on the PPA information obtained, the fair value of the identifiable net asset arising from the transaction are as follows:"

Fair value recognised	INR million
Assets	
Software Application Development (Technology)	16.60
Total identifiable net assets	**16.60**
Goodwill arising on acquisition	190.91
Purchase consideration	**207.51**

Analysis of cash flow on acquisition:	INR million
Transaction costs of the acquisition (included in cash flows from operating activities)	-
Consideration paid in cash (included in cash flows from investing activities)	207.51
Net cash flow on acquisition	**207.51**

40.2 Business combinations under common control

(i) Acquisition of business of Affle Global Pte. Ltd. and investment in PT Affle Indonesia, Indonesia

Affle International Pte. Ltd., Singapore ("Affle International"), a wholly owned subsidiary of Affle (India) Limited (the "Company"), entered into an agreement with Affle Global Pte. Ltd. ("AGPL") on July 14, 2018, pursuant to which Affle International acquired the AGPL's Platform based business ("Platform Business Undertaking") and investments in PT Affle Indonesia, Indonesia effective July 1, 2018 for a consideration of INR 131.90 million (equivalent to USD 1,906,792 at the exchange rate of USD1= INR 69.1713). The transfer of the business includes:

- Intellectual Properties ("IP") Rights
- Business relationship
- Technical information including Tech and Data Assets, including three US patents
- Employees
- Non-compete
- AGPL's investment in its 100% subsidiary PT Affle Indonesia, Indonesia

(Amount in INR million, unless otherwise stated)

Assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired at the date of acquisition:

Fair value recognised on acquisition	INR million
Assets	
Intangible assets of AGPL	131.81
Investment in PT Affle Indonesia, Indonesia	0.09
Total identifiable net assets	**131.90**
Capital reserve arising on acquisition	-
Purchase consideration	**131.90**

Book Value of Asset and Liabilities	INR million
Total Asset Acquired	93.46
Less: Total Liability Acquired	(88.83)
Less: Retained earnings (accumulated loss) taken at book value	21.17
Net Amount	**25.80**
Purchase Consideration Paid	0.09
Capital reserve	**25.71**

Analysis of cash flow on acquisition	
Transaction costs of the acquisition (included in cash flows from operating activities)	-
Consideration paid in cash (included in cash flows from investing activities)	131.90
Consideration payable in cash	-
Net cash flow on acquisition	**131.90**

The Group's acquisition of business from AGPL was considered to be a business combination under common control as AGPL and the Group are both ultimately controlled by Affle Holdings Pte. Ltd. The Group had adopted pooling of interest method in respect of the acquisition of business combination under common control as prescribed in Appendix C to Ind AS 103 "Business combinations of entities under common control".

As such, the consolidated financial statements as at and for the year ended March 31, 2019 incorporate the financial statements of the combining entities or businesses in which the common control combination occurs as if they had been combined from the beginning of the earliest financial years presented.

As Affle International had not acquired any assets except the intangible asset and the equity interests in PT Affle Indonesia, Indonesia as on July 01, 2018, the profits attributable to AGPL for the period April 01, 2018 to June 30, 2018; amounting to INR 59.94 million, have been adjusted from consolidated profit for the year ended March 31, 2019 under other equity. The same have been disclosed as cash flows from investing activities for the year ended March 31, 2019.

Transaction costs incurred in combining operations of the previously separate businesses, etc., incurred in relation to the common control combination have been recognised as an expense in the year in which it is incurred.

(Amount in INR million, unless otherwise stated)

(ii) Scheme of amalgamation in accordance with previous GAAP

During the year ended March 31, 2017, the Holding Company has merged its fellow subsidiaries i.e. AD2C Holdings, AD2C India, Appstudioz Technologies into one merged entity, Affle India Limited (formerly known as "Affle (India) Private Limited") under the court approved scheme of amalgamation in accordance with erstwhile applicable previous GAAP.

Business combination under common control has been accounted for using purchase method in accordance with previous GAAP as prescribed under court scheme instead of using pooling interest method as prescribed under Ind AS 103. Business Combinations as the approved court scheme will prevail over applicable accounting standard.

Accordingly, the Scheme was accounted for using purchase method in accordance with erstwhile applicable Accounting Standard 14 "Accounting for Amalgamations". All the assets and liabilities of the Transferor Companies have been incorporated at fair values as at April 1, 2015 against the purchase consideration of INR 84.64 million which resulted in the Goodwill on amalgamation of amounting INR 59.24 million.

Impairment testing of Goodwill

Goodwill acquired through business combinations have indefinite life. The Group performed its impairment test for the year ended March 31, 2020. The Group considers the relationship between its value in use and its carrying value, among other factors, when reviewing for indicators of impairment.

The recoverable amount of the goodwill is determined based on value in use ('VIU') calculated using cash flow projections from financial budgets approved by management covering a period of five year period and the terminal value (after considering the relevant long-term growth rate) at the end of the said forecast periods. The Group has extrapolated cash flows beyond 5 years using a growth rate of 2%.

The said cash flow projections are based on the senior management past experience as well as expected market trends for the future periods. The projected cash flows have been updated to reflect the decreased demand for services. The calculation of weighted average cost of capital (WACC) is based on the Group's estimated capital structure as relevant and attributable to the Group. The WACC is also adjusted for specific risks, market risks and premium, and other inherent risks associated with similar type of investments to arrive at an approximation of the WACC of a comparable market participant. The said WACC being pre-tax discount rates reflecting specific risks, are then applied to the above mentioned projections of the estimated future cash flows to arrive at the discounted cash flows. The discount rate used in 10%.

Discount rates represent the market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its WACC.

The key assumptions used in the determination of VIU are the revenue annual growth rates and the EBITDA growth rate. Revenue and EBITDA growths are based on average value achieved in preceding years. Also, the growth rates used to extrapolate the cash flows beyond the forecast period are based on industry standards.

Based on the above assumptions and analysis, no impairment was identified as at March 31, 2020. Further, on the analysis of the said calculation's sensitivity to a reasonably possible change in any of the above mentioned key assumptions / parameters on which the Management has based determination of the recoverable amount, there are no scenarios identified by the management wherein the carrying value could exceed its recoverable amount.

(Amount in INR million, unless otherwise stated)

41. Capitalisation of Intangible Assets

The Group has capitalized the following expenses of operating nature to the internally developed software. Consequently, the expenses disclosed under the respective heads are net of amounts capitalized by the Group.

Particulars	March 31, 2020	March 31, 2019
Salaries, allowances and bonus	204.34	50.06
Rent	2.89	2.53
Power and fuel	0.10	0.09
Printing and stationery	0.09	0.10
Repairs and maintenance - others	1.04	0.98
Communication	0.27	0.18
Inventory and data costs	48.12	11.11
Total	**256.85**	**65.05**

42. The Group had filed complaint in earlier year with the police department for embezzlement of the Group's car and filed the statement of claims to recover full cost of the Group's car amounting to INR 0.61 million (March 31, 2019: INR 0.61 million). This embezzlement was done by ex- director of the Group, by transferring the Group's car to the name of his father without any form of consent from the Group. Therefore, the Group had written down entire net book value of the Group's car amounting to INR 0.07 million (March 31, 2019: INR 0.10 million) in the books.

43. The Group has appointed independent consultants for conducting a transfer pricing study to determine whether the transactions with associated enterprise were undertaken at "arm length price". The management confirms that all domestic and international transactions with associated enterprises are undertaken at a negotiated contracted price on usual commercial terms and is confident of there being no adjustment on completion of the study. Adjustment, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed.

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

The Group has considered the possible effects that may result from COVID 19 on the carrying amount of its assets. In developing the assumptions relating to the possible future uncertainties in the global conditions because of the pandemic, the Group, as on date on approval of these financial statements has used variable informations, as available. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.

The impact of COVID 19 may differ from that estimated as at the date of approval of these financial statements. The Group will continue to monitor any material changes to the operations based on future economic conditions."

45. The Company, in the current year, has completed the Initial Public Offering (IPO) of 6,161,073 Equity Shares of Face Value of INR 10 each for cash at a price of INR 745 per Equity Share aggregating to INR 4,590 million comprising a Fresh Issue of 1,208,053 Equity Shares aggregating to INR 900 million and on offer for sale of 4,953,020 Equity Shares aggregating to INR 3,690 million. Pursuant to the IPO, the Equity Shares of the Company got listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on August 8, 2019. Out of the sale proceeds for offer for sale, INR 3,690 million was remitted to Selling shareholders - Affle Holdings Pte. Ltd.

(Amount in INR million, unless otherwise stated)

The Company incurred INR 256.66 million as IPO related expenses (inclusive of taxes) which are proportionately allocated between the selling shareholder and the Company. The Company's share of expenses (net of tax), INR 42.36 million has been adjusted against securities premium.

The Company has charged INR 179.90 million from the selling shareholder towards business support services including their share of IPO expenses, based on the agreement with and indemnity from the selling shareholder for the IPO expenses, being a qualified Export of services under GST Rules. The Company has relied on expert opinion for invoicing to the selling shareholder.

The details of utilization of IPO proceeds - INR 857.64 million, net of IPO expenses of the Company are as follows:

Particulars	Total amount	Utilised upto March 31, 2020	Un-utilised upto March 31, 2020
Funding for working capital requirements	689.35	204.22	485.13
General corporate purposes	168.29	-	168.29
Total utilised/un-utilised funds	**857.64**	204.22	653.42

46. The Group enters into various transaction for purchase and sale of services with overseas vendors and customers. As per the guidelines issued by RBI, payment for all imports in India should be made within a period of 6 months and collection for all exports outisde India should be made within a period of 9 months respectively, unless approved by the Authorized Dealer. As at March 31, 2020; the aggregate amount of payable outstanding for more than 6 months is INR 7.29 million (March 31, 2019: INR 6.55 million) and receivable outstanding for more than 9 months is INR 6.50 million (March 31, 2019: INR 7.17 million). The Group has intimated the Authorised Dealer about the delays in payments/recovery and expects to get relief from any penalties being imposed, once the transaction is completed and has accordingly not provided for any penalties in these financial statements.

47. Previous year comparatives

Previous year figures have been regrouped/reclassified wherever necessary, to confirm to this year's classification and figure for the year ended March 31, 2020.

As per our report of even date

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

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 30, 2020

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

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 30, 2020

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date: May 30, 2020

Kapil Mohan Bhutani
Director, Chief Financial & Operations Officer
[DIN: 00554760]
Place: Gurugram
Date: May 30, 2020

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 30, 2020

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AFFLE (INDIA) LIMITED

Opinion

We have audited the accompanying standalone Ind AS financial statements of Affle (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31 2020, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw your attention to note 40 to the financial statements, which indicate that business combination under common control has been accounted for using purchase method in accordance with previous GAAP resulting in recognition of goodwill amounting to INR 59.24 million as on March 31, 2020 as prescribed under court scheme instead of using pooling of interest method as prescribed under Ind AS 103 Business Combinations as the approved court scheme will prevail over applicable accounting standard.

Our opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
Revenue recognition and recoverability of trade receivables and contract assets (as described in Note 18 of the standalone Ind AS financial statements)	
The Company derives its revenue mainly from rendering of mobile advertising services using a network of publishers. The Company recognizes revenue from its customers at the time of delivery of advertisement. We identified revenue recognition as a key audit matter because revenue is one of the Company's key performance indicators and there is an inherent risk around the accuracy of revenue recorded which is dependent upon reconciliations of billing data as per Company records with those of customer. Further, the Company has a significant balance of trade receivables and contract assets amounting to Rs. 530 Mn as at March 31, 2020. The Company has determined the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions, while considering possible impact from the COVID -19 pandemic. We focused on this risk as the balances are material and there are significant judgments involved in assessing recoverability of trade receivables and contract assets and calculating the expected credit losses.	Our audit procedures included the following, amongst others: • We obtained an understanding of the systems, processes and controls implemented by the Company for recording revenues. • We have tested the operating effectiveness of the controls related to revenues and associated receivables and contract assets. • We selected a sample of transactions and checked the revenue recognition by performing the following: a. reading the supporting documents including inspection of contractual terms and conditions, release order from customers, delivery documents in the form of email confirmation, b. tested the reconciliation of service provided from the customer which matches with the amount of invoice raised. • We assessed the Company's accounting policies relating to revenue recognition. In obtaining sufficient audit evidence over the carrying value of trade receivables and contract assets, we performed the following procedures: • We tested the ageing of contract assets and trade receivables for a sample of invoices; • We obtained direct confirmation of trade receivables and performed other alternate procedures which included testing of invoice, testing of customer purchase/release order and subsequent collection of invoices to confirm their existence for the confirmations not received • We tested billings and receipts after year-end to determine any remaining exposure at the date of the audit report on the contract assets and receivables on significant balances; • We examined the Company's assessment of recoverability basis historical payment patterns and macroeconomic information. • We tested the management computation of the allowance for credit loss.

Key audit matters	How our audit addressed the key audit matter
Internally generated intangible assets (as described in Note 4 of the standalone Ind AS financial statements)	
The Company recognizes internally generated intangible assets i.e. software and application platform. Initial recognition is based on assessing each project in relation to specific recognition criteria that needs to be met for capitalization. The assessment involves management judgment on matters such as technical feasibility, intention and ability to complete the development of such intangible asset, ability to use or sell the asset, generation of future economic benefits and the ability to measure costs reliably. Due to the materiality of the assets recognized and the level of management judgement involved being significant, initial recognition and measurement of internally generated intangible assets is a key audit matter.	Our audit procedures included the following, amongst others: • We assessed the management process and procedures related to initial recognition criteria for intangible assets, allocation of budgets, measurement of time recorded on development and establish the basis for capitalization. • We tested the amount capitalized from the underlying records and information for expenses; • We performed inquires with management regarding key assumptions used and estimates made in capitalizing development costs and assessed those assumptions and estimates. • We also considered the useful economic life attributed to the assets.
Accounting for business combination (as described in Note 39 of the standalone Ind AS financial statements)	
For the business combinations as detailed in Note 39, the Company has used an expert for the purchase price allocations ('PPA') to determine the fair value of assets acquired. Considering, the identification and valuation of intangible assets is inherently subjective and involves significant judgements and assumptions around future cash flows and discount rates, we have considered this as a key audit matter.	Our audit procedures on PPA included the following, amongst others: • We read the business purchase agreement to obtain an understanding of the transactions and tested identification and measurement of fair value of the acquired assets and liabilities. • We evaluated the competences, capabilities and objectivity of the management's expert. • We involved valuation specialists for evaluating and testing the methodologies used by the management's expert in their valuation reports. • We also assessed the disclosures given in the standalone Ind AS financial statements for compliance with disclosure requirements under the accounting standards.

Impairment of goodwill and other intangible assets (as described in Note 2(x) of the standalone Ind AS financial statements)	
The Company holds significant amounts of goodwill and intangible assets arising from business combinations and including self-generated and other intangibles, on the balance sheet. Accounting Standard ('Ind AS') 36, "Impairment of Assets requires management to test the goodwill for impairment as part of the non-current assets of (groups of) Cash Generating Unit (CGUs) to which it is allocated, both annually and if there is a trigger for testing. In view of the COVID -19 pandemic, the management has reassessed its future business plans and key assumptions as at March 31, 2020 while assessing the adequacy of impairment provision. The impairment tests were a key audit matter due to the significant judgements and assumptions made by management which are affected by uncertainties around future market or economic conditions. For the purpose of performing the recoverability assessment, management identifies the advertisement services as a single Cash Generating Unit ("CGU").	Our audit procedures on impairment test included the following, amongst others: • We assessed the key information used in determining the valuation including the weighted average cost of capital, cash flow forecasts and the implicit growth. • We assessed the Company's valuation methodology applied in determining the value in use; • We assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used after taking into consideration possible effects of COVID-19; • We assessed historical accuracy of management's budgets and forecasts by comparing them to actual performance; • We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used; • We tested the arithmetical accuracy of the models; • We also assessed the disclosures given in the standalone Ind AS financial statements for compliance with disclosure requirements under the accounting standards.

Other Information

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

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

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

Responsibility of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act based on our audit, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
   c. The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2018, as amended;
   e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
   g. In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 30 to the standalone Ind AS financial statements;
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

per Yogesh Midha
Partner
Membership Number: 94941
UDIN: 20094941AAAABV1676

Place: New Delhi
Date: May 30, 2020

ANNEXURE 1

TO THE AUDITOR'S REPORT REFERRED TO IN PARAGRAPH [1] OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" IN OUR REPORT OF EVEN DATE

Re: Affle (India) Limited ("the Company")

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

b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

ii. The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

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

vi. To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.

vii. a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	2,955,189	AY 2015-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	*64,881,888	AY 2017-18	Commissioner of Income Tax (Appeals)

*includes amount paid under protest Rs. 6,500,000

viii. The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.

ix. In our opinion and according to the information and explanations given by the management, the Company as utilized the monies raised by way of initial public offer for the purposes for which they were raised.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

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

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

per Yogesh Midha
Partner
Membership Number: 94941
UDIN: 20094941AAAABV1676

Place: New Delhi
Date: May 30, 2020

ANNEXURE 2

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

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

We have audited the internal financial controls over financial reporting of Affle (India) Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

per Yogesh Midha
Partner
Membership Number: 94941
UDIN: 20094941AAAABV1676

Place: New Delhi
Date: May 30, 2020

(Amount in INR million, unless otherwise stated)

STANDALONE BALANCE SHEET

as at March 31, 2020

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	3	6.98	6.56
(b) Right of use asset	29	22.06	-
(c) Goodwill	4	134.38	134.38
(d) Other intangible assets	4	106.89	94.73
(e) Intangible assets under development	4	48.00	17.95
(f) Investment in subsidiary	5(a)	439.72	138.19
(g) Financial Assets			
(i) Investments	5(b)	0.26	0.26
(ii) Loans	6	3.34	0.07
Total Non-current assets		**761.63**	**392.14**
II. Current assets			
(a) Contract asset (net)	18	159.46	96.49
(b) Financial Assets			
(i) Trade receivables	10	369.65	269.26
(ii) Cash and cash equivalents	11	572.79	84.90
(iii) Other bank balance other than (ii) above	11	568.81	14.50
(iv) Loans	6	33.28	7.62
(v) Other financial assets	7	7.65	12.51
(c) Current tax asset (net)	12	8.73	36.15
(d) Other current assets	9	40.58	22.28
Total Current assets		**1,760.95**	**543.71**
Total Assets		**2,522.58**	**935.85**
EQUITY AND LIABILITIES			
III. EQUITY			
(a) Equity share capital	13(a)	254.96	242.88
(b) Other equity	13(b)	1,395.37	219.80
		1,650.33	**462.68**

(Amount in INR million, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
LIABILITIES			
IV. Non-current liabilities			
(a) Long-term provisions	14	12.79	15.37
(b) Deferred tax liabilities (net)	8	1.88	2.68
(c) Lease liabilities	29	14.59	-
Total Non-current liabilities		**29.26**	**18.05**
V. Current liabilities			
(a) Contract liabilities	18	4.01	2.50
(b) Financial Liabilities			
(i) Trade payables			
• dues of micro enterprises and small enterprises	15	6.85	-
• others	15	443.83	323.74
(ii) Lease liabilities	29	8.18	-
(iii) Other financial liabilities	16	330.02	104.50
(c) Short-term provisions	14	5.00	1.37
(d) Other current liabilities	17	45.10	23.01
Total Current liabilities		**842.99**	**455.12**
Total Equity and Liabilities		**2,522.58**	**935.85**

Summary of significant accounting policies 2

As per our report of even date

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

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 30, 2020

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

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 30, 2020

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date: May 30, 2020

Kapil Mohan Bhutani
Director, Chief Financial & Operations Officer
[DIN: 00554760]
Place: Gurugram
Date: May 30, 2020

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 30, 2020

(Amount in INR million, unless otherwise stated)

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2020

		For the year ended	
Particulars	Notes	March 31, 2020	March 31, 2019
I. Revenue			
Revenue from contracts with customers	18	1,822.26	1,212.14
Other income	19	51.30	2.31
Total revenue		**1,873.56**	**1,214.45**
II. Expenses			
Inventory and data costs	20	976.38	622.91
Employee benefits expense	21	241.71	195.45
Finance costs	22	3.07	4.47
Depreciation and amortization expense	23	54.11	44.13
Other expenses	24	158.04	112.07
Total expenses		**1,433.31**	**979.03**
III. Profit before tax		**440.25**	**235.42**
IV. Tax expense:	8		
Current tax [includes INR 1.48 million for earlier year (March 31, 2019: Nil)]		112.60	60.96
Deferred tax (credit) / charge		(1.20)	7.67
		111.40	**68.63**
V. Profit for the year		**328.85**	**166.79**
VI. Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent years	25		
Re-measurement gains/(losses) on defined benefit plans		1.55	(0.25)
Income tax effect		(0.39)	0.07
Other comprehensive income net of tax		**1.16**	**(0.18)**

(Amount in INR million, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2020	March 31, 2019
VII. Total comprehensive income for the year		**330.01**	**166.61**
VIII. Earnings per equity share:			
Equity shares of par value INR 10 each			
(1) Basic	26	13.12	6.87
(2) Diluted	26	13.12	6.87

Summary of significant accounting policies 2

As per our report of even date

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

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 30, 2020

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

Anuj Khanna Sohum
Chairman, Managing Director &
Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 30, 2020

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date: May 30, 2020

Kapil Mohan Bhutani
Director, Chief Financial &
Operations Officer
[DIN: 00554760]
Place: Gurugram
Date: May 30, 2020

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 30, 2020

(Amount in INR million, unless otherwise stated)

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2020

	Particulars	For the year ended	
		March 31, 2020	March 31, 2019
A	**Cash flow from operating activities**		
	Profit before tax	**440.25**	**235.42**
	Adjustments for :		
	Depreciation and amortization expense	54.11	44.13
	Non-cash interest on lease	1.07	-
	Allowance for impairment of trade receivables and contract asset	18.98	(11.59)
	Liabilities written back	(9.37)	-
	Employee share based payment expense	-	(5.58)
	Loss on property, plant and equipment and intangible assets (net)	0.06	-
	Interest income	(34.59)	(2.26)
	Interest expense	1.67	4.28
	Unrealised foreign exchange (gain)/loss	1.03	(0.23)
	Advances given written off	2.32	0.08
	Operating profit before working capital changes	**475.53**	**264.25**
	Change in working capital:		
	Decrease/(increase) in contract asset	(62.97)	(17.99)
	Decrease/(increase) in trade receivables	(116.38)	(101.12)
	Decrease/(increase) in financial assets	(19.52)	(11.95)
	Decrease/(increase) in other current assets	(20.62)	(10.57)
	Increase/(decrease) in contract liabilities	1.51	(0.92)
	Increase/(decrease) in trade payables	132.29	104.09
	Increase/(decrease) in other financial liabilities	(9.29)	12.88
	Increase/(decrease) in other current liabilities	22.09	5.39
	Increase/(decrease) in provisions	2.60	4.00
	Net cash generated from operations	**405.24**	**248.06**
	Direct taxes paid (net of refunds)	(85.17)	(72.74)
	Net cash flow generated from operating activities (A)	**320.07**	**175.32**
B	**Cash flow from investing activities:**		
	Payment of purchase consideration towards acquisition of business	(31.86)	(43.28)

(Amount in INR million, unless otherwise stated)

		For the year ended	
	Particulars	March 31, 2020	March 31, 2019
	Purchase of property, plant and equipment, intangible assets including capital work in progress	(93.20)	(71.53)
	Proceeds from sale of property, plant and equipment and intangible assets	0.09	0.02
	Payment for right of use assets	(4.04)	-
	Investments in bank deposits (having original maturity of more than three months)	(568.81)	(6.30)
	Redemption in bank deposits (having original maturity of more than three months)	14.50	-
	Payment of subscription money towards investment in subsidiary	(34.87)	(103.32)
	Interest received on bank deposits	30.04	1.56
	Net cash used in investing activities (B)	**(688.15)**	**(222.85)**
C	**Cash flow from financing activities:**		
	Interest paid	(1.67)	(4.28)
	Proceeds from Initial public offer (net of issue expenses)	857.64	-
	Net cash generated/(used) in financing activities (C)	**855.97**	**(4.28)**
	Net change in cash and cash equivalent (A+B+C)	**487.89**	**(51.81)**
	Cash and cash equivalent as at the beginning of year	84.90	136.71
	Cash and cash equivalent as at the end of year	**572.79**	**84.90**
	Components of cash and cash equivalent:		
	Balance with banks		
	-On current account	129.68	84.81
	Deposits with original maturity of less than three months	443.01	-
	Cash in hand	0.10	0.09
	Total cash and cash equivalent (Refer Note 11)	**572.79**	**84.90**

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

(Amount in INR million, unless otherwise stated)

For the year ended March 31, 2020

Particulars	March 31, 2019	Cash flow	Fair value changes	March 31, 2020
Short-term borrowings	-	-	-	-
Total liabilities from financing activities	-	-	-	-

For the year ended March 31, 2019

Particulars	March 31, 2018	Cash flow	Fair value changes	March 31, 2019
Short-term borrowings	-	-	-	-
Total liabilities from financing activities	-	-	-	-

Summary of significant accounting policies 2

As per our report of even date

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

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 30, 2020

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

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 30, 2020

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date: May 30, 2020

Kapil Mohan Bhutani
Director, Chief Financial & Operations Officer
[DIN: 00554760]
Place: Gurugram
Date: May 30, 2020

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 30, 2020

(Amount in INR million, unless otherwise stated)

STANDALONE STATEMENT OF CHANGES IN EQUITY

Equity share capital

Particulars	Number of shares	Amount (INR)
Balance as at April 1, 2018	**24,288,314**	**242.88**
Issued during the year	-	-
Balance as at March 31, 2019	**24,288,314**	**242.88**
Balance as at April 1, 2019	**24,288,314**	**242.88**
Issued during the year	1,208,053	12.08
Balance as at March 31, 2020	**25,496,367**	**254.96**

(Amount in INR million, unless otherwise stated)

Other Equity

Particulars	Retained earnings	Securities premium	Capital contribution from Parent - Employee Share Based Payment (Refer Note 37)	Total
Balance as at April 01, 2018	**50.59**	**-**	**8.18**	**58.77**
Profit for the year	166.79	-	-	166.79
Other comprehensive income	(0.18)	-	-	(0.18)
	166.61		**-**	**166.61**
Share based payments	-	-	(5.58)	(5.58)
Transferred to retained earnings	2.60	-	(2.60)	-
Balance as at March 31, 2019	**219.80**	**-**	**-**	**219.80**
Balance as at April 01, 2019	**219.80**	**-**	**-**	**219.80**
Profit for the year	328.85		-	328.85
Other comprehensive income	1.16	-	-	1.16
Fresh equity issued during the year (refer note 45)	-	845.56	-	845.56
Balance as at March 31, 2020	**549.81**	**845.56**	**-**	**1,395.37**

Summary of significant accounting policies (refer note 2)

As per our report of even date

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

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

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 30, 2020

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 30, 2020

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date: May 30, 2020

Kapil Mohan Bhutani
Director, Chief Financial & Operations Officer
[DIN: 00554760]
Place: Gurugram
Date: May 30, 2020

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 30, 2020

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2020

1. CORPORATE INFORMATION

Affle (India) Limited ("the Company"), is a public limited Company, domiciled in India, incorporated under the provisions of the Companies Act, 1956, and is a subsidiary of Affle Holdings Pte Ltd. The Company was incorporated on August 18, 1994. The shares got listed on National Stock Exchange Limited and Bombay Stock Exchange Limited on August 08, 2019. The Company is engaged in providing mobile advertisement services through information technology and software development services for mobiles.

The registered office of the Company is situated at 312, B-Wing, Kanakia Wallstreet, Andheri Kurla Road, Andheri (East), Mumbai 400 093. The principal place of business is in Haryana, India.

These financial statements were authorized for issue in accordance with the resolution of directors on May 30, 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation of financial statements

The financial statements of the Company have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention, except for certain financial assets and financial liabilities that are measured at fair value as required under relevant Ind AS.

The financial statements are presented in Indian rupees (INR) and all values are rounded to the nearest millions up to two decimals, except when otherwise stated. Amounts less than INR 1 million has been shown as "0".

The financial statements provide comparative information in respect of the previous year.

ii) Business combinations under common control

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party both before and after the business combination, and that control is not transitory.

The Company accounts for its business combination under common control using pooling of interest method of accounting as per Appendix C of Ind AS 103. Acquisition related costs are recognized in the statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the definition for recognition are recognized at their carrying amount at the acquisition date.

Transferor's reserves are preserved and appear in the financial statements of the transferee in the same form in which they appear in the financial statements of the transferor. Acquisition date is the beginning of the preceding period in case the common control is established prior to such date. However, if business combination had occurred after such date, the acquisition date shall be considered only from that date.

The financial statements incorporate the financial statements of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The income statement includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where there is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the financial statements are presented as if the entities or businesses had been combined at the previous balance sheet date or when they first came under common control, whichever is shorter.

Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses, etc., incurred in relation to the common control combination that is to be accounted for by using merger accounting is recognised as an expense in the year in which it is incurred.

iii) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

a. Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

b. Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

c. Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

d. Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

e. Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or other comprehensive income, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss.

Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date. Refer note 39.

iv) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

v) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and other directly attributable cost incurred in bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent costs are capitalized on the carrying amount or recognized as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss on the date of disposal or retirement.

vi) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a pro-rata basis from the date on which the asset is ready to use, using written down value method ("WDV") over the useful lives of the assets estimated by the management, which are in line with the useful lives prescribed under Schedule II to the Companies Act, 2013.

The Company has used the following rates to provide depreciation on its property, plant and equipment:

Asset Category	Useful lives estimated by management
Computers	3 years
Office equipments	5 years
Furniture and fixtures	10 years
Motor vehicles	8 years

The residual value of these assets has been considered at 5% of original cost to the Company.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

vii) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized on a straight-line basis over the period of expected future benefit from the related project. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

A summary of amortization periods applied to the Company's intangible assets is as below:

Asset Category	Useful lives estimated by management
Computer software	5 years
Software application development	4 years

viii) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

ix) Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a. Right-of-use assets – The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight line basis over the period of lease term (refer note 29).

   If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

   The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (x) Impairment of non-financial assets.

b. Lease Liabilities – At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The effective interest rate for the lease liabilities is 11% per annum. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in financial liabilities (refer note 29).

c. Short-term leases and leases of low-value assets - The Company applies the short-term lease recognition exemption to its short-term leases of rent on property and on rent of computer equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also recognises leases with original lease term of more than 12 months from the commencement date and do not contain any non-cancellable period/lock-in period. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

x) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates.

Impairment losses of operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

xi) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables. For more information on receivables, refer to note 10.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss (P&L). Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value. All changes in fair value including dividend are recognized in the statement of profit and loss.

Investment in subsidiary

Investments in subsidiary are carried at cost less allowance for impairment, if any. The Company reviews its carrying value of investments in subsidiaries, annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. Determining whether the investments is subsidiaries is impaired requires an estimate in the value in use of investments. The Management carries out impairment assessment for each investment by comparing the carrying value of each investment with the net worth of each company based on audited financials and comparing the performance of the investee companies with projections used for valuations, in particular those relating to the cash flows, sales growth rate, pre-tax discount rate and growth rates used and approved business plans.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an

obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions – see note 27
- Trade receivables and contract assets – see note 10

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head other expenses in the statement of profit and loss. For the financial assets measured as at amortized cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount. For further disclosure-see note 35 of the financial statements.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include borrowings, trade and other payables.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities at amortised cost (Loans and borrowings)
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings

De-recognition
A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Reclassification of financial assets
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest. No such reclassifications have been done during the financial year.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

xii) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management or its expert verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for significant estimates and assumptions (notes 27)
- Quantitative disclosures of fair value measurement hierarchy (note 34)
- Investment in unquoted equity shares (note 5(b))
- Financial instruments (including those carried at amortised cost) (notes 33)

xiii) Revenue from contracts with customers

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria discussed below must also be met before revenue is recognized:

Consumer platform

Revenue from rendering of advertisement services is recognized on accrual basis as and when services are rendered based on the terms of the contract. The Company collects taxes on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue. In respect of consumer platform, the revenue is recognised as and when advertisements are delivered by the Company.

Enterprise platform

Revenue from software development comprises income from time & material and fixed price contracts. Revenue with respect to time & material contracts is recognized when the related services are performed. Revenue from fixed price contracts is recognized in accordance with the proportionate completion method which is determined by reference to the milestone achieved as per the terms of the contract. The Company collects taxes on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue. In respect of enterprise platform, the revenue is recognised over the period of time based on the projects completed by the Company.

Other Operating Revenue

Other operating revenue is derived from the allocation of salary and operational cost charged to the associated entity for the work performed. The transaction is at arm's length which is on usual commercial terms. The amount charged includes cost plus margin based on the transfer pricing study carried at the year end. The revenue is recognized on accrual basis.

Contract balances

- **Contract assets** - A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section xi) Financial instruments – initial recognition and subsequent measurement.

- **Trade receivables** - A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in clause xi) Financial instruments – initial recognition and subsequent measurement.

- **Contract liabilities** - A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest

For all debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

xiv) Foreign currencies

Functional and presentational currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses average rate if the average approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

xv) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure in the statement of profit and loss, when an employee renders the related service.

The Company operates an unfunded defined benefit gratuity plan for its employees. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end, using the projected unit credit method and charged to statement of profit and loss. Remeasurements, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

xvi) Taxes

Income tax expense comprises current and deferred tax.

Current tax

Current income-tax assets and liabilities is measured at the amount expected to be recovered from or paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit and loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Moreover, deferred tax is recognized on temporary differences arising on investments in subsidiaries unless the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) credit is recognized as deferred asset only when it is probable that taxable profit will be available against which the credit can be utilized. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss account. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is no longer probable that the Company will pay normal income tax during the specified period.

xvii) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

xviii) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

xix) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Refer note 30 (b).

xx) Share based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest.

No expense is recognized for awards that do not ultimately vest because service conditions have not been met.

xxi) Earnings per share

Basic earnings per share (EPS) are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit or loss attributable to equity holders of the Company (after adjusting the corresponding income/charge for dilutive potential equity shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

xxii) Segment reporting

Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

Inter-segment transfers

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

xxiii) Changes in accounting policies and disclosures

New and amended standards

The Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments apply for the first time for the year ending March 31, 2020, but do not have an impact on the standalone financial statements of the Company. The Company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its Appendix A Operating Leases-Incentives, Appendix B Evaluating the Substance of Transactions Involving the Legal Form of a Lease and Appendix C, Determining whether an Arrangement contains a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognize most leases on the balance sheet.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application being April 01, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at April 01, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C to Ind AS 17 at the date of initial application.

Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which have been applied by the Company. Refer to note 2 (ix) Leases for the accounting policy beginning from April 01, 2019.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Based on the above, as at April 01, 2019, for all lease contracts existing on April 01, 2019 there is no impact to be adjusted with retained earnings.

The adoption of standard resulted in recognition of right-of-use asset of INR 22.06 million and lease liabilities of INR 22.77 million as on March 31, 2020 in the standalone balance sheet. Resulting impact in the standalone statement of profit and loss is an increase of INR 3.68 million for the year ended March 31, 2020 in depreciation for the right-of-use assets, INR 1.07 million for the year ended March 31, 2020 in finance costs on lease liabilities and a decrease in lease rent cost of INR 4.04 million for the year ended March 31, 2020.

Accounting policy till March 31, 2019: Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as the lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes.

It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty. The Company applies significant judgement in identifying uncertainties over income tax treatments.

Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix did not have an impact on the financial statements of the Company.

Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortized cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of an event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

These amendments have no impact on the financial statements of the Company.

Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to determine the current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. An entity is also required to determine the net interest for the remainder of the period after the plan amendment, curtailment or settlement using the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event, and the discount rate used to remeasure that net defined benefit liability (asset).

These amendments have no impact on the financial statements of the Company as it did not have any plan amendments, curtailments, or settlements during the period.

Amendments to Ind AS 28: Long-term interests in associates and joint ventures

The amendments clarify that an entity applies Ind AS 109 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in Ind AS 109 applies to such long-term interests.

The amendments also clarified that, in applying Ind AS 109, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying Ind AS 28 Investments in Associates and Joint Ventures.

The Company does not have any associate and joint venture therefore, the amendment does not have any impact.

Annual Improvements to Ind AS

Ind AS 103 Business Combinations
The amendments clarify that, when an entity obtains control of a business that is a joint operation, it applies the requirements for a business combination achieved in stages, including remeasuring previously held interests in the assets and liabilities of the joint operation at fair value. In doing so, the acquirer remeasures its entire previously held interest in the joint operation.

An entity applies those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after April 01, 2019.

These amendments have no impact on the financial statements of the Company as there is no transaction where joint control is obtained.

Ind AS 111 Joint Arrangements
An entity that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in Ind AS 103. The amendments clarify that the previously held interests in that joint operation are not remeasured.

An entity applies those amendments to transactions in which it obtains joint control on or after the beginning of the first annual reporting period beginning on or after April 01, 2019.

These amendments have no impact on the financial statements of the Company as there is no transaction where a joint control is obtained.

Ind AS 12 Income Taxes
The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where it originally recognised those past transactions or events.

An entity applies the amendments for annual reporting periods beginning on or after April 01, 2019.

These amendments have no impact on the financial statements of the Company as there is no dividend distributed by the Company during the year.

Ind AS 23 Borrowing Costs
The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

The entity applies the amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after April 01, 2019.

These amendments have no impact on the financial statements of the Company as there are no borrowings to develop qualifying asset.

(Amount in INR million, unless otherwise stated)

3. Property, plant and equipment

Particulars	Computers	Furniture & fixtures	Office equipments	Motor Vehicles	Total
Cost					
As at April 1, 2018	**1.93**	**1.53**	**1.55**	**1.95**	**6.96**
Additions during the year	4.93	0.04	1.34	-	6.31
Disposals during the year	0.07	-	0.02	-	0.09
As at March 31, 2019	**6.79**	**1.57**	**2.87**	**1.95**	**13.18**
Additions during the year	4.45	-	0.46	0.97	5.88
Disposals during the year	1.70	-	0.25	-	1.95
As at March 31, 2020	**9.54**	**1.57**	**3.08**	**2.92**	**17.11**
Accumulated depreciation					
As at April 1, 2018	**0.88**	**0.82**	**1.07**	**0.52**	**3.29**
Charge for the year	1.54	0.54	0.58	0.74	3.40
Disposals during the year	0.06	-	0.01	-	0.07
As at March 31, 2019	**2.36**	**1.36**	**1.64**	**1.26**	**6.62**
Charge for the year	4.20	0.04	0.64	0.43	5.31
Disposals during the year	1.58	-	0.22	-	1.80
As at March 31, 2020	**4.98**	**1.40**	**2.06**	**1.69**	**10.13**
Net block					
As at March 31, 2020	**4.56**	**0.17**	**1.02**	**1.23**	**6.98**
As at March 31, 2019	**4.43**	**0.21**	**1.23**	**0.69**	**6.56**

(Amount in INR million, unless otherwise stated)

4. Other intangible assets

Particulars	Computer Software	Software application development	Total	Goodwill (Refer Note 39)	Intangible assets under development (Refer Note 40)
Cost					
As at April 1, 2018	**24.72**	**148.40**	**173.12**	**59.24**	**-**
Additions during the year	0.36	36.99	37.35	-	54.94
Capitalisation during the year	-	-	-	-	36.99
Acquisition during the year (refer note 39)	-	9.93	9.93	75.14	-
As at March 31, 2019	**25.08**	**195.32**	**220.40**	**134.38**	**17.95**
Additions during the year	0.04	57.24	57.28	-	87.29
Capitalisation during the year	-	-	-	-	57.24
As at March 31, 2020	**25.12**	**252.56**	**277.68**	**134.38**	**48.00**
Accumulated amortisation					
As at April 1, 2018	**23.36**	**61.58**	**84.94**	**-**	**-**
Amortization for the year	0.95	39.78	40.73	-	-
As at March 31, 2019	**24.31**	**101.36**	**125.67**	**-**	**-**
Amortization for the year	0.49	44.63	45.12	-	-
As at March 31, 2020	**24.80**	**145.99**	**170.79**	**-**	**-**
Net block					
As at March 31, 2020	**0.32**	**106.57**	**106.89**	**134.38**	**48.00**
As at March 31, 2019	**0.77**	**93.96**	**94.73**	**134.38**	**17.95**

	As at	
Net book value	**March 31, 2020**	**March 31, 2019**
Goodwill*	134.38	134.38
Other intangible assets	106.89	94.73
Intangible assets under development	48.00	17.95
Total	**289.27**	**247.06**

*Goodwill includes amount of INR 59.24 million (March 31, 2019: INR 59.24 million) on account of business combination (refer note 39.1) and amount of INR 75.14 million (March 31, 2019: INR 75.14 million) on account of business acquisition (refer note 39.2)

(Amount in INR million, unless otherwise stated)

5(a). Non-current investments

	As at	
	March 31, 2020	March 31, 2019
Unquoted equity investments fully paid-up		
Investments in equity instruments of subsidiaries at cost		
1,083,015 (March 31, 2019: 711,268) equity shares with face value of USD 1 each in Affle International Pte. Ltd., Singapore	439.72	138.19
Total	**439.72**	**138.19**
Aggregate amount of unquoted investments	439.72	138.19
Aggregate amount of impairment in the value of investments	-	-

On February 26, 2020, the Company had executed a Share Subscription Agreement with Affle International Pte. Ltd., Singapore. Pursuant to the agreement, Affle International Pte. Ltd., Singapore allotted fully paid-up shares to the Company against the consideration payable of INR 301.53 million. This provided the Company voting rights amongst other rights except liquidation rights till the time consideration is paid. As at March 31, 2020, the amount is yet to be paid by the Company and is classified under other financial liabilities. Subsequent to year-end the amount has been paid by the Company.

5(b). Non-current investments

	As at	
Unquoted equity investments fully paid-up	March 31, 2020	March 31, 2019
Investment at fair value through profit or loss (FVTPL)		
101 (March 31, 2019: 101) preference shares with face value of INR 10 each and with premium of INR 1,972 each in Affle X Private Limited (earlier known as OOO Marketplaces Private Limited)	0.20	0.20
50 (March 31, 2019: 50) equity shares with face value of INR 10 each and with premium of INR 1,219 each in Affle X Private Limited (earlier known as OOO Marketplaces Private Limited)	0.06	0.06
Total	**0.26**	**0.26**
Aggregate value of unquoted investments	0.26	0.26
Aggregate amount of impairment in the value of investments	-	-

(Amount in INR million, unless otherwise stated)

6. Loans

	Non-current		Current	
	As at		As at	
Particulars	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
At amortised cost				
Unsecured, considered good unless otherwise stated				
Security deposits*	3.34	0.07	29.42	6.77
Loans to employees	-	-	3.86	0.85
Total	**3.34**	**0.07**	**33.28**	**7.62**

Notes:

1. During the year ended March 31, 2020 & March 31, 2019, there were no balances of loan to employees with a significant increase in credit risk or credit impairment.
2. There are no loans and advances to Directors/Promoters/Promoter group companies/Relatives of Promoters/ Relatives of Directors.
3. List of persons/entities classified as 'promoters' and 'promoter group companies' has been determined by the management and relied upon by the auditors. The auditors have not performed any procedure to determine whether the list is accurate and complete.

*Security deposits primarily include deposits given towards rented premises and other miscellaneous deposits. It represents fair value of amount paid to landlord for the leases premises. As on March 31, 2020, remaining tenure for security deposits ranges from one to nine years.

7. Other financial assets

	As at	
	March 31, 2020	March 31, 2019
At amortised cost		
Unsecured, considered good unless otherwise stated		
Interest accrued but not due on deposit	4.93	0.38
Others*	2.72	12.13
Total	**7.65**	**12.51**

* As at March 31, 2020, amount due from related parties is NIL (March 31, 2019 : INR 0.46 million).

(Amount in INR million, unless otherwise stated)

8. Income tax

The major component of income tax expense for the year ended March 31, 2020 and March 31, 2019 are as follows:

Statement of profit and loss:

(i) Profit or loss section

	For the year ended	
	March 31, 2020	March 31, 2019
Current income tax:		
Current income tax charge [includes INR 1.48 million for earlier year (March 31, 2019 : Nil)]	112.60	60.96
Deferred tax:		
Relating to origination and reversal of temporary differences	(1.20)	7.67
Income tax expense reported in the statement of profit and loss	**111.40**	**68.63**

(ii) Other Comprehensive Income (OCI) section:

Deferred tax relating to items recognised in OCI during in the year:

	For the year ended	
	March 31, 2020	March 31, 2019
Net gain/(loss) on measurement of defined benefit plans	0.39	(0.07)
Total	**0.39**	**(0.07)**

Reconciliation of tax expense and the accounting profit multiplied by the applicable tax rate(s):

	For the year ended	
	March 31, 2020	March 31, 2019
Accounting profit before income tax	**440.25**	**235.42**
At India's statutory income tax rate of 25.17% (March 31, 2019: 29.12%)	110.81	68.55
Share based payment	-	(1.62)
Non-deductible/taxable expenses for tax purposes	-	0.96
Income tax expense relating to earlier year	1.48	-
Effect of change in tax rate	(0.89)	0.74
At the effective income tax rate of 25.30% (March 31, 2019: 29.15%)	**111.40**	**68.63**
Income tax expense reported in the Ind AS statement of profit and loss	**111.40**	**68.63**

(Amount in INR million, unless otherwise stated)

Deferred tax:

Deferred tax relates to the following:

	As at	
	March 31, 2020	March 31, 2019
Property, plant and equipment and intangible assets: impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	7.58	5.25
Impact of right of use assets and lease liability	0.18	-
Impact of fair valuation of financial instruments	-	0.03
Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	4.46	4.85
Allowance for impairment of trade receivables and contract asset	5.55	4.45
Tax deductible goodwill	(19.65)	(17.26)
Deferred tax liability (net)	**(1.88)**	**(2.68)**

Reconciliation of deferred tax liability (net)

	As at	
	March 31, 2020	March 31, 2019
Opening balance of deferred tax (liability)/asset (net)	**(2.68)**	**4.92**
Tax income/(expense) during the year recognised in profit or loss	1.20	(7.67)
Tax income/(expense) during the year recognised in OCI	(0.39)	0.07
Closing balance of deferred tax liability (net)	**(1.88)**	**(2.68)**

Reconciliation of deferred tax (income)/expenses recognised in the statement of profit and loss

	For the year ended	
	March 31, 2020	March 31, 2019
Property, plant and equipment and intangible assets: impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	(2.32)	(2.85)
Impact of right of use assets and lease liability	(0.18)	-
Impact of fair valuation of financial instruments	0.03	(0.02)
Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	(0.01)	(0.51)
Allowance for impairment of trade receivables and contract asset	(1.10)	5.64
Tax deductible goodwill	2.38	5.40
Deferred tax (income)/expense on profit for the year	**(1.20)**	**7.67**

Reconciliation of deferred tax (income)/expenses recognised in other comprehensive income

	For the year ended	
	March 31, 2020	March 31, 2019
Re-measurement gains/(losses) on defined benefit plans	(0.39)	0.07
Deferred tax related to other comprehensive income of the year	**(0.39)**	**0.07**

(Amount in INR million, unless otherwise stated)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relates to income taxes levied by the same tax authority.

In assessing the realisability of deferred tax assets, management considers whether it is probable, that some portion, or all, of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the years in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the years in which the deferred tax assets are deductible, management believes that it is probable that the Company will be able to realise the benefits of those deductible differences in future.

9. Other assets

	Non-current		Current	
	As at		As at	
Particulars	**March 31, 2020**	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Unsecured, considered good				
Prepayments	-	-	5.60	3.32
Balance with statutory/government authorities	-	-	27.45	13.02
Advances other than capital advances	-	-	7.53	5.94
Total	**-**	**-**	**40.58**	**22.28**

10. Trade receivables

	As at	
	March 31, 2020	**March 31, 2019**
Unsecured, considered good		
Trade receivables from related parties (refer note 31)	91.35	40.47
Trade receivables from other than related parties	278.30	228.79
	369.65	**269.26**
Unsecured, considered doubtful		
Trade receivables from other than related parties	19.70	15.02
	19.70	**15.02**
Allowance for impairment of trade receivables	(19.70)	(15.02)
Total	**369.65**	**269.26**

(Amount in INR million, unless otherwise stated)

Break-up for security details:

	As at	
Trade receivable	March 31, 2020	March 31, 2019
Unsecured, considered good	369.65	269.26
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	19.70	15.02
	389.35	**284.28**
Allowance of impairment		
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	(19.70)	(15.02)
Total trade receivables	**369.65**	**269.26**

The movement in allowance for impairment of trade receivables is as follows:

	For the year ended	
	March 31, 2020	March 31, 2019
Opening balance	15.02	25.30
Additions/(write back)	18.98	(10.28)
Bad debts written off (net of recovery)	(14.30)	-
Closing balance	**19.70**	**15.02**

Notes:

1. Trade receivables are non-interest bearing and are generally on credit terms of 30 to 90 days. For terms and conditions relating to related party receivables, refer note 31.
2. Following are the amounts due from directors/promoters/promoter group companies/relatives of promoters/relatives of directors:

	As at	
	March 31, 2020	March 31, 2019
Affle Global Pte. Ltd., Singapore	0.23	-
Affle International Pte. Ltd., Singapore	91.12	40.47
Total	**91.35**	**40.47**

3. List of persons/entities classified as 'promoters' and 'promoter group companies' has been determined by the management and relied upon by the auditors. The auditors have not performed any procedure to determine whether the list is accurate and complete.
4. During the year ended March 31, 2020 & March 31, 2019; there were no balances of trade receivables with a significant increase in credit risk or credit impairment.

(Amount in INR million, unless otherwise stated)

11. Cash and bank balances

(i) Cash and cash equivalents

	As at	
	March 31, 2020	March 31, 2019
Balances with banks:		
On current accounts*	129.68	84.81
Deposits with original maturity for less than three months	443.01	-
Cash in hand	0.10	0.09
Total	**572.79**	**84.90**

*The cash credit facility included in balances with banks on current accounts amounting to INR 104.77 million (March 31, 2019: INR 43.28 million) is secured by hypothecation of trade receivable (first and exclusive charge), 10% fixed deposit margin and corporate guarantee from parent entity M/s Affle Holdings Pte Limited.

Note: There are no non-cash items relating to investing and financing activities. Refer note 5 (a).

(ii) Other bank balances

Deposits with original maturity for more than three months but less than twelve months	568.81	14.50
Total	**568.81**	**14.50**

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

	As at	
	March 31, 2020	March 31, 2019
Balances with banks:		
On current accounts*	129.68	84.81
Deposits with original maturity for less than three months	443.01	-
Cash in hand	0.10	0.09
Total	**572.79**	**84.90**

12. Current tax assets (net)

	As at	
	March 31, 2020	March 31, 2019
Advance tax [net of provision for tax amounting to INR 217.45 million (March 31, 2019: INR 104.78 million)]	8.73	36.15
Total	**8.73**	**36.15**

(Amount in INR million, unless otherwise stated)

13(a). Share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised share capital		
30,000,000 (March 31, 2019: 30,000,000) equity shares of INR 10 each	300.00	300.00
Issued share capital		
25,496,367 (March 31, 2019: 24,288,314) equity shares of INR 10 each fully paid up	254.96	242.88
	254.96	**242.88**
Subscribed and fully paid-up share capital		
25,496,367 (March 31, 2019: 24,288,314) equity shares of INR 10 each fully paid up	254.96	242.88
	254.96	**242.88**

A. Reconciliation of the number of equity shares outstanding at the beginning and end of the year

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Opening balance	24,288,314	242.88	24,288,314	242.88
Shares issued during the year (refer note 45)	1,208,053	12.08	-	-
Shares bought back during the year	-	-	-	-
Closing Balance	**25,496,367**	**254.96**	**24,288,314**	**242.88**

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. The holders of equity shares are entitled to receive dividends and are entitled to one vote per share. In the event of liquidation, equity shareholders will be entitled to receive assets of the Company in proportion to the number of shares held to the total equity shares outstanding as on that date.

C. Shares held by holding company and/or their subsidiaries

Out of the equity shares issued by the Company, shares held by its holding company and its subsidiaries are as below:

Particulars	As at March 31, 2020	As at March 31, 2019
Affle Holdings Pte. Ltd., Singapore, ultimate holding Company		
13,415,919 (March 31, 2019: 18,368,939) equity shares of INR 10 each fully paid up	134.16	183.69
Affle Global Pte. Ltd. (earlier known as Affle Appstudioz Pte. Ltd.) , Singapore, subsidiary of Affle Holdings Pte. Ltd.		
4,017,911 (March 31, 2019: 4,017,911) equity shares of INR 10 each fully paid up	40.18	40.18

(Amount in INR million, unless otherwise stated)

D. Details of shareholders holdings more than 5% shares (refer Note 45)

Name of Shareholder	As at			
	March 31, 2020		March 31, 2019	
	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
Equity shares of INR 10 each fully paid				
Affle Holdings Pte. Ltd., Singapore	13,415,919	52.62%	18,368,939	75.63%
Affle Global Pte. Ltd., Singapore	4,017,911	15.75%	4,017,911	16.54%
Malabar India Fund Limited, Mauritius	1,616,214	6.34%	1,616,214	6.65%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Aggregate number of equity shares issued as bonus shares, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date is Nil.

13(b). Other equity

	As at	
	March 31, 2020	March 31, 2019
Retained earnings	549.81	219.80
Securities premium	845.56	-
Capital contribution from parent - employee share based payment	-	-
Total	**1,395.37**	**219.80**

(i) Retained earnings

	As at	
	March 31, 2020	March 31, 2019
Opening balance	219.80	50.59
Profit for the year	328.85	166.79
Other comprehensive income	1.16	(0.18)
Transferred from capital contribution from parent-employee share based payment	-	2.60
Closing balance	**549.81**	**219.80**

(ii) Securities premium

	As at	
	March 31, 2020	March 31, 2019
Opening balance	-	-
Fresh equity issued during the year (refer note 45)	845.56	-
Closing balance	**845.56**	**-**

(Amount in INR million, unless otherwise stated)

(iii) Capital contribution from parent - employee share based payment

	As at	
	March 31, 2020	March 31, 2019
Opening balance	-	8.18
Share based payments	-	(5.58)
Transferred to retained earnings	-	(2.60)
Closing balance	**-**	**-**

Nature and purpose of other equity

Retained earnings
Retained earnings represent the undistributed profits of the Company.

Securities premium
Securities premium represents the amount received in excess of par value of equity shares.Section 52 of Companies Act, 2013 specifies restriction and utilisation of security premium.

Capital contribution from parent - employee share based payment
Capital contribution from parent represents the share based payment arrangement with employees of the Company by Affle Holdings Pte. Ltd., Singapore. It is the cost of equity settled transactions determined by the fair value at the date when the grant is made using an appropriate valuation model.

14. Provisions

	Non-current		Current	
	As at		As at	
Particulars	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Provision for employee benefits				
Provision for gratuity (refer note 28)	9.46	11.77	3.49	0.88
Provision for leave benefits	3.33	3.60	1.44	0.39
Total (A)	**12.79**	**15.37**	**4.93**	**1.27**
Other provisions				
Provision for contingency (refer note 41)	-	-	0.07	0.10
Total (B)	**-**	**-**	**0.07**	**0.10**
Total (A+ B)	**12.79**	**15.37**	**5.00**	**1.37**

Movement in provision for contingency

	For the year ended	
	March 31, 2020	March 31, 2019
At the beginning of the year	0.10	0.15
Write off/utilised during the year	(0.03)	(0.05)
At the end of the year	**0.07**	**0.10**

(Amount in INR million, unless otherwise stated)

15. Trade payables

	As at	
	March 31, 2020	March 31, 2019
Trade payables:		
- total outstanding dues of micro enterprises and small enterprises (refer note 38)	6.85	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	443.83	323.74
Total	**450.68**	**323.74**

Notes:

1. Following are the amounts due to directors/promoters/promoter group companies/relatives of promoters/relatives of directors (refer note 31)

	As at	
	March 31, 2020	March 31, 2019
Affle International Pte. Ltd., Singapore	53.60	-
Affle Global Pte. Ltd.	-	1.17
Total	**53.60**	**1.17**

2. List of persons/entities classified as 'promoters' and 'promoter group companies' has been determined by the management and relied upon by the auditors. The auditors have not performed any procedure to determine whether the list is accurate and complete.

16. Other current financial liabilities

	As at	
Current	March 31, 2020	March 31, 2019
At amortised cost		
Salary payable	28.48	37.77
Others*	301.54	66.73
Total	**330.02**	**104.50**

***Notes:**

1. As at March 31, 2020, amount payable against business acquisition is NIL (March 31, 2019: INR 31.86 million) (refer note 39)
2. As at March 31, 2020, includes amount due to related parties is INR 301.54 million (March 31, 2019: INR 34.87 million) (refer note 31).

Terms and conditions of the above financial liabilities

- Trade payables are non-interest bearing and are normally settled on 60-day terms
- For terms and conditions with related parties, refer note 31

Notes:

1. There are no amounts due to Directors/Promoters/Promoter Group/Relatives of Promoters/Relatives of Directors.
2. List of persons/entities classified as 'promoters' and 'promoter group companies' has been determined by the management and relied upon by the auditors. The auditors have not performed any procedure to determine whether the list is accurate and complete.

(Amount in INR million, unless otherwise stated)

17. Other current liabilities

	As at	
	March 31, 2020	March 31, 2019
Statutory dues payable	45.10	23.01
Total	**45.10**	**23.01**

18. Revenue from contracts with customers

(i) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	For the year ended	
	March 31, 2020	March 31, 2019
Type of service		
Consumer platform	1,630.94	1,076.83
Enterprise platform	129.76	101.11
Other operating revenue	61.56	34.20
Total revenue from contracts with customers	**1,822.26**	**1,212.14**

	For the year ended	
	March 31, 2020	March 31, 2019
Geographical markets		
India	1,607.20	1,088.55
Singapore	171.37	85.89
Others	43.70	37.70
Total revenue from contracts with customers	**1,822.26**	**1,212.14**

	For the year ended	
	March 31, 2020	March 31, 2019
Timing of revenue recognition		
Services transferred at a point in time	1,692.50	1,111.03
Services transferred over time	129.76	101.11
Total revenue from contracts with customers	**1,822.26**	**1,212.14**

(ii) Contract balances

	As at	
	March 31, 2020	March 31, 2019
Trade receivables (refer note 10)	369.65	269.26

Contract asset

A contract asset is the right to consideration that is conditional upon factors other than the passage of time. Contract assets are recognised where there is excess of revenue over billings. Revenue recognised but not billed to customer is classified as unbilled revenue (contract assets) in our balance sheet.

(Amount in INR million, unless otherwise stated)

Changes in contract assets are as follows:

	As at	
	March 31, 2020	March 31, 2019
Balance at the beginning of the year [net of allowance for impairment amounting to INR 2.39 million (April 1, 2018: INR 3.70 million)]	96.49	77.19
Revenue recognised during the year	1,822.26	1,212.14
Invoices raised during the year	1,759.29	1,192.84
Balance at the end of the year [net of allowance for impairment amounting to INR 2.39 million (March 31, 2019: INR 2.39 million)]	**159.46**	**96.49**

Contract liabilities

	As at	
	March 31, 2020	March 31, 2019
Advance from customers	3.74	2.11
Deferred revenue	0.27	0.39
	4.01	**2.50**

Changes in advance from customers are as follows:

	As at	
	March 31, 2020	March 31, 2019
Balance at the beginning of the year	2.11	3.42
Advance received during the year	3.24	3.16
Advance adjusted against invoices during the year	1.42	4.47
Advance written back	0.19	-
Balance at the end of the year	**3.74**	**2.11**

Changes in deferred revenue are as follows:

	As at	
	March 31, 2020	March 31, 2019
Balance at the beginning of the year	0.39	-
Added during the year	0.27	1.10
Invoiced during the year	0.39	0.71
Balance at the end of the year	**0.27**	**0.39**

(iii) Performance obligations

Information about the Company's performance obligations are summarised below:

Consumer platform

The performance obligation is satisfied at a point in time and payment is generally due within 30 to 90 days of completion of services and acceptance of the customer. In some contracts, short-term advances are required before the advertisement services are provided.

Enterprise platform

The performance obligation is satisfied over time and payment is generally due within 30 to 90 days of completion of services and acceptance of the customer. In some contracts, short-term advances are required before the software development services are provided.

(Amount in INR million, unless otherwise stated)

As the duration of the contracts for consumer and enterprise platform is less than one year, the Company has opted for practical expedient and decided not to disclose the amount of the remaining performance obligations.

Other operating revenue
The performance obligation is satisfied at a point in time and payment is generally due within 60 to 180 days of completion of services and acceptance of the customer.

Notes:
Due to the adoption of Ind AS 115 in the previous year, there is no impact on the revenue recognised by the Company. Hence, the reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price is not required.

19. Other income

	For the year ended	
	March 31, 2020	March 31, 2019
Recurring other income:		
Interest income on financial assets measured at amortised cost:		
Bank deposits	34.59	1.84
Income tax refund	1.83	-
Security deposits	0.13	0.42
Infrastructure support servives	-	34.20
Less: Reclassification to revenue from operations	-	(34.20)
Exchange differences (net)	1.00	-
Non-recurring other income:		
Liabilities written back	9.37	-
Miscellaneous income	4.38	0.05
Total	**51.30**	**2.31**

Notes:
The classification of other income as recurring/non-recurring, to business entity is based on the current operations and business activity of the Company as determined by the management.

20. Inventory and data costs

	For the year ended	
	March 31, 2020	March 31, 2019
Inventory cost	873.82	581.22
Platform cost	43.71	31.89
Cloud hosting charges	78.20	20.91
	995.73	**634.02**
Less: Cost capitalised as intangible assets or intangible assets under development (refer note 40)	(19.35)	(11.11)
Total	**976.38**	**622.91**

(Amount in INR million, unless otherwise stated)

21. Employee benefits expense

	For the year ended	
	March 31, 2020	March 31, 2019
Salaries, wages and bonus	287.50	225.35
Contribution to provident and other funds	8.97	6.38
Gratuity expense (refer note 28)	3.21	3.43
Employee share based payment expense (refer note 37)	-	(5.58)
Staff welfare expenses	5.78	6.03
	305.46	**235.61**
Less: Cost capitalised as intangible assets or intangible assets under development (refer note 40)	(63.75)	(40.16)
Total	**241.71**	**195.45**

22. Finance costs

	For the year ended	
	March 31, 2020	March 31, 2019
Interest on borrowings	0.53	3.02
Interest on lease liabilities	1.07	-
Interest on income tax	0.07	1.26
Bank charges	1.39	0.16
Others	0.01	0.03
Total	**3.07**	**4.47**

23. Depreciation and amortisation expense

	For the year ended	
	March 31, 2020	March 31, 2019
Depreciation of property, plant and equipments (refer note 3)	5.31	3.40
Amortisation of intangible assets (refer note 4)	45.12	40.73
Depreciation on right-of-use assets (refer note 29)	3.68	-
Total	**54.11**	**44.13**

(Amount in INR million, unless otherwise stated)

24. Other expenses

		For the year ended	
		March 31, 2020	March 31, 2019
Power and fuel		0.57	0.58
Rent		15.17	15.25
Rates and taxes		10.47	0.54
Insurance		2.46	1.36
Repair and maintenance - others		6.35	6.58
Legal and professional fees (including payment to statutory auditor, refer detail below)*		37.29	18.28
Travelling and conveyance		14.02	13.61
Communication costs		1.84	1.48
Printing and stationery		0.57	0.68
Recruitment expenses		1.63	0.39
Business promotion		10.35	46.80
Bad debts written off	14.30		
Less: Utilisation from provision for doubtful debts	(14.30)	-	-
Impairment allowance of trade receivables and contract asset		18.98	(11.59)
Advances given written off		-	0.08
Loss on disposal of property, plants and equipment and intangible assets (net)		0.06	-
Exchange differences (net)		-	8.20
Software license fee		4.92	1.81
Directors sitting fee		4.86	5.94
Royalty charges		22.26	-
Corporate social responsibility expenses**		2.56	0.81
Miscellaneous expenses		7.86	4.94
		162.22	**115.74**
Less: Cost capitalised as intangible assets or intangible assets under development (refer note 40)		(4.18)	(3.67)
Total		**158.04**	**112.07**

	For the year ended	
	March 31, 2020	March 31, 2019
***Payment to statutory auditor:**		
As auditors:		
Audit fee	6.50	3.00
In other capacity		
Advisory and certification services	0.15	1.18
Reimbursement of expenses	0.22	0.04
Total	**6.87**	**4.22**

1. The audit fee pertaining to the quarter ended June 30, 2018 and period ended October 31, 2018 has been treated as Initial Public Offer (IPO) expenses and accordingly have been clubbed under the heading 'other financial assets'.

(Amount in INR million, unless otherwise stated)

Details of corporate social responsibility expenditure:

		For the year ended	
		March 31, 2020	March 31, 2019
a) Gross amount required to be spent during the year		2.56	0.77
	In Cash	Yet to be paid in cash	Total
b) Amount spent during the year ending on March 31, 2020:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	2.25	0.31	2.56
c) Amount spent during the year ending on March 31, 2019:			
(i) Construction/ acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	0.81	-	0.81

25. Other comprehensive income

The disaggregation of changes to other comprehensive income by each type of reserve in equity is shown below:

	For the year ended	
	March 31, 2020	March 31, 2019
Re-measurement gains/(losses) on defined benefit plans	1.55	(0.25)
Income tax effect	(0.39)	0.07
Total	**1.16**	**(0.18)**

26. Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

(Amount in INR million, unless otherwise stated)

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended	
	March 31, 2020	March 31, 2019
Profit attributable to equity holders for basic earnings	328.85	166.79
Effect of dilution	-	-
Profit attributable to equity holders for the effect of dilution	**328.85**	**166.79**
Weighted average number of equity shares used for computing basic earning per share (in million)	25.07	24.29
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution *	**25.07**	**24.29**
Basic EPS (absolute value in INR)	13.12	6.87
Diluted EPS (absolute value in INR)	13.12	6.87

*The weighted average number of equity shares takes into account the weighted average effect of equity shares issued during the year.

27. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:
- Capital Management, refer note 36
- Financial risk management objectives and policies, refer note 35
- Sensitivity analysis, refer note 28, note 35 and note 39

Judgements

In the process of applying the Company's accounting policies, management has not made any significant judgement, which have the most significant effect on the amounts recognised in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or Cash Generating Unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash flow ("DCF") model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company has not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Company. Refer note 39 for further disclosures.

(b) Provision for expected credit losses of trade receivables and contract assets

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience adjusted for forward-looking estimates. Individual trade receivables are written off when management deems them not to be collectible. For details of allowance for doubtful debts please refer note 10.

(c) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised based on the timing, likely and the level of future taxable profits together with future tax planning strategies. Refer note 8 for further disclosures.

(d) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India. Further details about gratuity obligations are given in note 28.

(e) Intangible assets under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. At March 31, 2020, the carrying amount of capitalised intangible asset under development was INR 48 million (March 31, 2019: INR 17.95 million).

This amount includes significant investment in the development of an innovative fire prevention system. Prior to being marketed, it will need to obtain a safety certificate issued by the relevant regulatory authorities. The innovative nature of the product gives rise to some uncertainty as to whether the certificate will be obtained.

(f) Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- **Determining the timing of satisfaction of services**
  i. **Consumer Platform**
  The Company concluded that revenue for consumer platform services is to be recognised at a point of time because the customer simultaneously receives and consumes the benefits provided by the Company.

  ii. **Enterprise Platform**
  The Company concluded that revenue for enterprise platform services is to be recognised over time because the Company's performance does not create an asset with alternative use and the Company has a right to payment for performance completed to date.

The Company determined that the input method is the best method in measuring progress of both the services because there is a direct relationship between the Company's effort and the transfer of service to the customer.

iii. **Other operating revenue**
The Company concluded that the other operating revenue is to be recognised at a point of time because the customer simultaneously receives and consumes the benefits provided by the Company.

(g) Leases- estimating the incremental borrowing rate
The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available.

28. Employee benefits

A. Defined contribution plans

Provident fund: The Company makes contribution towards employees' provident fund. The Company has recognised INR 8.97 million (March 31, 2019: INR 6.38 million) as an expense towards contribution to this plan.

B. Defined benefit plans

Gratuity: The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognised immediately in the other comprehensive income (OCI).

This is a unfunded benefit plan for qualifying employees. The scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and other comprehensive income and amounts recognised in the balance sheet for the gratuity plan:

(Amount in INR million, unless otherwise stated)

Changes in the present value of the defined benefit obligation are, as follows:

	For the year ended	
Particulars	March 31, 2020	March 31, 2019
Balance as at the beginning of the year	12.65	9.45
Current service cost	2.24	2.72
Interest cost	0.97	0.71
Benefits paid	(1.36)	(0.47)
Re-measurement (gains)/losses on obligation	(1.55)	0.24
Balance as at the end of the year	**12.95**	**12.65**

Amount recognised in the statement of profit and loss:

	For the year ended	
Particulars	March 31, 2020	March 31, 2019
Current service cost	2.24	2.72
Interest cost	0.97	0.71
Net expense recognised in the statement of profit and loss	**3.21**	**3.43**

Amount recognised in other comprehensive income:

	For the year ended	
Particulars	March 31, 2020	March 31, 2019
Re-measurement (gain) / loss on arising in demographic assumptions	(2.35)	-
Re-measurement (gain) / loss on arising in financial assumptions	(3.19)	(0.20)
Re-measurement (gain) / loss on arising from experience adjustment	3.99	0.44
Net expense recognised in other comprehensive income	**(1.55)**	**0.24**

The principal actuarial assumptions used in determining gratuity liability for the Company's plan is shown below:

	For the year ended	
Particulars	March 31, 2020	March 31, 2019
Discount rate	6.76%	7.65%
Future salary increase	5.00%	8.00%
Withdrawal rate (per annum)		
- Up to 30 years	33.00%	20.00%
- From 31 years to 44 years	33.00%	10.00%
- From 44 years to 58 years	33.00%	0.00%
Retirement age (years)	58	58
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2006 - 08)

The discount rate is based on the prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligations. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(Amount in INR million, unless otherwise stated)

A quantitative sensitivity analysis for significant assumption is as shown below:

	For the year ended	
Particulars	March 31, 2020	March 31, 2019
Present value of obligation at the end of the year	12.95	12.65
Impact of the change in discount rate		
Impact due to increase of 0.50 %	(0.17)	(0.67)
Impact due to decrease of 0.50 %	0.17	0.73
Impact of the change in salary rate		
Impact due to increase of 0.50 %	0.17	0.73
Impact due to decrease of 0.50 %	(0.17)	(0.67)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on define benefit obligation as a result of reasonable changes in key assumptions occurring at the end of reporting year. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The following payments are expected contributions to the defined benefit plan in future years:

	For the year ended	
Particulars	March 31, 2020	March 31, 2019
Within the next 12 months (next annual reporting year)	3.49	0.88
Between 1 and 5 years	7.10	3.36
Between 5 and 10 years	2.36	8.41
Total expected payments	**12.95**	**12.65**

The average duration of the defined benefit plan obligation at the end of the reporting year is 2.46 years (March 31, 2019: 8.48 years).

Amount for the current and previous four years are as follows :

	For the year ended				
Gratuity	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Defined benefit obligation	12.95	12.65	9.45	7.48	9.89
Experience adjustments on liabilities (gain)/ loss	3.98	0.45	0.12	(4.53)	(2.40)

29. Leases

Company as lessee

The Company has taken office premises on lease. The lease has been entered for a period ranging from one to nine years with renewal option. The Company has the option, under some of its lease, to renew the lease for an additional years on a mutual consent basis.

The effective interest rate for the lease liabilities is 11% per annum.

(Amount in INR million, unless otherwise stated)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	March 31, 2020	March 31, 2019
As at April 01, 2019	**-**	**-**
Addition during the year	25.74	-
Depreciation expense	3.68	-
As at March 31, 2020	**22.06**	**-**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	March 31, 2020	March 31, 2019
As at April 01, 2019	**-**	**-**
Addition during the year	25.74	-
Accretion of interest	1.07	-
Payments during the year	4.04	
As at March 31, 2020	**22.77**	**-**
Current	**8.18**	**-**
Non-current	**14.59**	**-**

The following are the amounts recognised in profit or loss:

Particulars	March 31, 2020	March 31, 2019
Depreciation expense of right-of-use assets	3.68	-
Interest expense on lease liabilities	1.07	-
Expenses relating to short term leases (included in other expenses)	12.43	-
Expenses relating to low value assets (included in other expenses)	0.05	-

Till March 31, 2019, the Company was recording rental costs in the standalone statement of profit and loss. For the year ended March 31, 2019, cost charged to the standalone statement of profit and loss is INR 15.25 million.

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	Contractual undiscount-ed w	0-1 year	1-2 years	2-5 years	More than 5 years
As at March 31, 2020	22.77	8.18	9.61	4.98	-
As at March 31, 2019	-	-	-	-	-

30. Commitments and contingent liabilities

a. Capital commitments

As at March 31, 2020, the Company has commitments on capital account and not provided for (net of advances) is INR 15.35 million (March 31, 2019: INR 11.99 million).

b. Contingent liabilities

(i) Claims against the Company not acknowledged as debts includes the following:

- Income tax demand from the Income tax authorities for assessment year 2017-18 of INR 64.88 million on account of disallowance of bad debts written off, advances written off, amortization of goodwill and certain expenses under various heads as claimed by the Company in the income tax. The matter is pending before Commissioner of Income Tax (Appeals), Mumbai.

- Income tax demand from the Income tax authorities for assessment year 2015-16 of INR 2.95 million on account of disallowance of availment of cenvat credit and write off of certain advances in the income tax. The matter is pending before ITAT.

The Company is contesting the demands and the Management, including its tax advisors, believes that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the demand raised. The management believes that the ultimate outcome of this proceedings will not have a material adverse effect on the Company's financial position and results of operations. The likelihood of the above cases going in favour of the Company is probable and accordingly has not considered any provision against the demands in the financial statements.

(ii) Other:

- There are numerous interpretative issues relating to the Supreme Court (SC) judgement on provident fund dated February 28, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.

31. Related party disclosures

(i) Names of related parties and related party relationship

S.No.	Relationship	Name of the related party
(i)	Holding company	Affle Holdings Pte. Ltd. Singapore
(ii)	Subsidiary company	Affle International Pte. Ltd., Singapore (Subsidiary with effect from April 01, 2018)
		PT. Affle Indonesia, Indonesia (Subsidiary with effect from July 01, 2018)
		Affle MEA FZ LLC, Dubai (Subsidiary with effect from April 01, 2019)
		Mediasmart Mobile S.L, Spain (Subsidiary with effect from January 22, 2020)
		Mediasmart Mobile Limited, London (Subsidiary with effect from January 22, 2020)
(iii)	Fellow subsidiaries	Affle X Private Limited (formerly known as "OOO Marketplaces Private Limited")
		Affle Global Pte. Ltd., Singapore (formerly known as "Affle Appstudioz Pte. Ltd., Singapore")
(iv)	Key management personnel	Anuj Kumar (Director)
		Anuj Khanna Sohum (Chairman, Managing Director & Chief Executive Officer)
		Kapil Mohan Bhutani (Director, Chief Financial & Operations Officer)
		Akanksha Gupta (Company Secretary) [till April 30, 2019]
		Parmita Choudhury (Company Secretary) [w.e.f. June 01, 2019]

(Amount in INR million, unless otherwise stated)

(ii) The following table provides the total value of transactions that have been entered into with related parties for the relevant financial years:

Particulars	Subsidiary company		Fellow subsidiary		Holding company	
	For the year ended					
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Rendering of service*						
Affle Holdings Pte. Ltd., Singapore	-	-	-	-	13.38	-
Affle International Pte. Ltd., Singapore	136.81	66.33	-	-	-	-
Affle Global Pte. Ltd., Singapore	-	-	-	19.56	-	-
Reimbursement of expenses to the Company						
Affle Global Pte. Ltd., Singapore	-	-	-	10.18	-	-
Affle International Pte. Ltd., Singapore	172.08	111.07	-	-	-	-
Affle Holdings Pte. Ltd., Singapore	-	-	-	-	109.95	67.43
Affle X Private Limited (earlier known as OOO Marketplaces Private Limited)		-	-	0.03	-	-
Reimbursement of expenses by the Company						
Affle Global Pte. Ltd., Singapore	-	-	0.19	15.99	-	-
Affle International Pte. Ltd., Singapore	215.89	22.41	-	-	-	-
Affle X Private Limited (earlier known as OOO Marketplaces Private Limited)	-	-	10.40	-	-	-
Investment in subsidiary						
Affle International Pte. Ltd., Singapore	301.53	138.19	-	-	-	-

Transaction with key management personnel	For the year ended	
Particulars	March 31, 2020	March 31, 2019
Compensation paid:**		
Anuj Kumar		
Short-term employee benefits	11.63	11.37
Share based payments	-	(3.23)
Kapil Mohan Bhutani		
Short-term employee benefits	9.30	8.12
Share based payments	-	(0.24)
Akanksha Gupta (till April 30, 2019)		
Short-term employee benefits	0.15	1.24
Anuj Khanna Sohum		
Short-term employee benefits	0.25	0.25
Parmita Choudhury (w.e.f. June 01, 2019)		
Short-term employee benefits	0.71	-

*Includes other operating income of INR 61.57 million (March 31, 2019: INR 34.20 million).

**The remuneration to the key management personnel does not include the director sitting fees, provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole. Also, it does not include provision for incentives, payable on the basis of actual performance parameters, in next year.

(Amount in INR million, unless otherwise stated)

(iii) Balances as at the year end

	Holding company	
Particulars	March 31, 2020	March 31, 2019
Other financial assets		
Affle Holdings Pte. Ltd., Singpaore	-	0.43

	Subsidiary company		Fellow subsidiary	
Particulars	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Trade receivables				
Affle Global Pte. Ltd., Singapore	-	-	0.23	-
Affle International Pte. Ltd., Singapore	91.12	40.47	-	-
Trade payables				
Affle Global Pte. Ltd., Singapore	-	-	-	1.17
Affle International Pte. Ltd., Singapore	53.60	-	-	-
Other current financial liabilities				
Affle International Pte. Ltd., Singapore	301.54	34.87	-	-
Other financial assets				
Affle X Private Limited (earlier known as OOO Marketplaces Private Limited)	-	-	-	0.03

	Key management personnel	
Particulars	March 31, 2020	March 31, 2019
Payable to key management personnel:		
Anuj Kumar		
Other Payable	-	0.20
Salary payable	0.73	0.16
Kapil Mohan Bhutani		
Other payable	-	0.04
Salary payable	0.65	0.34
Akanksha Gupta		
Other Payable	-	-
Salary payable	-	0.08
Anuj Khanna Sohum		
Salary payable	0.02	0.02
Parmita Choudhury		
Salary payable	0.07	-

No amount has been written off or written back in the year in respect of debts due from/to above related parties.

(Amount in INR million, unless otherwise stated)

Terms and conditions of transactions with related parties

The sale and purchase from related parties are made on terms equivalent to those that prevail in arm's length transaction. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2020 and March 31, 2019, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

32. Segment information

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services, geographic areas, and major customers.

The Chief Operating Decision Maker (CODM) being the Board of Directors (Board) evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to advertisement and software development segment.

The "Consumer platform" segment provides mobile advertisement services to its customers and is a reseller of advertisement space for online publishing companies.

The "Enterprise platform" segment provides customized mobile app development services.

Transfer prices between the operating segments are set at cost plus appropriate margins. Segment revenue, segment expenses and segment result include transfers between operating segments. Those transfers are eliminated in total revenue/expense/result.

The accounting principles used in preparation of the financial statements are consistently applied to record revenue and expenditure in segment information, and are as set out in the significant accounting policies.

The summary of the segmental information for the year ended and as at March 31, 2020 is as follows:

Particulars	Consumer platform	Enterprise platform	Elimination	Total
Income				
Revenue from contracts with customers	1,692.50	129.76	-	1,822.26
Total income (A)	**1,692.50**	**129.76**	**-**	**1,822.26**
Expenses				
Inventory and data costs	976.38	-	-	976.38
Employee benefits expenses	187.30	54.41	-	241.71
Depreciation and amortization expenses	54.11	-	-	54.11
Other expenses	136.84	21.20	-	158.04
Total expenses (B)	**1,354.63**	**75.61**	**-**	**1,430.24**
Segment profit (A-B)	**337.87**	**54.15**	**-**	**392.02**

(Amount in INR million, unless otherwise stated)

Particulars	Consumer platform	Enterprise platform	Total
Segment assets	421.37	107.74	529.11
Total assets	**421.37**	**107.74**	**529.11**
Segment liabilities	36.92	13.36	50.28
Total liabilities	**36.92**	**13.36**	**50.28**
Capital expenditure:			
Property, plant and equipment	5.88	-	5.88
Other Intangible assets	57.28	-	57.28
Depreciation and amortization expenses	54.11	-	54.11
Other non-cash expenses	21.30	-	21.30

The summary of the segmental information for the year ended and as at March 31, 2019 is as follows:

Particulars	Consumer platform	Enterprise platform	Elimination	Total
Income				
Revenue from external customers	1,111.03	101.11	-	1,212.14
Total income (A)	**1,111.03**	**101.11**	**-**	**1,212.14**
Expenses				
Inventory and data costs	622.91	-	-	622.91
Employee benefits expenses	151.22	44.24	-	195.46
Depreciation and amortization expenses	44.13	-	-	44.13
Other expenses	99.21	12.85	-	112.06
Total expenses (B)	**917.47**	**57.09**	**-**	**974.56**
Segment profit (A-B)	193.56	44.02	-	237.58

Particulars	Consumer platform	Enterprise platform	Total
Segment assets	335.72	30.03	365.75
Total assets	**335.72**	**30.03**	**365.75**
Segment liabilities	43.39	13.62	57.01
Total liabilities	**43.39**	**13.62**	**57.01**
Capital expenditure:			
Property, plant and equipment	6.31	-	6.31
Other Intangible assets	47.28	-	47.28
			-
Depreciation and amortization expenses	44.13	-	44.13
Other non-cash expenses	(17.09)	-	(17.09)

(Amount in INR million, unless otherwise stated)

Reconciliation to amounts reflected in the financial statements

Reconciliation of profit

	For the year ended	
Particulars	March 31, 2020	March 31, 2019
Segment profit	392.02	237.58
Finance cost	3.07	4.47
Interest income on financial assets measured at amortised cost:		
Bank deposits	34.59	1.84
Income tax	1.83	-
Security deposits	0.13	0.42
Exchange differences (net)	1.00	-
Liabilities written back	9.37	-
Miscellaneous income	4.38	0.05
Profit before tax	**440.25**	**235.42**

b. Reconciliation of assets

	As at	
Particulars	March 31, 2020	March 31, 2019
Segment assets	529.11	365.75
Property, plant and equipment	6.98	6.56
Right of use assets	22.06	-
Goodwill	134.38	134.38
Other intangible assets	106.89	94.73
Intangible assets under development	48.00	17.95
Loans	36.62	7.69
Other assets	13.13	9.26
Cash and cash equivalents	572.79	84.90
Other bank balances	568.81	14.50
Interest accrued but not due on deposits	4.93	0.38
Other financial assets - Others	2.72	12.13
Investment in subsidiary	439.72	138.19
Non-current investments	0.26	0.26
Tax assets	8.73	36.15
Balance with statutory/government authorities	27.45	13.02
Total assets	**2,522.58**	**935.85**

(Amount in INR million, unless otherwise stated)

c. Reconciliation of liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Segment liabilities	50.28	57.01
Trade payables	450.68	323.74
Lease liabilities	22.77	-
Deferred tax liabilities (net)	1.88	2.68
Other current liabilities	45.10	23.01
Other financial liabilities - others	301.54	66.73
Total liabilities	**872.25**	**473.17**

Geographical information

Year ended and as at March 31, 2020

Particulars	India	Singapore	Other	Total
Revenue from contracts with customers				
Sales to external customers	1,607.20	171.37	43.70	1,822.26
Other segment information				
Non-current assets (other than financial assets and deferred tax asset)	318.31	-	-	318.31
Capital expenditure:				
Property, plant and equipment	5.88	-	-	5.88
Intangible assets	57.28	-	-	57.28

Year ended and as at March 31, 2019

Particulars	India	Singapore	Other	Total
Revenue from contracts with customers				
Sales to external customers	1,088.55	51.69	37.70	1,177.94
Other segment information				
Non-current assets (other than financial assets and deferred tax asset)	253.62	-	-	253.62
Capital expenditure:				
Property, plant and equipment	6.31	-	-	6.31
Intangible assets	47.28	-	-	47.28

The Company had two and one customer who contributed more than 10% of the Company's revenue from contracts with customers for the year ended March 31, 2020 and 2019 respectively. The total amount of revenue from contracts with these customer for the year ended March 31, 2020 was INR 653.91 million (March 31, 2019: INR 546.04 million).

(Amount in INR million, unless otherwise stated)

33. Statement of fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	Carrying value		Fair value	
	As at		As at	
Particulars	**March 31, 2020**	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Financial assets				
A. FVTPL financial instruments:				
Investments	0.26	0.26	0.26	0.26
B. Amortised cost:				
Loans	36.62	7.69	36.62	7.69
Trade receivables	369.65	269.26	369.65	269.26
Cash and cash equivalents	572.79	84.90	572.79	84.90
Other bank balances	568.81	14.50	568.81	14.50
Other financial assets	7.65	12.51	7.65	12.51
Total	**1,555.78**	**389.12**	**1,555.78**	**389.12**
Financial liabilities				
Amortised cost:				
Trade payables	450.68	323.74	450.68	323.74
Other financial liabilities	330.02	104.50	330.02	104.50
Total	**780.70**	**428.24**	**780.70**	**428.24**

The management assessed that cash and cash equivalents, other bank balances, trade receivables, capital creditors, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Further, the subsequent measurements of all assets and liabilities (other than investments) is at amortised cost, using effective interest rate (EIR) method.

The following methods and assumptions were used to estimate the fair values:

Receivables are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair value of unquoted instruments is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

For other financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(Amount in INR million, unless otherwise stated)

34. Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.
Level 3: Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
FVTPL financial instruments:					
Investments	March 31, 2020	0.26	-	0.26	-
		0.26	**-**	**0.26**	**-**
Assets measured at FVTOCI	March 31, 2020	-	-	-	-
Liabilities measured at FVTPL	March 31, 2020	-	-	-	-
Liabilities measured at FVTOCI	March 31, 2020	-	-	-	-

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2020

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
FVTPL financial instruments:					
Investments	March 31, 2019	0.26	-	0.26	-
		0.26	**-**	**0.26**	**-**
Assets measured at FVTOCI	March 31, 2019	-	-	-	-
Liabilities measured at FVTPL	March 31, 2019	-	-	-	-
Liabilities measured at FVTOCI	March 31, 2019	-	-	-	-

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2019.

(Amount in INR million, unless otherwise stated)

Valuation technique used to derive fair values

The Company's unquoted instruments is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

35. Financial risk management objectives and policies

The Company's principal financial liabilities comprises trade payables, other payables, capital creditors and employee related payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalent that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of a change in market price.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company does not use derivative financial instruments such as forward exchange contracts or options to hedge its risk associated with foreign currency fluctuations or for trading/speculation purpose.

The amount of foreign currency exposure not hedged by derivative instruments or otherwise is as under:

	As at March 31, 2020		As at March 31, 2029	
Particulars	Foreign currency	Amount in INR	Foreign currency	Amount in INR
Financial liabilities				
Trade payables				
USD	1.56	117.61	0.75	51.57
Contract liabilities				
USD	0.03	2.26	0.02	1.15
Cash and cash equivalents				
USD	0.33	24.80	0.55	37.70
Financial Assets				
Trade receivables				
USD	1.39	104.69	0.82	56.52
SGD	0.01	0.62	0.01	0.64

(Amount in INR million, unless otherwise stated)

The following table demonstrate the sensitivity to a reasonable possible change in INR to USD and INR to SGD exchange rates on profit before tax arising as a result of the revaluation of the Company's foreign currency financial assets and unhedged liabilities.

	Effect on profit before tax		Effect on profit before tax	
	For the year ended			
Particulars	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Effect of 10% strengthening of INR against USD*	(0.96)	(4.15)	(0.96)	(4.15)
Effect of 10% strengthening of INR against SGD*	(0.06)	(0.06)	(0.06)	(0.06)
Effect of 10% weakening of INR against USD	0.96	4.15	0.96	4.15
Effect of 10% weakening of INR against SGD	0.06	0.06	0.06	0.06

* Figures in the bracket signifies credit to profit and loss account

b. Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no exposure to the risk of changes in market interest rates as the Company does not have any long term debt obligation.

c. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions.

A counterparty whose payment is due more than 90 days after the due date is considered as a defaulted party. This is based on considering the market and economic forces in which the Company operates. The Company write-off the amount if the credit risk of counter-party increases significantly due to its poor financial position.

All the financial assets carried at amortised cost were into Good category except some portion of trade receivables considered under doubtful category (refer note 10).

Trade receivables and contract assets

Trade receivables and contract assets are typically unsecured. Credit risk is 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.

The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company is exposed to credit risk in the event of non-payment by customers. An impairment analysis is performed at each reporting date and as a simplified approach the Company provides for 0.5% of revenues and any amounts aged for more than one year and remaining uncollected. The estimate is based on lifetime expected credit losses and is reassessed periodically. Trade receivables disclosed in note 10 include amounts which are past due at the reporting date but against which the Company has not recognized an allowance for doubtful receivables because the amount are still considered recoverable.

The ageing analysis of trade receivables as of the reporting date is as follows:

Trade receivables as at	Particulars	0-90 days	90-180 days	180-360 days	1-2 year	2-3 year	> 3 year	Total
March 31, 2020	Gross carrying amount	263.69	13.33	7.73	9.50	3.75	-	298.00
March 31, 2019	Gross carrying amount	217.67	8.41	1.95	4.51	7.25	4.02	243.81

The Company has provision of INR 19.70 million (March 31, 2019: INR 15.02 million) for doubtful debts.

(Amount in INR million, unless otherwise stated)

The ageing analysis of contract asset (gross) as of the reporting date is as follows:

Contract asset as at	Particulars	0-90 days	90-180 days	180-360 days	1-2 year	2-3 year	> 3 year	Total
March 31, 2020	Gross carrying amount	160.75	0.78	0.32	-	-	-	161.85
March 31, 2019	Gross carrying amount	98.88	-	-	-	-	-	98.88

The Company has provision of INR 2.39 million (March 31, 2019: INR 2.39 million) for contract assets.

Reconciliation of impairment allowance on trade receivables and contract asset

Particulars	March 31, 2020	March 31, 2019
Opening impairment allowance	17.41	25.30
Add: Additions/(write back)	18.98	(7.89)
Less: Bad debts written off (net of recovery)	(14.30)	-
Closing impairment allowance	**22.09**	**17.41**

None of those trade receivable past due or impaired have had their terms renegotiated. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables presented in the financial statement. The Company does not hold any collateral or other credit enhancements over balances with third parties nor does it have a legal right of offset against any amounts owed by the Company to the counterparty. For receivables which are overdue the Company has subsequently received payments and has reduced its overdue exposure.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's finance committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

d. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company monitors their risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner.

A balance between continuity of funding and flexibility is maintained through the use of borrowings. The Company also monitors compliance with its debt covenants. The maturity profile of the Company's financial liabilities based on contractual undiscounted payments is given in the table below:

Particulars	Contractual undiscounted value	0-1 year	1-2 years	2-5 years	More than 5 years
As at March 31, 2020					
Trade payables	450.68	450.68	-	-	-
Lease liabilities	22.77	8.18	9.61	4.98	-
Other financial liabilities	330.02	330.02	-	-	-
	803.47	**788.88**	**9.61**	**4.98**	**-**
As at March 31, 2019					
Trade payables	323.74	323.74	-	-	-
Lease liabilities	-	-	-	-	-
Other financial liabilities	104.50	104.50	-	-	-
	428.24	**428.24**	**-**	**-**	**-**

(Amount in INR million, unless otherwise stated)

36. Capital management

The Board's policy maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital employed as well as the amount of dividend if any to shareholders.

For the purpose of the Company's capital management, capital includes issued equity capital and general reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents. The Company's policy is to keep the gearing ratio between 0% and 60%.

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables (refer note 15)	450.68	323.74
Lease liabilities (refer note 29)	8.18	-
Other financial liabilities (refer note 16)	330.02	104.50
Less: Cash and cash equivalents (refer note 11)	(572.79)	(84.90)
Net debts	**216.09**	**343.34**
Total capital	**1,650.33**	**462.68**
Capital and net debt	**1,866.42**	**806.02**
Gearing ratio (%)	**12%**	**43%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year.

37. Share-Based Payments

Affle Holdings Pte. Ltd., Singapore (AHPL), the holding company, had certain stock options plans which entitle the employees of the group, including certain employees of the Company, the option to purchase shares of AHPL at the exercise date.

Description of the plan

Share options were granted to key management at the absolute discretion of the Compensation Committee of the Board of Directors under the Affle Employee Share Option Scheme and Affle Restricted Share Plan, which became operative on 18 June 2009.

The option shall vest at the rate of one-fourth (1/4) per year starting on every one-year anniversary from the grant date. Vesting of the options granted under the Scheme is conditional on:

(Amount in INR million, unless otherwise stated)

(i) the key management or employee remaining in the Company at grant date
(ii) atleast 30% year on year revenue growth of AHPL

Once the options are vested, they are exercisable for a period of ten years. The options may be exercised in full or in part, to purchase a whole number of vested shares not less than 100 shares, unless the number of shares subscribed is the total number available for subscription under the option.

The details of the plan is as follows:

Date of grant	January 15, 2010	May 31, 2011	April 1, 2013	April 1, 2014	April 1, 2015	April 1, 2016
Exercise price	41.09	62.35	105.40	137.55	132.09	154.96
Options granted	1,042,500	236,250	203,250	30,000	57,000	57,000
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity
Validity	10 years	10 years	10 years	10 years	10 years	10 years
Vesting schedule	25% of the options vest every year from the respective grant dates up to the 4th year					

On July 11, 2018, the Annual General Meeting of Affle Holdings Pte. Ltd (AHPL) was held in which resolution for the forfeiture of all the vested, unvested and unexercised options under Affle Employee Share Option Scheme (ESOS) and Affle Restricted Share Plan (RSU) for years 2008 to 2018 was passed with immediate effect as the vesting conditions relating to options was not met.

Subsequently on July 12, 2018 the employees who were granted ESOS - RSU options signed the waiver letter with regards to their unexercised options right.

Accordingly, as per the provisions of Ind AS 102 Share Based Payments, the expense previously recognised for the unvested options had been reversed in the previous year.

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	March 31, 2020		March 31, 2019	
	Number	WAEP	Number	WAEP
Outstanding at the beginning	**-**	**-**	**1,276,250**	**55.71**
Granted during the year	-	-	-	-
Forfeited during the year	-	-	(1,276,250)	(55.71)
Exercised during the year	-	-	-	-
Exercisable at the end	**-**	**-**	**-**	**-**

The expenses arising from equity settled share based payment transactions in the year ended March 31, 2020 was INR Nil (March 31, 2019: INR (1.29 million)).

(Amount in INR million, unless otherwise stated)

The weighted average remaining contractual life for the share options outstanding as at March 31, 2020: Nil years and March 31, 2019: Nil years.

The range of exercise prices for options outstanding at the end of of the year was INR Nil and March 31, 2019 was INR Nil.

The following table lists the inputs to the models used for the plan:

Particulars	January 15, 2010	May 31, 2011	April 1, 2013	April 1, 2014	April 1, 2015	April 1, 2016
Dividend yield (%)	-	-	-	-	-	-
Expected volatility (%)	85.0 - 86.8	80	78.4 - 84.2	75.1 - 79.3	75.1 - 79.3	66.1 - 68.9
Risk free interest rate (%)	2.6 - 3.2	2.7 - 3.3	0.9 - 12	1.8 - 2.0	1.8 - 2.0	1.8 - 2.0
Expected life of share options (years)	5.5 - 7.10	5.5 - 7.10	5.5 - 7.10	5.5 - 7.10	5.5 - 7.10	5.5 - 7.10
Weighted average share price (INR)	36.09	28.40	47.29	16.78	42.37	82.13
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Restricted share plan

Under Affle Restricted Share Plan, the employee is not required to pay for the grant of the awards. Awards are forfeited when either of the vesting conditions as stated above is not met.

Date of grant	April 1, 2015	April 1, 2016
Options granted	166,428	260,000
Vesting period	10 years	10 years
Method of settlement	Equity	Equity
Share price (INR)	42.96	82.39

Movements during the year

Particulars	March 31, 2020	March 31, 2019
	Number	Number
Outstanding at the beginning of the year	**-**	**316,055**
Granted during the year	-	-
Forfeited during the year	-	(316,055)
Exercised during the year	-	-
Outstanding at the end of the year	**-**	**-**

The expenses arising from equity settled share based payment transactions was INR Nil (March 31, 2019: INR (4.29 million)).

The weighted average remaining contractual life for the share options outstanding as at March 31, 2020 was Nil years (March 31, 2019 was Nil years).

(Amount in INR million, unless otherwise stated)

38. Dues to micro and small enterprises as defined under the MSMED Act, 2006

In term of the requirement of the Micro, Small and Medium Enterprise Development Act, 2006, the Company has continuously sought confirmations. Based on the information available with the Company, there is principal/ interest amount due to micro and small enterprises.

Particulars	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	6.85	-
- Interest due on above	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	Nil	Nil

Notes: The above table is certified by management.

39. Business combination

39.1 Business combinations under common control

Scheme of amalgamation in accordance with previous GAAP

During the year ended March 31, 2017, the Holding Company has merged its fellow subsidiaries i.e. AD2C Holdings, AD2C India, Appstudioz Technologies into one merged entity, Affle India Limited (formerly known as "Affle (India) Private Limited") under the court approved scheme of amalgamation in accordance with erstwhile applicable previous GAAP.

Business combination under common control has been accounted for using purchase method in accordance with previous GAAP as prescribed under court scheme instead of using pooling interest method as prescribed under Ind AS 103. Business Combinations as the approved court scheme will prevail over applicable accounting standard.

Accordingly, the Scheme was accounted for using purchase method in accordance with erstwhile applicable Accounting Standard 14 "Accounting for Amalgamations". All the assets and liabilities of the Transferor Companies have been incorporated at fair values as at April 01, 2015 against the purchase consideration of INR 84.64 million which resulted in the Goodwill on amalgamation of amounting INR 59.24 million.

(Amount in INR million, unless otherwise stated)

39.2 Business combinations under non-common control entities

Acquisition of identified business of Vizury Interactive Solutions Private Limited

On September 1, 2018, Affle (India) Limited ("the Company") acquired the Commerce Business ("Identified Business") of Vizury Interactive Solutions Private Limited ("Vizury India") for a consideration of INR 106.44 million (equivalent to USD 1.50 million at the exchange rate of USD1= INR 70.96) minus profit after tax of Vizury India for the period May 15, 2018 to August 31, 2018 of INR 21.37 million (equivalent to USD 0.30 million at the exchange rate of USD1= INR 70.96).

The Company acquired the Identified Business of Vizury India so as to continue the expansion of the consumer platform segment.

Assets acquired and liabilities assumed

The Company, in the previous year, based on provisional purchase price allocation recorded intangible assets amounting to INR 85.07 million out of which goodwill computed was of INR 75.14 million. The initial accounting of the business combination was finalised as at the date of the previous year's financial statement.

In the current year, the management of the Company has used services of an external independent expert to carry out a detailed Purchase Price Allocation ("PPA") of the purchase consideration paid to the shareholders of Vizury India. Pursuant to such PPA valuation, conducted by an independent expert, the net consideration of INR 85.07 million have been allocated, based on the fair value computations, at the acquisition date, as an intangible asset, arising from this acquisition. Based on the PPA information obtained, the fair value of the identifiable net asset arising from the transaction are as follows:

Fair value recognised	INR (million)
Assets	
Software Application Development (Technology)	9.93
Total identifiable net assets	**9.93**
Goodwill arising from acquisition	75.14
Purchase consideration	**85.07**
Analysis of cash flow on acquisition:	
Particulars	INR (million)
Transaction costs of the acquisition (included in cash flows from operating activities)	1.02
Consideration paid in cash (included in cash flows from investing activities)	85.07
Consideration payable in cash	-
Net cash flow on acquisition	**86.09**

Acquisition related costs

The Company had incurred acquisition-related costs of INR 1.02 million on legal fees and due diligence costs. The costs was recognised as an expense in statement of profit or loss in FY 2018-19, within the 'other expenses' line item.

Impairment testing of goodwill

Goodwill acquired through business combinations have indefinite life. The Company performed its impairment test for the year ended March 31, 2020. The Company considers the relationship between its value in use and its carrying value, among other factors, when reviewing for indicators of impairment.

(Amount in INR million, unless otherwise stated)

The recoverable amount of the goodwill is determined based on value in use ('VIU') calculated using cash flow projections from financial budgets approved by management covering a period of five year period and the terminal value (after considering the relevant long-term growth rate) at the end of the said forecast periods. The Company has extrapolated cash flows beyond 5 years using a growth rate of 2%.

The said cash flow projections are based on the senior management past experience as well as expected market trends for the future periods. The projected cash flows have been updated to reflect the decreased demand for services. The calculation of weighted average cost of capital (WACC) is based on the Company's estimated capital structure as relevant and attributable to the Company. The WACC is also adjusted for specific risks, market risks and premium, and other inherent risks associated with similar type of investments to arrive at an approximation of the WACC of a comparable market participant. The said WACC being pre-tax discount rates reflecting specific risks, are then applied to the above mentioned projections of the estimated future cash flows to arrive at the discounted cash flows. The discount rate used in 12.5%.

Discount rates represent the market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and its operating segments and is derived from its WACC.

The key assumptions used in the determination of VIU are the revenue annual growth rates and the EBITDA growth rate. Revenue and EBITDA growths are based on average value achieved in preceding years. Also, the growth rates used to extrapolate the cash flows beyond the forecast period are based on industry standards.
Based on the above assumptions and analysis, no impairment was identified as at March 31, 2020. Further, on the analysis of the said calculation's sensitivity to a reasonably possible change in any of the above mentioned key assumptions/parameters on which the Management has based determination of the recoverable amount, there are no scenarios identified by the management wherein the carrying value could exceed its recoverable amount.

40. Capitalisation of intangible assets

The Company has capitalized the following expenses of revenue nature to the internally developed software. Consequently, the expenses disclosed under the respective heads are net of amounts capitalised by the Company.

Particulars	March 31, 2020	March 31, 2019
Salaries, allowances and bonus	63.75	40.16
Rent	2.69	2.32
Power and fuel	0.10	0.09
Printing and stationery	0.10	0.10
Repairs and maintenance - others	1.04	0.98
Communication	0.26	0.18
Inventory and data costs	19.35	11.11
Total	**87.29**	**54.94**

41. The Company had filed complaint in earlier year with the police department for embezzlement of the Company's car and filed the statement of claims to recover full cost of the Company's car amounting to INR 0.61 million (March 31, 2019: INR 0.61 million). This embezzlement was done by ex- director of the Company, by transferring the Company's car to the name of his father without any form of consent from the Company. Therefore, the Company has written down entire net book value of the Company's car amounting to INR 0.07 million (March 31, 2019: INR 0.10 million) in the books.

42. The Company has appointed independent consultants for conducting a Transfer pricing study to determine whether the transactions with associated enterprise were undertaken at "arm length price". The management confirms that all domestic and international transactions with associated enterprises are undertaken at negotiated contracted price on usual commercial terms and is confident of there being no adjustment on completion of the study. Adjustment, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed.

43. The Company enters into various transaction for purchase and sale of services with overseas vendors and customers. As per the guidelines issued by RBI, payment for all imports should be made within a period of six months and collection for all exports should be made within a period of nine months respectively, unless approved by the Authorized Dealer. As at March 31, 2020; the aggregate amount of payable outstanding for more than six months is INR 7.29 million (March 31, 2019: INR 6.55 million) and receivable outstanding for more than nine months is INR 6.50 million (March 31, 2019: INR 7.17 million) . The Company has intimated the Authorised Dealer about the delays in payments/recovery and expects to get relief from any penalties being imposed, once the transaction is completed and has accordingly not provided for any penalties in these financial statements.

44. The outbreak of Coronavirus (COVID-19) pandemic globally is causing a slowdown in economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered disruptions to businesses worldwide, resulting in a economic slowdown and uncertainties pertaining to future operations. The company has considered the possible effects that may result from COVID 19 on the carrying amount of its assets. In developing the assumptions relating to the possible future uncertainties in the global conditions because of the pandemic, the company, as on date on approval of these financial statements has used variable informations, as available. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.

The impact of COVID 19 may differ from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to the operations based on future economic conditions.

45. The Company, in the current year, has completed the Initial Public Offering (IPO) of 6,161,073 Equity Shares of Face Value of INR 10 each for cash at a price of INR 745 per Equity Share aggregating to INR 4,590 million comprising a Fresh Issue of 1,208,053 Equity Shares aggregating to INR 900 million and on Offer for sale of 4,953,020 Equity Shares aggregating to INR 3,690 million. Pursuant to the IPO, the Equity Shares of the Company got listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on August 8, 2019. Out of the sale proceeds for offer for sale, INR 3,690 million was remitted to Selling shareholders -Affle Holdings Pte Ltd.

The Company incurred INR 256.66 million as IPO related expenses (inclusive of taxes) which are proportionately allocated between the selling shareholder and the Company. The Company's share of expenses (net of tax), INR 42.36 million has been adjusted against securities premium.

The Company has charged INR 179.90 million from the selling shareholder towards business support services including their share of IPO expenses, based on the agreement with and indemnity from the selling shareholder for the IPO expenses, being a qualified export of services under GST Rules. The Company has relied on expert opinion for invoicing to the selling shareholder.

The details of utilization of IPO proceeds - INR 857.64 million, net of IPO expenses of the Company are as follows:

Particulars	Total amount	Utilised upto March 31, 2020	Un-utilised upto March 31, 2020
Funding for working capital requirements	689.35	204.22	485.13
General corporate purposes	168.29	-	168.29
Total utilised/un-utilised funds	**857.64**	204.22	653.42

46. Previous year figures

Previous year figures have been regrouped/reclassified wherever necessary, to confirm to this year's classification and figure for the year ended March 31, 2020.

As per our report of even date

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

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 30, 2020

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

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 30, 2020

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date: May 30, 2020

Kapil Mohan Bhutani
Director, Chief Financial & Operations Officer
[DIN: 00554760]
Place: Gurugram
Date: May 30, 2020

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 30, 2020

NOTICE OF THE 25TH ANNUAL GENERAL MEETING

Notice is hereby given that the 25th Annual General Meeting of the shareholders of Affle (India) Limited will be held on Thursday, September 24, 2020 at 10:00 A.M (IST) through video conferencing/audio video means to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors ('the Board') and Auditors thereon.

2. To appoint a Director in place of Ms. Mei Theng Leong (DIN: 08163996), Non-Executive Director who retires by rotation and being eligible for re-appointment, seeks reappointment.

SPECIAL BUSINESS:

3. Re-appointment of Mr. Bijynath (DIN: 08160918), as Independent Director of the Company

   To consider and if thought fit to pass, with or without modification, the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to the recommendation of the Nomination & Remuneration Committee, and approval of the Board and subject to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Bijynath (DIN: 08160918), who was appointed as an Independent Director for a term of 2 (two) years by the shareholders in Extra-ordinary General Meeting held on June 1, 2018, up to May 31, 2020, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, and to hold office for a second term of 5 (five) consecutive years on the Board of the Company effective from June 1, 2020 to May 31, 2025."

4. Re-appointment of Ms. Sumit Mamak Chadha (DIN: 05207581), as Independent Director of the Company

   To consider and if thought fit to pass, with or without modification, the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to the recommendation of the Nomination & Remuneration Committee, and approval of the Board and subject to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Sumit Mamak Chadha (DIN: 05207581) who was appointed as an Independent Director for a term of 2 (two) years by the shareholders in Extra-ordinary General Meeting held on June 1, 2018, up to May 31, 2020 , be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, and to hold office for a second term of 5 (five) consecutive years on the Board of the Company effective from June 1, 2020 to May 31, 2025."

5. Re-appointment of Mr. Vivek Narayan Gour (DIN: 00254383), as Independent Director of the Company

To consider and if thought fit to pass, with or without modification, the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the recommendation of the Nomination & Remuneration Committee, and approval of the Board and subject to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Vivek Narayan Gour (DIN: 00254383), who was appointed as an Independent Director for a term of 2 (two) years by the shareholders in Extra-ordinary General Meeting held on June 1, 2018, up to May 31, 2020, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, and to hold office for a second term of 5 (five) consecutive years on the Board of the Company effective from June 1, 2020 to May 31, 2025."

6. Authorisation under Section 186 of the Companies Act, 2013

To consider and if thought fit to pass, with or without modification, the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), if any, consent of the shareholders of the Company be and is hereby accorded to (a) give any loan to any person(s) or other body corporate(s) ; (b) give any guarantee or provide security in connection with a loan to any person(s) or other body corporate(s) ; and (c) acquire by way of subscription, purchase or otherwise, securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding Rs.350,00,00,000 (Rupees Three Hundred and Fifty Crores Only) outstanding at any time, notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, Executive Directors and Company Secretary of the Company, be and are hereby severally authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and file returns with Registrar of Companies, that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

7. Authorisation under Section 180 of the Companies, Act, 2013

To consider and if thought fit to pass, with or without modification, the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors to borrow money, as and when required, from, including without limitation, any Bank and/ or other Financial Institution and/or foreign lender and/or any body corporate/ entity/ entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding a sum of Rs.350,00,00,000 (Rupees Three Hundred and Fifty Crores Only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves.

RESOLVED FURTHER THAT pursuant to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, consent of the shareholders of the company be and is hereby accorded, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of banks, financial institutions, investors and any other lenders to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed a sum of Rs.350,00,00,000 (Rupees Three Hundred and Fifty Crores Only).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

By Order of the Board
For Affle (India) Limited

Parmita Choudhury
Company Secretary
Membership No. A26261

Date: August 21, 2020
Place: New Delhi

NOTES

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM'/'Meeting') is annexed hereto. The Board of Directors of the Company has opined that the special business, being considered unavoidable, be transacted at 25th AGM of the Company.

2. Pursuant to the provisions of Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Secretarial Standard on General Meetings ('SS-2'), the relevant information in respect of the Directors seeking re-appointment at the AGM is attached as "Annexure A" and forms an integral part of this Notice.

3. M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (FRN: 101049W/E300004) were appointed as the Statutory Auditors of the Company in the 24th Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2019-20 to 2023-24 subject to ratification by members at every Annual General Meeting. The Companies (Amendment) Act, 2017, effective May 7, 2018 had done away with the requirement of annual ratification of appointment of Statutory Auditor. Accordingly, you will notice that the ordinary business Item relating to ratification of the appointment of Auditors is not part of this Notice.

4. In view of the COVID-19 pandemic and restrictions on movement as well as social distancing norms, the Ministry of Corporate Affairs ('MCA') has vide its Circular Nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, read with Circular No. 20/2020 dated May 5, 2020 and the Securities and Exchange Board of India ('SEBI') has vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (collectively "Applicable Circulars"), relaxing provisions of the Listing Regulations, permitted holding of the AGM through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'). Accordingly, the 25th AGM of the Company will be held through VC / OAVM in compliance with the provisions of the Act and the Listing Regulations.

5. **Procedure for obtaining the Annual Report, AGM Notice and e-voting instructions by Members whose email addresses are not registered with the Depositories/not submitted to the RTA:**

   Pursuant to Section 101 and Section 136 of the Act read with the relevant Rules made thereunder, to support the "Green Initiative" announced by the Government of India read with Applicable Circulars, the Company is sending the Annual Report, Notice of the AGM and e-voting instructions only in electronic form to the registered email addresses of the Members. Therefore, those Members who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

   (i) Those Members who have not registered their email address, mobile numbers, address and bank details (including any changes thereof) may please contact and validate/update their details with their respective Depository Participant(s) for shares held in electronic form.

   (ii) Members who have not registered their email address as a consequence of which the Annual Report, Notice of AGM and e-voting instructions could not be serviced, may temporarily get their email address and mobile number updated with the Company's RTA, by clicking the link: https://ris.kfintech.com/email_registration/. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the Notice and e-voting instructions along with the User ID and Password. In case of any queries Members may write to einward.ris@kfintech.com. Members may however note that this is a temporary registration and the Company urges all Members to get their email address and mobile number registered with their respective Depository Participant(s).

   (iii) Alternatively a Member may send an email request at the email id einward.ris@kfintech.com along with scanned copy of the signed request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy for electronic folios for sending the Annual report, Notice of AGM and the e-voting instructions by email.

   (iv) Members only desiring to download the Annual Report and Notice of the AGM, may visit the website of the Company https://www.affle.com or the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, or the website of the RTA viz. https://evoting.kfintech.com for the same.

6. As this AGM is being held pursuant to the Applicable Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Accordingly, the route map to the AGM venue is also not annexed to this Notice.

7. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the LODR Regulations, the Company has extended e-voting facility for its members to enable them to cast their votes electronically on the resolutions set forth in this notice. The period of remote e-voting before the AGM commences on Monday, September 21, 2020 (9:00 a.m. IST) and ends on Wednesday, September 23, 2020 (5:00 p.m. IST). The voting rights of the Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date, i.e., Thursday, September 17, 2020.

8. The Company has appointed Ms. Kiran Sharma of Kiran Sharma & Co., Practicing Company Secretary, to act as the Scrutiniser to scrutinise the remote e-voting process in a fair and transparent manner and Ms. Kiran Sharma has communicated her willingness to be appointed and be available for the purpose.

9. The Scrutiniser shall, immediately after the conclusion of the remote e-voting at the AGM, first count the votes cast through remote e-voting during the Meeting and thereafter unblock the votes cast through remote e-voting before the AGM in presence of at least two witnesses not in the employment of the Company, and make a consolidated

Scrutiniser's Report of the total votes cast in favour or against, if any, and submit the same to the Chairman or a person authorised by him in writing who shall countersign the same.

10. The results on resolutions shall be declared not later than 48 hours from the conclusion of the Meeting of the Company and the resolutions will be deemed to be passed on the date of the Meeting, subject to receipt of the requisite number of votes in favour of the resolutions.

11. The results declared along with the Scrutiniser's Report will be made available on the website of the Company (https://www.affle.com) and on Service Provider's website (https://evoting.kfintech.com) and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited within 48 hours from the conclusion of the Meeting.

12. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

13. In line with the Applicable Circulars at least 1,000 Members will be able to join the AGM on a first-come-first-served basis. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit Committee, Compensation, Nomination & Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle.

14. Members seeking or requiring any clarification or information in respect of accounts or any other matter to be placed at the AGM may send their requests to the Company before September 23, 2020 at compliance@affle.com.

15. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

16. Pursuant to the provisions of Section 72 of the Act, Members can avail themselves of the facility of nomination in respect of shares held by them. Members desiring to avail of this facility may contact their respective Depository Participant(s).

17. **Inspection of Documents**

    The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act and relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM.

    All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to compliance@affle.com.

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

Item No. 3

Mr. Bijynath (DIN: 08160918), was appointed as an Independent Director on the Board of the Company pursuant to the provisions of Section 149 and Schedule IV of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 for a term of 2 years up to May 31, 2020.

The Nomination & Remuneration Committee has recommended re-appointment of Mr. Bijynath as Independent Director for a second term on the Board of the Company. The brief resume of Mr. Bijynath is available in the Annexure to the Notice. The Board, as per the recommendation of the Nomination & Remuneration Committee, considers that, given his background, experience and contributions made by him during his first tenure, the continued association of Mr. Bijynath would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. The Board of Directors of the Company at its meeting held on May 30, 2020 on the recommendation of Nomination & Remuneration Committee, approved the reappointment of Mr. Bijynath, as an Independent Director of the Company for a second term of up to 5 (five) consecutive years, subject to the approval of the shareholders at this Annual General Meeting.

Mr. Bijynath is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has also received declarations from Mr. Bijynath that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Regulation 16 (1) (b) of the Listing Regulations.

In the opinion of the Board, Mr. Bijynath fulfils the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations and is independent of the management. Mr. Bijynath is not debarred from holding the office of Director by virtue of any SEBI, MCA order or any other such authority.

Copy of draft letter of appointment of Mr. Bijynath setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Mr. Bijynath is interested in the resolution set out at Item no. 3 of the Notice and his relatives may be deemed to be interested in the above resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Board recommends the resolution set out at Item no. 3 of the Notice for approval by the members of the Company.

Item No. 4

Ms. Sumit Mamak Chadha (DIN: 05207581), was appointed as an Independent Director on the Board of the Company pursuant to the provisions of Section 149 and Schedule IV of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 for a term of 2 years up to May 31, 2020.

The Nomination & Remuneration Committee has recommended re-appointment of Ms. Sumit Mamak Chadha as Independent Director for a second term on the Board of the Company. The brief resume of Ms. Sumit Mamak Chadha is available in the Annexure to the Notice. The Board, as per the recommendation of the Nomination & Remuneration Committee, considers that, given her background, experience and contributions made by him during her first tenure, the continued association of Ms. Sumit Mamak Chadha would be beneficial to the Company and it is desirable to continue to avail her services as an Independent Director. The Board of Directors of the Company at its meeting held on May 30, 2020 on the recommendation of Nomination & Remuneration Committee, approved the reappointment of Ms. Sumit Mamak Chadha as an Independent Director of the Company for a second term of up to 5 (five) consecutive years, subject to the approval of the shareholders at this Annual General Meeting.

Ms. Sumit Mamak Chadha is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director. The Company has also received declarations from Ms. Sumit Mamak Chadha that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Regulation 16 (1) (b) of the Listing Regulations.

In the opinion of the Board, Ms. Sumit Mamak Chadha fulfils the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations and is independent of the management. Ms. Sumit Mamak Chadha is not debarred from holding the office of Director by virtue of any SEBI, MCA order or any other such authority.

Copy of draft letter of appointment of Ms. Sumit Mamak Chadha setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Ms. Sumit Mamak Chadha is interested in the resolution set out at Item no. 4 of the Notice and her relatives may be deemed to be interested in the above resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Board recommends the resolution set out at Item no. 4 of the Notice for approval by the members of the Company.

Item No. 5

Mr. Vivek Narayan Gour (DIN: 00254383),was appointed as an Independent Director on the Board of the Company pursuant to the provisions of Section 149 and Schedule IV of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 for a term of 2 years up to May 31, 2020.

The Nomination & Remuneration Committee has recommended re-appointment of Mr. Vivek Narayan Gour as Independent Director for a second term on the Board of the Company. The brief resume of Mr. Vivek Narayan Gour is available in the Annexure to the Notice. The Board, as per the recommendation of the Nomination & Remuneration Committee, considers that, given his background, experience and contributions made by him during his first tenure, the continued association of Mr. Vivek Narayan Gour would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. The Board of Directors of the Company at its meeting held on May 30, 2020 on the recommendation of Nomination & Remuneration Committee, approved the reappointment of Mr. Vivek Narayan Gour, as an Independent Director of the Company for a second term of up to 5 (five) consecutive years, subject to the approval of the shareholders at this Annual General Meeting.

Mr. Vivek Narayan Gour is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has also received declarations from Mr. Vivek Narayan Gour that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Regulation 16 (1) (b) of the Listing Regulations.

In the opinion of the Board, Mr. Vivek Narayan Gour fulfils the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations and is independent of the management. Mr. Vivek Narayan Gour is not debarred from holding the office of Director by virtue of any SEBI, MCA order or any other such authority.

Copy of draft letter of appointment of Mr. Vivek Narayan Gour setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Mr. Vivek Narayan Gour is interested in the resolution set out at Item no. 5 of the Notice and his relatives may be deemed to be interested in the above resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Board recommends the resolution set out at Item no. 5 of the Notice for approval by the members of the Company.

Item No. 6

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required.

Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with approval of Members by special resolution passed at the general meeting.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs.350 Crores, as proposed in the Notice.

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No.6 for approval by the members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the resolution at Item no. 6 of the accompanying notice. The Board recommends the resolution at Item no.6 to be passed as Special Resolution.

Item No. 7

Keeping in view the Company's long term strategic and business objectives, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company. Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting. In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Further, Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting.

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No.7 for approval by the members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the resolution at Item no. 7 of the accompanying notice. The Board recommends the resolution at Item no.7 to be passed as Special Resolution.

By Order of the Board
For Affle (India) Limited

Parmita Choudhury
Company Secretary
Membership No. A26261

Place: New Delhi
Date: August 21, 2020

Annexure A

Details of the Directors seeking appointment/re-appointment in the Annual General Meeting [Pursuant to Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

Name of the Director	Mr. Bijynath	Ms. Sumit Mamak Chadha	Mr. Vivek Narayan Gour	Ms. Mei Theng Leong
Type of Directorship	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Director
DIN	08160918	05207581	00254383	08163996
Date of Birth	21/06/1965	30/10/1964	10/11/1962	16/08/1976
Age	55	55	57	43
Date of First appointment on the Board	01/06/2018	01/06/2018	01/06/2018	01/06/2018
Relationship with Director/ Manager/ KMP	None	None	None	None
Expertise in Specific Functional Area, Qualification and Brief Profile	Mr. Bijynath holds a bachelor's degree in jurisprudence from the University of Oxford. He is admitted to practice as an advocate and solicitor in Singapore. He was the Managing Director of the Singapore law firm, Camford Law Corporation("Camford") from August 2014 to February 2017 during which time Camford was the Singapore member firm of PricewaterhouseCoopers International Limited. He founded the law firm Oxon Law and currently heads its practice.	Ms. Sumit Mamak Chadha holds a bachelor's degree (honours course) from St. Stephen's College, University of Delhi and a master's degree in arts, in economics from Delhi School of Economics at the University of Delhi. She also holds a degree of Master of Arts in economics from the University of California. She has over 29 years of experience in banking and financial services. She has earlier worked in Citibank N.A. India for 20 years where she last worked as Director and she also worked at BlackRock Services India Private Limited for two years as Managing Director. She is currently the head of enterprise shared services at AXA XL, a division of AXA.	Mr. Vivek Narayan Gour holds a bachelor's degree in commerce from University of Bombay and a master's degree in business administration from Faculty of Management Studies, University of Delhi. He also completed the Owner/ President Management Program from Harvard Business School. He has over 35 years of experience in marketing, financial services and aviation industry. Previously he has worked in Genpact India and GE Capital Services India, and has also been the managing director and the chief executive officer of Air Works India (Engineering) Private Limited. Currently, he is also serving on the boards of directors of IndiaMART InterMESH Limited and Cyient Ltd.	Ms. MeiTheng Leong holds a degree of bachelor of commerce, majoring in accounting and finance from Curtin University of Technology and a masters of business administration from The University of Hong Kong. She has been awarded a fellow membership of CPA Australia and entitled to use the designation of FCPA. She has over 19 years of experience in accounting and finances and has in the past held positions in IHM Sdn. Bhd. and Pioneer Corporate Services Pte. Ltd. and has held position of Group Financial Controller in Europtronic Group Ltd.

Name of the Director	Mr. Bijynath	Ms. Sumit Mamak Chadha	Mr. Vivek Narayan Gour	Ms. Mei Theng Leong
Board Membership of Other Companies as on March 31, 2020	1. Affle Holdings Pte. Ltd. 2. Intertwine Ventures Pte. Ltd. 3. Oxon Law LLC 4. Oxon Global Pte. Ltd. 5. Innovationz Pte. Ltd.	1. Canara Robeco Mutual Fund	1. Advait Lakshmi Foundation 2. Indiamart Intermesh Limited 3. Affle International Pte. Ltd. 4. Ask Investment Managers Limited 5. Advait Associates LLP -Designated partner 6. Cyient Limited 7. Sunbeam -Trustee	1.Affle International Pte. Ltd. 2.Affle Global Pte. Ltd. 3.FESS Old New Pte. Ltd. 4.Anuj Khanna Investments Pte. Ltd.
Chairman/Member of the Committee of Board of Directors as on March 31, 2020	**Affle (India) Limited** 1. Nomination & Remuneration Committee - Chairman 2. Stakeholder Relationship Committee - Member 3. Investment Committee - International Investments -Member	**Affle (India) Limited** 1. Audit Committee- Member 2. Nomination & Remuneration Committee - Member 3. Corporate Social Responsibility Committee - Member	**Affle (India) Limited** 1. Audit Committee- Chairman 2.Investment Committee -Domestic Investments -Member **Indiamart Intermesh Limited** 1. Audit Committee- Chairman 2. Stakeholder Relationship Committee -Chairman **Cyient Ltd** 1. Audit Committee- Chairman 2. Stakeholder Relationship Committee – Member **Ask Investment Managers Limited** 1. Audit Committee- Chairman 2. Stakeholder Relationship Committee – Member	**Affle (India) Limited** 1. Corporate Social Responsibility Committee -Member 2. Investment Committee - International Investments-Member 3. Business Responsibility Reporting Committee - Member
No. of shares held in the Company as on March 31, 2020	Nil	Nil	Nil	Nil

Name of the Director	Mr. Bijynath	Ms. Sumit Mamak Chadha	Mr. Vivek Narayan Gour	Ms. Mei Theng Leong
Terms & Conditions of appointment	Mr. Bijynath is appointed for a second term of up to 5 years as an Independent Director of the Company. The terms & conditions of his appointment including remuneration shall be governed by the Letter of appointment issued by the Company.	Ms. Sumit Mamak Chadha is appointed for a second term of up to 5 years as an Independent Director of the Company. The terms & conditions of his appointment including remuneration shall be governed by the Letter of appointment issued by the Company.	Mr. Vivek Narayan Gour is appointed for a second term of up to 5 years as an Independent Director of the Company. The terms & conditions of his appointment including remuneration shall be governed by the Letter of appointment issued by the Company.	Ms. MeiTheng is a Non-Executive Director of the Company liable to retire by rotation.
Remuneration last drawn FY 2019-20 (Only sitting fee)	Rs. 7,20,000	Rs. 13,50,000	Rs. 10,80,000	Not applicable
Proposed remuneration	Sitting Fee to be paid, as director, for attending the Meetings of Board and Committees Meetings	Sitting Fee to be paid, as director, for attending the Meetings of Board and Committees Meetings	Sitting Fee to be paid, as director, for attending the Meetings of Board and Committees Meetings	Not applicable
No. of Board meetings attended during the FY2019-20	7	7	7	7

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO VIDEO MEANS ("OAVM")

(i) Members are being provided the facility to attend the AGM through VC / OAVM platform of KFin Technologies Private Limited ('KFin'). Members are requested to participate in the AGM through VC / OAVM by visiting the link https://emeetings.kfintech.com and logging in by using their e-voting credentials. Further, Members have to select the EVENT and the name of the Company and click on 'Video Conference' option to join the AGM. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice.

(ii) Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM (i.e. 9:45 a.m IST on Thursday, September 24, 2020) and will be available for Members on first-come-first-served basis.

(iii) For a better experience, Members are encouraged to join the AGM through their computers with Google Chrome browser.

(iv) Further, Members wishing to speak at the AGM may be required to turn camera on/enable video and are requested to use internet with good speed to avoid any disturbance during the Meeting.

(v) Please note that participants connecting from mobile devices / tablets / computers 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.

(vi) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker shareholder by accessing the link https://emeetings.kfintech.com from September 21, 2020 9:00 a.m (IST) to September 22, 2020 up to 5.00 p.m. (IST). Only those Members who have registered themselves as a speaker will be allowed to express their views / ask questions during the AGM and may have to allow camera access during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Please note that, Members' questions will be answered only if they continue to hold shares as on the cut-off date.

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS (REMOTE E-VOTING):

(i) In compliance with the provisions of Section 108 of the Act, the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide its Members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means i.e. remote e-voting either before or during the AGM. Resolution(s) passed by Members through e-voting will be deemed as if they have been passed at the AGM.

(ii) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on Thursday, September 17, 2020 ('the cut-off date'), shall be entitled to vote in respect of the shares held, by availing the facility of remote e-voting. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Any person, who acquires shares of the Company and becomes a Member after dispatch of the Notice and holds shares as of the cut-off date, may obtain the User ID and Password by following the procedure mentioned in the Notice.

(iii) The Members can opt for only one mode of voting i.e. either by remote e-voting before or during the AGM. The Members who have not already cast their vote by remote e-voting before the AGM shall be able to exercise their right during the AGM through remote e-voting. The Members who have cast their vote by remote e-voting before the AGM are eligible to attend the AGM through VC / OAVM but shall not be entitled to cast their vote again through remote e-voting during the AGM.

(iv) The period of remote e-voting before the AGM commences on Monday, September 21, 2020 (9:00 a.m. IST) and ends on Wednesday, September 23, 2020 (5:00 p.m. IST). The remote e-voting module shall thereafter be disabled by KFin for voting and subsequently enabled for remote e-voting, during the AGM. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

Steps for remote e-voting before the AGM:

In case of a Member receiving an e-mail from KFin (for Members whose e-mail IDs are registered with the Depository Participant(s)):

(i) Launch internet browser by typing the URL: https://evoting.kfintech.com

(ii) Enter the login credentials (i.e. User ID and Password). Your DP ID and Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your vote.

(iii) After entering these details appropriately Click on 'LOGIN'.

(iv) You will now reach 'Password Change Menu' wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one uppercase (A-Z), one lowercase (a-z), one numeric value (0-9) and a special character (@, #, $, etc.). The system will prompt you to change your password and update your contact details such as mobile number, e-mail ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(v) You will need to login again with the new credentials.

(vi) On successful login, the system will prompt you to select the 'EVENT' i.e., 'Affle (India) Limited-5533'.

(vii) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under 'FOR / AGAINST' or alternatively, you may partially enter any number in 'FOR' and partially in 'AGAINST' but the total number in 'FOR/ AGAINST' taken together should not exceed your total shareholding as on the cut-off date, i.e. Thursday, September 17, 2020. You may also choose the option 'ABSTAIN'. If the Member does not indicate either 'FOR' or 'AGAINST', it will be treated as 'ABSTAIN' and the shares held will not be counted under either heads.

(viii) Members holding multiple Demat Accounts shall carry out the e-voting process separately for each Demat Account.

(ix) Voting has to be done for each Resolution of the Notice of the 25th AGM separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

(x) You may then cast your vote by selecting an appropriate option and clicking on 'SUBMIT'.

(xi) Thereafter, a confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify or change the votes cast. However, Members can login any number of times till they have voted on all the Resolutions.

(xii) Members who have already voted through remote e-voting before the AGM will be eligible to attend the AGM.

Steps for e-voting during the AGM:

Only those Members present at the AGM through VC/ OAVM and have not already cast their vote through remote e-voting shall be eligible to vote through e-voting during the AGM. Voting during the AGM is integrated with the VC / OAVM platform and no separate login is required for the same. Members may click on the voting icon on the left side of the screen to cast their votes.

Other Instructions:

Any person, who acquires shares of the Company and becomes a Member after dispatch of the Notice and holds shares as of the cut-off date, may obtain the 'User ID' and 'Password' in the manner mentioned below:

(i) where the mobile number of the Member is registered against DP ID and Client ID, the Member may send an SMS: MYEPWD (E-Voting Event Number) + DP ID and Client ID to 9212993399. For example:

- NSDL MYEPWD IN12345612345678
- CDSL MYEPWD 1402345612345678

(ii) where e-mail address or mobile number of the Member is registered against DP ID and Client ID, then on the home page of https://emeetings.kfintech.com, the Member may click "Forgot Password" and enter DP ID & Client ID and PAN to generate a password.

KFin shall endeavour to send User ID and Password to those new Members whose e-mail address is available.

Members can also reach out to KFin's toll free number 1800-3454-001 or send an e-mail request to einward.ris@kfintech.com.

General Instructions for Members:

(i) Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are requested to send duly certified scanned copy of the Resolution of the Board or governing body, authorizing their representative(s) to attend through VC / OAVM and vote through remote e-voting on their behalf at the Meeting pursuant to Section 113 of the Act. The said resolution / authorization shall be sent to the Scrutinizer by email through its registered email address to kiran3116@gmail.com with a copy marked to evoting@kfintech.com.

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

(iii) In case of any query and / or grievance, in respect of (i) attending the AGM through VC / OAVM, and voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and e-voting User Manual available at the Downloads section at https://emeetings.kfintech.com (KFin website) or contact Mr. Umesh Pandey (Unit: Affle (India) Limited) of KFin at Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500032, email at einward.ris@kfintech.com or call KFin's toll free no. 1800-3454-001 for any further clarifications.

AGM Related Information

Particulars	Details
Date & Time of Annual General Meeting (AGM)	Thursday, September 24, 2020 at 10:00 A.M.(IST)
Mode	Video Conferencing (VC) and Other Audio Visual Means (OAVM)
Participation through VC/ OAVM	https://emeetings.kfintech.com
Helpline number for VC/ OAVM participation	1800-3454-001
Cut-off date for determining eligibility to vote at the AGM	Thursday, September 17, 2020
Commencement of remote e-voting	Monday, September 21, 2020 (09:00 A.M IST)
End of remote e-voting	Wednesday, September 23, 2020 (05:00 P.M. IST)
Commencement of registration of shareholder as Speaker in AGM	Monday, September 21, 2020 (09:00 A.M IST)
End of registration of shareholder as Speaker in AGM	Tuesday, September 22, 2020 (05:00 P.M. IST)
Remote e-voting website	https://evoting.kfintech.com
Name, address and contact details of e-voting service provider	Mr. Umesh Pandey KFin Technologies Private Limited Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500032 Email: einward.ris@kfintech.com Toll free no. 1800-3454-001
Name, address and contact details of Registrar and Share Transfer Agent	Mr. Umesh Pandey KFin Technologies Private Limited Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500032 Email: einward.ris@kfintech.com Toll free no. 1800-3454-001

Affle (India) Limited

For other queries, please write to us at:
Compliance: compliance@affle.com
Investors: investor.relations@affle.com