

**Walker Chandiook & Co LLP**  
Chartered Accountants  
2<sup>nd</sup> Floor, Plot No. 19A  
Sector 16A, Noida 201301  
India

**KG Somani & Co LLP**  
(formerly KG Somani & Co)  
Chartered Accountants  
3/15 Asaf Ali Road, 4<sup>th</sup> Floor  
Delhi- 110002  
India

## **Independent Auditor's Report**

**To the Members of Ebixcash Financial Technologies Private Limited (formerly Known as Miles Software Solutions Private Limited)**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

1. We have audited the accompanying financial statements of Ebixcash Financial Technologies Private Limited (formerly known as Miles Software Solutions Private Limited) ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing 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 Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the relevant 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 opinion.

#### **Emphasis of Matter - Reporting on Merger**

4. We draw attention to the matter stated in note 51 of the accompanying financial statements which describes that the Board of Directors of the Company has approved amalgamation of the Company as a going concern with Ebixcash Private Limited in its meeting held on 17 November 2021. The Company is in process of filing necessary applications and obtaining required regulatory approvals. Our opinion is not modified in respect of this matter.

#### **Information other than the Financial Statements and Auditor's Report thereon**

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



**Independent Auditor's Report to the Members of Ebixcash Financial Technologies Private Limited (formerly Known as Miles Software Solutions Private Limited) on the Financial Statements for the year ended 31 March 2021 (cont'd.)**

The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

**Responsibilities of Management for the Financial Statements**

6. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, Board of Directors are 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 Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

8. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing 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 financial statements.
9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the 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;



**Independent Auditor's Report to the Members of Ebixcash Financial Technologies Private Limited (formerly Known as Miles Software Solutions Private Limited) on the Financial Statements for the year ended 31 March 2021 (cont'd.)**

- 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 with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.

**Other Matter**

11. The financial statements of the Company for the year ended 31 March 2020 were audited by the predecessor auditor, TR Chadha & Co LLP, Chartered Accountant, who have expressed an unmodified opinion on those financial statements vide their audit report dated 19 December 2020.

**Report on Other Legal and Regulatory Requirements**

12. Based on our audit we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
13. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
14. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying financial statements;
  - 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 financial statements dealt with by this report are in agreement with the books of account;



**Independent Auditor's Report to the Members of Ebixcash Financial Technologies Private Limited (formerly Known as Miles Software Solutions Private Limited) on the Financial Statements for the year ended 31 March 2021 (cont'd.)**

- d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
- e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
- f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 30 November 2021 as per Annexure B expressed an unmodified opinion; and
- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us
- i. the Company does not have any pending litigation(s) which would impact its financial position as at 31 March 2021;
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021.;
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and
  - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013



**Rohit Arora**  
Partner  
Membership No.: 504774  
UDIN: 21504774AAAALE8631



**Place:** Noida  
**Date:** 30 November 2021

For **KG Somani & Co. LLP**  
(formerly KG Somani & Co.)  
Chartered Accountants  
Firm's Registration No.: 006591N/N500377



**Varun Sharma**  
Partner  
Membership No.: 512916  
UDIN: 21512916AAAAABK6320



**Place:** Noida  
**Date:** 30 November 2021

**Annexure A to the Independent Auditor's Report of even date to the members of Ebixcash Financial Technologies Private Limited (formerly known as Miles Software Solutions Private Limited) on the financial statements for the year ended 31 March 2021**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The property, plant and equipment have been physically verified by the management during the year by engaging the outside expert and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not hold any immovable property (in the nature of 'property, plant and equipment'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
  - (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest;
  - (b) the schedule of repayment of principal and payment of interest has been stipulated wherein the principal amounts are repayable and interest is payable on demand and since the repayment of such loans and interest has not been demanded, in our opinion, repayment of the principal and payment of interest amount is regular;
  - (c) there is no overdue amount in respect of loans granted to such companies
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans and investments. Further, in our opinion, the Company has not entered into any transactions covered under section 185 and section 186 of the Act in respect of guarantees and security.
- (v) In our opinion, 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) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.



**Annexure A to the Independent Auditor's Report of even date to the members of Ebixcash Financial Technologies Private Limited (Formerly known as Miles Software Solutions Private Limited), on the financial statements for the year ended 31 March 2021 (cont'd)**

- (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under Section 2(71) of the Act. Accordingly, provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker ChandioK & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013



**Rohit Arora**  
Partner  
Membership No.: 504774  
UDIN: 21504774AAAALE8631



For **KG Somani & Co. LLP**  
(formerly KG Somani & Co.)  
Chartered Accountants  
Firm's Registration No.: 006591N/N500377



**Varun Sharma**  
Partner  
Membership No.: 512916  
UDIN: 21512916AAAABK6320



**Place:** Noida  
**Date:** 30 November 2021

**Place:** Noida  
**Date:** 30 November 2021

Annexure B to the Independent Auditor's Report of even date to the members of Ebixcash Financial Technologies Private Limited (formerly known as Miles Software Solutions Private Limited) on the financial statements for the year ended 31 March 2021

## Annexure B

### Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Ebixcash Financial Technologies Private Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

#### Responsibilities of Management for Internal Financial Controls

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

#### Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



**Annexure B to the Independent Auditor's Report of even date to the members of Ebixcash financial Technologies Private Limited (formerly known as Miles Software Solutions Private Limited) on the financial statements for the year ended 31 March 2021 (cont'd)**

**Meaning of Internal Financial Controls with Reference to Financial Statements**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 with Reference to Financial Statements**

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

**Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued ICAI.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

For **KG Somani & Co. LLP**  
(formerly KG Somani & Co.)  
Chartered Accountants  
Firm's Registration No.: 006591N/N500377

*Rohit Arora*

**Rohit Arora**  
Partner  
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*Varun Sharma*

**Varun Sharma**  
Partner  
Membership No.: 512916  
UDIN: 21512916AAAABK6320



**Place:** Noida  
**Date:** 30 November 2021

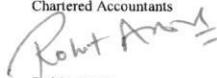
**Place:** Noida  
**Date:** 30 November 2021

**EbixCash Financial Technologies Private Limited**  
(formerly known as Miles Software Solutions Private Limited)  
**Balance Sheet as at March 31, 2021**  
(all amounts are in INR Lakhs unless otherwise stated)

	Note No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
Property, plant and equipment	3	508.31	439.35
Right-of-use assets	4	1,008.09	1,364.09
Other intangible assets	3A	33.65	45.85
Intangible assets under development	3B	1,436.41	1,040.72
Investment in subsidiaries	5	566.33	176.73
<b>Financial assets</b>			
(i) Investment	6	-	307.61
(ii) Loans	7	144.09	131.81
(iii) Other non-current financial assets	8	3.49	3.30
Deferred tax asset (net)	10	167.49	190.00
Non-current tax assets (net)	9	192.55	432.75
Other non-current assets	11	47.20	-
<b>Total non-current assets</b>		<b>4,107.61</b>	<b>4,132.20</b>
<b>Current assets</b>			
<b>Financial assets</b>			
(i) Investments	12	-	177.88
(ii) Trade receivables	13	3,492.20	3,651.85
(iii) Cash and cash equivalents	14	207.66	502.62
(iv) Bank balances other than cash and cash equivalents above	15	263.54	141.34
(v) Loans	16	4,652.80	3,245.00
(vi) Other current financial assets	17	1,774.11	1,603.26
Other current assets	18	459.78	199.15
<b>Total current assets</b>		<b>10,850.09</b>	<b>9,521.10</b>
<b>Total assets</b>		<b>14,957.70</b>	<b>13,653.30</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	19	8.87	8.87
Instruments entirely equity in nature	19	4.05	4.05
Other equity	20	10,950.68	8,973.61
<b>Total equity</b>		<b>10,963.60</b>	<b>8,986.53</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities	21	772.50	1,115.34
Provisions	22	280.45	243.93
<b>Total non-current liabilities</b>		<b>1,052.95</b>	<b>1,359.27</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	23	9.20	0.61
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	115.51	229.52
(ii) Lease liabilities	24	342.84	295.04
(iii) Other current financial liabilities	25	715.13	616.31
Other current liabilities	26	1,211.73	1,115.00
Provisions	27	3.16	151.62
Current tax liabilities (net)	27A	543.59	899.40
<b>Total current liabilities</b>		<b>2,941.15</b>	<b>3,307.50</b>
<b>Total liabilities</b>		<b>3,994.10</b>	<b>4,666.77</b>
<b>Total equity and liabilities</b>		<b>14,957.70</b>	<b>13,653.30</b>
Notes to financial statements	1 to 52		

The accompanying notes are an integral part of these financial statements  
This is the Balance Sheet referred to in our report of even date

For Walker Chandiook & Co LLP  
ICAI firm registration number : 001076N/NS00013  
Chartered Accountants

  
**Rohit Arora**  
Partner  
Membership number: 504774



For and on behalf of the board of directors  
EbixCash Financial Technologies Pvt Ltd

  
**Vikas Verma**  
Director  
DIN: 03511116

  
**Satya Bushan Kotru**  
Director  
DIN: 01729176

For KG Somani & Co. LLP  
ICAI firm registration number : 006591N/NS00377  
Chartered Accountants

  
**Varun Sharma**  
Partner  
Membership number: 512916



Place: Noida  
Date: November 30, 2021

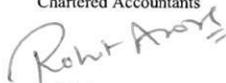


**EbixCash Financial Technologies Private Limited**  
(formerly known as Miles Software Solutions Private Limited)  
**Statement of Profit and Loss for the year ended March 31, 2021**  
(all amounts are in INR Lakhs unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Revenue</b>			
Revenue from operations	28	5,838.27	8,971.53
Other income	29	527.51	500.18
<b>Total income</b>		<b>6,365.78</b>	<b>9,471.71</b>
<b>Expenses</b>			
Employee benefits expense	30	2,084.22	2,818.77
Finance costs	31	254.64	229.42
Depreciation and amortization expenses	32	534.28	496.38
Other expenses	33	729.52	1,151.15
<b>Total expenses</b>		<b>3,602.66</b>	<b>4,695.72</b>
<b>Profit before tax</b>		<b>2,763.12</b>	<b>4,775.99</b>
<b>Tax expense:</b>			
Current tax	34	759.29	1,322.67
Deferred tax	34	23.58	(84.92)
<b>Total tax expense</b>		<b>782.86</b>	<b>1,237.75</b>
<b>Profit for the year</b>		<b>1,980.26</b>	<b>3,538.24</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurement of defined benefit plans		(4.26)	(15.34)
Income Tax relating to remeasurement of defined benefit plans		1.07	3.86
<b>Total other comprehensive income for the year</b>		<b>(3.19)</b>	<b>(11.48)</b>
<b>Total comprehensive income for the year</b>		<b>1,977.07</b>	<b>3,526.76</b>
<b>Earnings per equity share of INR 10 each</b>	35		
Basic		2,231.68	3,987.47
Diluted		1,532.09	2,737.47
Notes on financial statements	1 to 52		

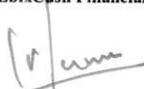
The accompanying notes are an integral part of these financial statements  
This is the Statement of Profit and Loss referred to in our report of even date

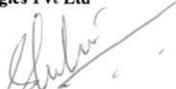
For Walker Chandiook & Co LLP  
ICAI firm registration number : 001076N/N500013  
Chartered Accountants

  
**Rohit Arora**  
Partner  
Membership number: 504774

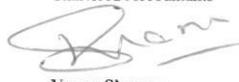


For and on behalf of the board of directors  
EbixCash Financial Technologies Pvt Ltd

  
**Vikas Verma**  
Director  
DIN: 03511116

  
**Satya Bushan Kotru**  
Director  
DIN: 01729176

For KG Somani & Co. LLP  
ICAI firm registration number : 006591N/N500377  
Chartered Accountants

  
**Varun Sharma**  
Partner  
Membership number: 512916



Place: Noida  
Date: November 30, 2021



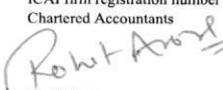
**EbixCash Financial Technologies Private Limited**  
(formerly known as Miles Software Solutions Private Limited)  
**Cash Flow Statement for the year ended March 31, 2021**  
(all amounts are in INR Lakhs unless otherwise stated)

	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A Cash flows from operating activities</b>		
Profit before tax	2,763.12	4,775.99
Adjustments for:		
Interest income	(444.30)	(305.42)
Income from investments	(16.01)	-
Miscellaneous balances written back	(1.71)	-
Depreciation and amortization expenses	534.28	496.38
Loss on sale of fixed assets (net)	-	8.38
Foreign exchange gain (net)	(57.03)	170.42
Allowance for doubtful debts	62.65	-
Finance cost	254.64	229.42
<b>Operating cash profit before working capital changes</b>	<b>3,095.64</b>	<b>5,375.17</b>
Movement in working capital:-		
Change in trade payables	(103.72)	(38.52)
Change in other current liabilities	96.72	447.90
Change in other current financial liabilities	98.82	(65.96)
Change in provisions	(116.20)	232.17
Change in non-current loans	(12.28)	(185.48)
Change in current loans	(5)	-
Change in other current financial assets	143.28	(832.23)
Change in trade receivables	154.03	(2,165.08)
Change in other current assets	(260.63)	(116.12)
<b>Cash generated from/ (used in) operations</b>	<b>3,090.66</b>	<b>2,651.85</b>
Less: income tax paid (net of refunds)	(944.51)	(272.33)
<b>Net cash generated from/ (used in) operating activities (A)</b>	<b>2,146.15</b>	<b>2,379.52</b>
<b>B Cash flow from investing activities:</b>		
Purchase of property, plant and equipment, and intangible assets	(677.96)	(757.90)
Net proceeds from sale of property, plant and equipment	0.03	1.61
Investment in bank deposits (net)	(122.20)	(9.89)
Net proceeds/(payment) of inter corporate deposits	(1,402.80)	(1,915.88)
Interest received	39.27	40.05
Purchase of investments in subsidiaries	(389.60)	-
Sale proceeds from other investments	526.88	-
(Purchase)/ sale of investments	-	762.70
<b>Net cash generated from/ (used in) investing activities (B)</b>	<b>(2,026.38)</b>	<b>(1,879.31)</b>
<b>C Cash flow from financing activities:</b>		
Interest paid	(119.69)	(138.69)
Lease liability paid	(295.04)	(244.66)
<b>Net cash generated from/ (used in) financing activities (C)</b>	<b>(414.73)</b>	<b>(383.35)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(294.96)</b>	<b>116.86</b>
Cash and cash equivalents at the beginning of the year	502.62	385.76
<b>Cash and cash equivalents at the end of the year</b>	<b>207.66</b>	<b>502.62</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	0.07	0.10
Balances with banks on current accounts	207.59	502.52
	<b>207.66</b>	<b>502.62</b>

Note: The above statement has been prepared under indirect method set out in Ind AS 7 "Cash Flow Statement".

This is the Statement of Cash Flow referred to in our report of even date

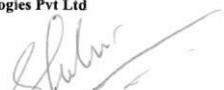
For **Walker Chandok & Co LLP**  
ICAI firm registration number : 001076N/N500013  
Chartered Accountants

  
**Rohit Arora**  
Partner  
Membership number: 504774

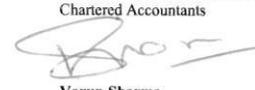


For and on behalf of the board of directors  
**EbixCash Financial Technologies Pvt Ltd**

  
**Vikas Verma**  
Director  
DIN: 03511116

  
**Satya Bushan Kotru**  
Director  
DIN: 01729176

For **KG Somani & Co. LLP**  
ICAI firm registration number : 006591N/N500377  
Chartered Accountants

  
**Varun Sharma**  
Partner  
Membership number: 512916



Place: Noida  
Date: November 30, 2021



**EbixCash Financial Technologies Private Limited**  
(formely known as Miles Software Solutions Private Limited)  
**Statement of Changes in Equity for the year ended March 31, 2021**  
(all amounts are in INR Lakhs unless otherwise stated)

**(a) Equity share capital**

Balance at the April 01, 2019  
Changes in share capital during the year  
**Balance at the March 31, 2020**  
Changes in share capital during the year  
**Balance at the March 31, 2021**

No. of Shares	Amount
88,734	8.87
-	-
<b>88,734</b>	<b>8.87</b>
-	-
<b>88,734</b>	<b>8.87</b>

**(b) Instruments entirely equity in nature**

Participatory, cumulative, compulsorily convertible preference shares ("PCCPS")

Balance at the April 01, 2019  
Changes in share capital during the year  
**Balance at the March 31, 2020**  
Changes in share capital during the year  
**Balance at the March 31, 2021**

No. of Shares	Amount
40,518	4.05
-	-
<b>40,518</b>	<b>4.05</b>
-	-
<b>40,518</b>	<b>4.05</b>

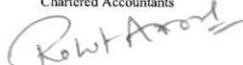
**(c) Other equity**

**As at April 01, 2019**  
Profit for the year  
Other comprehensive income/ (loss) for the year  
**Total comprehensive income/ (loss) for the year**  
Other addition/ deletion during the year  
**As at March 31, 2020**  
Profit for the year  
Other comprehensive income/ (loss) for the year  
**Total comprehensive income for the year**  
Other addition/ deletion during the year  
**As at March 31, 2021**

Reserves and surplus				Other comprehensive income		
Securities premium	Capital redemption reserve	Retained earnings	General reserve	Remeasurement of defined benefit plans	Total	
2,153.07	1.20	3,354.01	25.71	(87.14)	5,446.84	
-	-	3,538.24	-	-	3,538.24	
-	-	-	-	(11.48)	(11.48)	
-	-	<b>3,538.24</b>	-	(11.48)	<b>3,526.76</b>	
-	-	-	-	-	-	
2,153.07	1.20	6,892.25	25.71	(98.62)	8,973.61	
-	-	1,980.26	-	(3.19)	1,977.07	
-	-	-	-	-	-	
-	-	<b>1,980.26</b>	-	(3.19)	<b>1,977.07</b>	
-	-	-	-	-	-	
2,153.07	1.20	8,872.51	25.71	(101.81)	10,950.68	

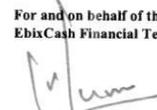
This is the Statement of Changes in Equity referred to in our report of even date

For **Walker Chandio & Co LLP**  
ICAI firm registration number : 001076N/NS00013  
Chartered Accountants

  
**Rohit Arora**  
Partner  
Membership number: 504774



For and on behalf of the board of directors  
**EbixCash Financial Technologies Pvt Ltd**

  
**Vikas Verma**  
Director  
DIN: 03511116

  
**Satya Bushan Kotru**  
Director  
DIN: 01729176

For **KG Somani & Co. LLP**  
ICAI firm registration number : 006591N/NS00377  
Chartered Accountants

  
**Varun Sharma**  
Partner  
Membership number: 512916



Place: Noida  
Date: November 30, 2021



**1. Background of the Company**

EBIXCash Financial Technologies Private Limited (Formerly known as Miles Software Solutions Private limited) (CIN: U72200MH1999PTC119143) (the 'Company') was incorporated in India on March 26, 1999, under the provisions of the Companies Act, 2013. The Company has its registered office located at Suraksha Ace, 6<sup>th</sup> floor, 34/3, Andheri Kurla Road, Chakala, JB Nagar, Andheri East Mumbai, Maharashtra. The Company operates out of Mumbai and provides managed services integrated with Moneyware suite of products to cater complete business life cycle of Wealth, Asset and Portfolio Management.

**2. Significant accounting policies**

**a. Statement of compliance**

These financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act.

These financial statements were authorised for issue by the Company's Board of Directors on November \_\_, 2021.

**b. Basis of preparation**

The financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period.

**c. Functional and presentation currency**

These financial statements are presented in Indian National Rupee ('INR'), which is also the Company's functional currency.

**d. Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Based on the nature of services and the time between the rendering of services and their realisation, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

An asset is classified as current when it is: a) Expected to be realised or intended to be sold or consumed in normal operating cycle, b) Held primarily for the purpose of trading, c) Expected to be realised within twelve months after the reporting period, or d) 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 classified as current when: a) It is expected to be settled in normal operating cycle, b) It is held primarily for the purpose of trading, c) It is due to be settled within twelve months after the reporting period, or d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

**e. Use of Judgment and estimates**

The Company is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosures of contingent liabilities at the date of financial statement and the reported amounts of revenue and expenses during the reporting period.

Actual result could differ from those estimates. The Company basis its estimates on historical experience and on various other assumptions that are believed to be reasonable, the result of which form the basis for making judgements about carrying values of assets and liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively



**Key accounting estimates**

**i. Useful life of property, plant & equipment ('PPE') and other intangible assets**

The useful lives and residual values of PPE and intangible assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

**ii. Provisions and contingent liabilities**

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

**iii. Defined benefit plans**

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. 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.

**iv. Income Taxes & Deferred taxes**

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

**v. Impairment Testing**

Intangible assets are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

**vi. Expected credit losses on financial assets**

The expected credit loss provision of financial assets is based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the expected credit losses calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.



**f. Property, plant and equipment:**

*Recognition and measurement*

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss (if any). Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use as intended by the management. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate item (major components) of property, plant and equipment.

Any gain/loss on disposal of property, plant and equipment is recognised in profit and loss account on the date of disposal or retirement.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company and cost of the item can be measured reliably.

*Depreciation methods, estimated useful lives and residual value*

Depreciation on fixed assets is calculated on Written Down Value (WDV) using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013.

Cost of leasehold land is amortized over the lease period.

Depreciation method, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.

<b>Asset category</b>	<b>Estimated useful life (in years)</b>
Furniture and fixtures	10 Years
Electrical installation	10 Years
Office equipment	5 Years
Mobile Instruments	5 Years
Computer systems	3 Years

**g. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at historical cost. Intangible assets having a finite useful life are subsequently carried at cost less any accumulated amortization and accumulated impairment losses (if any). Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Costs associated with maintaining software programmes are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets when it is technically feasible to complete the software so that it will be available for use, management intends to complete the software and use or sell it, there is an ability to use or sell the software, it can be demonstrated how the software will generate probable future economic benefits, adequate technical, financial and other resources to complete the development and to use or sell the software are available, and the expenditure attributable to the software during its development can be reliably measured. Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads.



**Amortisation method, estimated useful lives and residual value**

Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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

Asset category	Estimated useful life (in years)
Software	10 Years

**Derecognition**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

**i. Intangible assets under development**

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

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

**ii. Impairment of non-financial assets**

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36- 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit ('CGU') is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows of asset or CGU 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. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded companies or other available fair valuation indicators. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit' or 'CGU')

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognised in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's or CGU's recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the assets does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss has been recognised for the asset in prior years. Such reversal is recognised in the Statement of profit or loss.



Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

a. 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**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent measurement**

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

- Debt instruments at amortised cost
- Debt instrument at fair value through Other Comprehensive Income (FVTOCI)
- Debt instrument at fair value through profit and loss (FVTPL)
- Equity Instrument measured at fair value through Other Comprehensive Income (FVTOCI)

**Debt instruments at amortised cost**

A financial asset is measured at amortised cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR (effective interest rate) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

**Debt instrument at fair value through Other Comprehensive Income (FVTOCI)**

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

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent solely payments of principal and interest

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Debt instrument at fair value through profit and loss (FVTPL)**

Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVOCI, is classified as at FVTPL.

In addition, the company may elect to classify a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed 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.

**Equity Instrument measured at fair value through Other Comprehensive Income (FVTOCI)**

All equity instruments 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 subsequent changes in the fair value in OCI. 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, including foreign exchange gain or loss and excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or 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 with all changes recognized in the profit or loss.

***Derecognition of financial assets***

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognized in profit or loss.

***Impairment of financial assets***

The Company assesses on a forward-looking basis, the expected credit losses associated with the assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 "Financial Instruments" which requires expected life time losses to be recognized from initial recognition of receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

**Financial liabilities**

***Initial recognition and measurement***

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.

***Subsequent measurement***

The measurement of financial liabilities depends on their classification, as described below:



- **Financial Liabilities measured at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

**Derecognition of financial liabilities**

A financial liability is derecognized 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.

**Modifications of financial assets and financial liabilities**

**Financial assets**

If the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

**Financial liabilities**

The company derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

**b. Revenue recognition**

The Company earns revenue primarily from sale of software and its related services.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.



**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021**

- In respect of other fixed-price contracts which fulfil the criteria prescribed by the Ind AS, revenue is recognised using percentage-of-completion method ('POC method') of accounting.
- Revenue from the sale of distinct internally developed software and third-party software is recognised upfront at the point in time when the software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billing in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

**Use of significant judgements in revenue recognition**

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance obligation.

*Interest income*

Interest income is recognized using the Effective Interest Rate ('EIR') method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

*Dividend Income*

Dividend income is recognized, when the right to receive the dividend is established.

**c. Foreign currency transactions**

- a. Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction.
- b. Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the year-end are translated at exchange rates applicable on year end date.
- c. Non-monetary items denominated in foreign currency, (such as fixed assets) are valued at the exchange rate prevailing on the date of transaction and carried at cost.



- d. Any gains or losses arising due to exchange differences arising on translation or settlement are accounted for in the Statement of Profit and Loss.

**d. Employee benefits**

**a. Short term employee benefits**

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**b. Defined contribution plans**

Obligations for contributions to defined contribution plans (Contribution to Provident Fund) are expensed as the related service is provided.

**c. Defined benefit plans**

The company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**e. Borrowing Cost**

Borrowing costs consist of interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments'.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

Other borrowing costs are expensed in the period in which they are incurred.

**f. Income tax**

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income.

**a. Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:



- i) Has a legally enforceable right to set off the recognized amounts; and
- ii) Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**b. Deferred tax**

Deferred tax is recognized using balance sheet approach on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base. Deferred tax is not recognized for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit nor loss.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax items are recognized in correlation to underline transactions either in Other Comprehensive Income or directly in Equity.

**g. Provisions, contingent liabilities and contingent assets**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgement of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed



in the financial statements when inflow of economic benefits is probable on the basis of judgement of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

**h. Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**i. Leases (As Lessee)**

The Company has adopted the new accounting standard Ind AS 116 "Leases" on April 1, 2019 as per Companies (Indian Accounting Standards) Amendment Rules, 2019, notified by MCA on March 30, 2019. Ind AS 116 is a single Lessee accounting model and sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use assets (ROUA), and finance cost for interest accrued on lease liability.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. 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 and the arrangement conveys a right to use the asset even if that right is not explicitly, specified in an arrangement.

**Company as a lessee**

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the Statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification, Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for Which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.



**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021**

**Company as a Lessor**

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the year in which they are earned or contingency is resolved.

Leases in which the Company transfers substantially all the risk and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the present value of lease receivable. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance leases. The interest income is recognized in the statement profit and loss. Initial direct costs such as legal cost, brokerage cost etc. are recognized immediately in the statement of profit and loss. When arrangements include multiple performance obligations, the Company allocates the consideration in the contract between the lease components and the non-lease components on a relative standalone selling price basis

**j. Operating Segment**

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's management to allocate resources to the segments and assess their performance. The Board of Directors and Chief Executive Officer is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly head office expenses, finance costs, income tax expenses and head office income.

Revenue directly attributable to the segments is considered as segment revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Segment assets comprise property, plant and equipment, intangible assets, trade and other receivables, inventories and other assets that can be directly or reasonably allocated to segments. Segment assets do not include investments, income tax assets, capital work in progress, capital advances, head office assets and other current assets that cannot reasonably be allocated to segments.

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade and other payables, employee benefits and provisions. Segment liabilities do not include equity, income tax liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.

**k. Earnings per share**

Basic earnings per equity share are computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**l. Recent accounting pronouncements**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance sheet

a) Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.



**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021**

- b) Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- c) Specified format for disclosure of shareholding of promoters.
- d) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- e) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- f) Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

**Statement of Profit and Loss**

- a) Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.



**EbiCash Financial Technologies Private Limited**

(formerly known as Miles Software Solutions Private Limited)

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(all amounts are in INR Lakhs unless otherwise stated)

**3. Property, plant and equipment**

Particulars	Gross Block				Depreciation/ Amortisation				Net Block	
	As at April 01, 2020	Additions	Deletions/ Adjustments	As at March 31, 2021	As at April 01, 2020	Charges for the Year	Deletions/ Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
<b>Tangible assets</b>										
Leasehold improvement	398.83	20.97	-	419.80	50.24	90.00	-	140.24	279.56	348.59
Furnitures and fixtures	2.95	-	-	2.95	0.78	1.00	-	1.78	1.17	2.17
Air conditioner	-	-	-	-	-	-	-	-	-	-
Electrical installation	0.00	42.47	-	42.47	0.00	3.00	-	3.00	39.47	0.00
Office equipment	35.68	8.12	-	43.80	16.42	8.45	-	24.87	18.93	19.26
Mobile instruments	2.24	0.15	-	2.39	1.71	-	-	1.71	0.68	0.53
Computer equipment	159.82	163.12	0.63	322.31	91.02	63.39	0.60	153.81	168.50	68.80
<b>Sub Total (A)</b>	<b>599.53</b>	<b>234.83</b>	<b>0.63</b>	<b>833.73</b>	<b>160.17</b>	<b>165.84</b>	<b>0.60</b>	<b>325.41</b>	<b>508.31</b>	<b>439.35</b>

Particulars	Gross block				Depreciation/ Amortisation				Net Block	
	As at April 01, 2019	Additions	Deletions/ Adjustments	As at March 31, 2020	As at April 01, 2019	Charges for the Year	Deletions/ Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
<b>Tangible assets</b>										
Leasehold improvement	-	398.83	-	398.83	-	50.24	-	50.24	348.59	-
Furnitures and fixtures	15.89	2.95	15.89	2.95	6.51	0.77	6.50	0.78	2.17	9.38
Air conditioner	0.27	-	0.27	-	0.19	-	0.19	-	-	0.08
Electrical installation	0.44	-	0.44	0.00	0.22	-	0.22	0.00	0.00	0.22
Office equipment	4.03	32.38	0.73	35.68	2.57	14.28	0.43	16.42	19.26	1.46
Mobile instruments	2.22	0.02	-	2.24	1.45	0.26	-	1.71	0.53	0.77
Computer equipment	45.43	114.39	-	159.82	32.35	58.67	-	91.02	68.80	13.08
<b>Sub Total (A)</b>	<b>68.28</b>	<b>548.57</b>	<b>17.33</b>	<b>599.53</b>	<b>43.29</b>	<b>124.22</b>	<b>7.34</b>	<b>160.17</b>	<b>439.35</b>	<b>24.99</b>

**3A. Other intangible assets**

Particulars	Gross Block				Amortisation				Net Block	
	As at April 01, 2020	Additions	Deletions/ Adjustments	As at March 31, 2021	As at April 01, 2020	Charges for the Year	Deletions/ Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
<b>Other intangible assets</b>										
Softwares	104.50	0.24	-	104.74	58.65	12.44	-	71.09	33.65	45.85
<b>Sub Total (B)</b>	<b>104.50</b>	<b>0.24</b>	<b>-</b>	<b>104.74</b>	<b>58.65</b>	<b>12.44</b>	<b>-</b>	<b>71.09</b>	<b>33.65</b>	<b>45.85</b>

Particulars	Gross block				Amortisation				Net block	
	As at April 01, 2019	Additions	Deletions/ Adjustments	As at March 31, 2020	As at April 01, 2019	Charges for the Year	Deletions/ Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
<b>Other intangible assets</b>										
Softwares	98.30	6.20	-	104.50	42.34	16.32	-	58.65	45.85	55.96
<b>Sub Total (C)</b>	<b>98.30</b>	<b>6.20</b>	<b>-</b>	<b>104.50</b>	<b>42.34</b>	<b>16.32</b>	<b>-</b>	<b>58.65</b>	<b>45.85</b>	<b>55.96</b>

**3B. Intangible assets under development**

Particulars	Gross Block				Amortisation				Net Block	
	As at April 01, 2020	Additions	Deletions/ Adjustments	As at March 31, 2021	As at April 01, 2020	Charges for the Year	Deletions/ Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
<b>Intangible assets under development</b>										
	1,040.72	395.69	-	1,436.41						
<b>Sub Total (C)</b>	<b>1,040.72</b>	<b>395.69</b>	<b>-</b>	<b>1,436.41</b>						

Particulars	Gross block				Amortisation				Net block	
	As at April 01, 2019	Additions	Deletions/ Adjustments	As at March 31, 2020	As at April 01, 2019	Charges for the Year	Deletions/ Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
<b>Intangible assets under development</b>										
	503.73	536.99	-	1,040.72						
<b>Sub Total (C)</b>	<b>503.73</b>	<b>536.99</b>	<b>-</b>	<b>1,040.72</b>						
<b>Total (A+B+C)</b>	<b>1,744.74</b>	<b>630.76</b>	<b>0.63</b>	<b>2,374.87</b>	<b>218.83</b>	<b>178.28</b>	<b>0.60</b>	<b>396.51</b>	<b>541.96</b>	<b>485.20</b>

**4. Right-of-use assets**

Particulars	Gross block				Amortisation				Net block	
	As at April 01, 2020*	Additions	Deletions/ Adjustments	As at March 31, 2021	As at April 01, 2020	Charges for the Year	Deletions/ Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Building	1,719.93	-	-	1,719.93	355.84	356.00	-	711.84	1,008.09	1,008.09
<b>Total</b>	<b>1,719.93</b>	<b>-</b>	<b>-</b>	<b>1,719.93</b>	<b>355.84</b>	<b>356.00</b>	<b>-</b>	<b>711.84</b>	<b>1,008.09</b>	<b>1,008.09</b>

Particulars	Gross block				Amortisation				Net block	
	As at April 01, 2019*	Additions	Deletions/ Adjustments	As at March 31, 2020	As at April 01, 2019	Charges for the Year	Deletions/ Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Building	1,719.93	-	-	1,719.93	-	355.84	-	355.84	1,364.09	1,364.09
<b>Total</b>	<b>1,719.93</b>	<b>-</b>	<b>-</b>	<b>1,719.93</b>	<b>-</b>	<b>355.84</b>	<b>-</b>	<b>355.84</b>	<b>1,364.09</b>	<b>1,364.09</b>

\*Pursuant to adoption of Ind AS 116

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**EbixCash Financial Technologies Private Limited**  
(formely known as Miles Software Solutions Private Limited)  
**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021**  
(all amounts are in INR Lakhs unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
<b>5 Investment in subsidiaries</b>		
<b>Investment measured at cost</b>		
- In equity shares of subsidiary companies - un-quoted, fully paid up		
50 equity shares (As on March 31, 2020: 50) of Miles Software Solutions FZ LLC of AED 1,000 each	7.73	7.73
37,99,995 equity shares (As on March 31, 2020: 11,99,995) of Miles Software Solutions INC of PHP 10 each	558.60	169.00
	<u>566.33</u>	<u>176.73</u>
Aggregate amount of un-quoted investments and market value thereof	566.33	176.73
Aggregate amount of impairment in value of investments	-	-
<b>6 Investment others</b>		
<b>Investment measured at amortised cost</b>		
- In bonds - un-quoted, non-trade		
Nil (As on March 31, 2020: 1,110) unsecured non-convertible redeemable zero coupon bonds of Rural Electrification Corporation Limited of INR 13,578 each	-	307.61
	<u>-</u>	<u>307.61</u>
Aggregate amount of un-quoted investments	-	307.61
Aggregate amount of impairment in value of investments	-	-
<b>7 Loans (non-current)</b> (Unsecured, considered good)		
Security deposits	144.09	131.81
	<u>144.09</u>	<u>131.81</u>
<b>8 Other non-current financial assets</b> (Unsecured, considered good)		
Balances with banks in deposit accounts having remaining maturity more than 12 months (pledged with bank against guarantee)	3.49	3.30
	<u>3.49</u>	<u>3.30</u>
<b>9 Non-current tax assets (net)</b>		
Taxes paid (net of provision for income tax)	192.55	432.75
	<u>192.55</u>	<u>432.75</u>
<b>10 Deferred tax assets (net)</b>		
<b>Deferred tax assets:</b>		
Difference between book and income tax depreciation	26.33	10.70
Provision for long term employee benefits and gratuity	71.38	61.80
Provision for bonus	20.61	101.35
Lease liabilities	26.99	11.65
Amount disallowed u/s 40(a)(ia)	1.47	4.50
Others	20.71	-
	<u>167.49</u>	<u>190.00</u>
<b>Deferred tax assets (net)</b>	<u>167.49</u>	<u>190.00</u>
<b>Reconciliation of deferred tax assets</b>		
<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Balance as at the beginning of the year	182.28	101.22
Deferred tax (expense)/income during the period recognised in statement of profit & loss	(23.58)	84.92
Deferred tax income during the period recognised in other comprehensive income	(1.07)	(3.86)
Balance as at the end of the year	<u>157.63</u>	<u>182.28</u>
<b>11 Other non-current assets</b>		
Capital advances	47.20	-
	<u>47.20</u>	<u>-</u>



**EbixCash Financial Technologies Private Limited**  
(formerly known as Miles Software Solutions Private Limited)  
**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021**  
(all amounts are in INR Lakhs unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
<b>12 Current investments</b>		
<b>Investment measured at fair value through profit and loss</b>		
Investment in mutual funds (quoted)	-	177.88
	<u>-</u>	<u>177.88</u>
Aggregate book value of quoted investments	-	177.88
Aggregate book value of unquoted investments	-	-
<b>13 Trade receivables</b>		
Unsecured and considered good		
-from related parties	2,449.16	2,349.50
-from others	1,043.04	1,302.35
Unsecured and considered doubtful	82.30	19.65
Less: Allowance for bad and doubtful debts	(82.30)	(19.65)
	<u>3,492.20</u>	<u>3,651.85</u>
<b>14 Cash and cash equivalents</b>		
Balance with banks:		
- In current accounts	207.59	502.52
Cash on hand	0.07	0.10
	<u>207.66</u>	<u>502.62</u>
<b>15 Bank balances other than cash and equivalents above</b>		
Balance with banks:		
-In deposit accounts	-	-
with maturity of less than 3 months*	60.57	-
with maturity of more than 3 months but less than 12 months*	202.97	141.34
	<u>263.54</u>	<u>141.34</u>
*Includes deposits of INR 178.20 Lakhs pledged with banks against bank guarantee (As on March 31, 2020: Rs 77 lakhs)		
<b>16 Loans (current)</b>		
(Unsecured, considered good)		
Security deposit	5.00	-
Inter corporate deposit to related parties	4,647.80	3,245.00
	<u>4,652.80</u>	<u>3,245.00</u>
*The inter corporate deposits carry interest @ 8.25% per annum and are repayable on demand. (as on March 31, 2020: 9% per annum)		
<b>17 Other current financial assets</b>		
Interest accrued on fixed deposits	-	2.09
Interest accrued and due on inter corporate deposits to related parties (Refer note 39)	486.51	182.56
Unbilled revenue*	1,201.34	1,332.35
Security deposits	-	-
Other receivable	86.26	86.26
	<u>1,774.11</u>	<u>1,603.26</u>
<b>*Movement in contract assets during the year</b>		
Balance at the beginning of the year	1,332.35	267.43
Revenue recognised during the year	1,201.34	1,332.35
Invoices raised during the year	(1,332.35)	(267.43)
<b>Balance at the end of the year</b>	<u>1,201.34</u>	<u>1,332.35</u>
<b>18 Other current assets</b>		
Prepaid expenses	385.70	133.42
Advance to vendors	1.82	4.98
Staff travel advances	14.96	58.96
Receivable from government authorities	57.30	-
Other receivables	-	1.79
	<u>459.78</u>	<u>199.15</u>



**EbixCash Financial Technologies Private Limited**  
 (formerly known as Miles Software Solutions Private Limited)  
**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021**  
 (all amounts are in INR Lakhs unless otherwise stated)

**19 Share capital**

	As at March 31, 2021	As at March 31, 2020
<b>Authorised:</b>		
Equity shares	10.70	10.70
107,000 (As on March 31, 2020: 107,000) shares of INR 10/- each		
<b>Instruments entirely equity in nature</b>		
43,000 (as on March 31, 2020: 43,000) participatory, cumulative, compulsorily convertible preference shares ("PCCPS") of face value of INR 10/- each	4.30	4.30
	<u>15.00</u>	<u>15.00</u>
<b>Issued, subscribed &amp; fully paid up:</b>		
Equity shares	8.87	8.87
88,734 (as on April 01, 2019: 88,734) Equity shares of INR 10/- each, fully paid		
<b>Instruments entirely equity in nature</b>		
40,518 (As on April 01, 2019: 40,518) PCCPS of INR 10/- each, fully paid	4.05	4.05
	<u>12.92</u>	<u>12.92</u>

**Terms and rights attached to equity shares**

The Company has only one class of equity shares referred to as equity shares each having a par value of INR 10 per share. The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

In the event of liquidation of the company, the holders of Equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by shareholders.

**b. Terms and rights attached to Participatory, Cumulative, Compulsorily Convertible Preference Shares ("PCCPS")**

The holders of PCCPS shall be entitled to a dividend of 0.00000001% (One Billionth Percent) per annum cumulative.

The PCCPS shall be convertible at the sole discretion of the holders into such number of equity shares as may be determined by the conversion ratio. The conversion ratio shall be 1:1 such that the holders shall be issued one equity share of the Company for every PCCPS.

The conversion price of the PCCPS shall initially be done at a price of INR 7,100 which shall be subject to adjustments from time to time in accordance with the rights of the holders under shareholder agreement. Any adjustment to the conversion price shall be effected through a corresponding adjustment to the conversion ratio.

**c. Reconciliation of number of shares outstanding at the beginning and end of the year :**

	Number of Shares	Amount
<b>Equity shares</b>		
Outstanding as at April 01, 2019	88,734	8.87
Equity shares issued during the year	-	-
Outstanding as at March 31, 2020	88,734	8.87
Equity shares issued during the year	-	-
<b>Outstanding as at March 31, 2021</b>	<u>88,734</u>	<u>8.87</u>

**Participatory, Cumulative, Compulsorily Convertible Preference Shares (PCCPS)**

	Number of Shares	Amount
Outstanding as at April 01, 2019	40,518	4.05
Shares issued during the year	-	-
Outstanding as at March 31, 2020	40,518	4.05
Shares issued during the year	-	-
<b>Outstanding as at March 31, 2021</b>	<u>40,518</u>	<u>4.05</u>

**d. Shareholders holding more than 5% of the shares in the company**

**Equity shares**

Name of the shareholders	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Percentage	No. of Shares	Percentage
Ebix Technologies Private Limited	88,732	99.998%	88,732	99.998%

**Participatory, Cumulative, Compulsorily Convertible Preference Shares (PCCPS)**

Name of the shareholders	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Percentage	No. of Shares	Percentage
Ebix Technologies Private Limited	5,385	13.29%	5,385	13.29%
Ebix Fincorp Exchange Pte. Limited	-	86.71%	35,133	86.71%
EbixCash Private Limited	35,133	-	-	-

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**EbitCash Financial Technologies Private Limited**  
(formerly known as Miles Software Solutions Private Limited)  
**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021**  
(all amounts are in INR Lakhs unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
<b>20 Other equity</b>		
<b>a. Securities premium</b>		
Balance at the beginning of the year	2,153.07	2,153.07
Addition during the year	-	-
Balance at the end of the year	<u>2,153.07</u>	<u>2,153.07</u>
<b>b. Capital redemption reserve</b>		
Balance at the beginning of the year	1.20	1.20
Addition during the year	-	-
Balance at the end of the year	<u>1.20</u>	<u>1.20</u>
<b>c. General reserves</b>		
Balance at the beginning of the year	25.71	25.71
Add: Transfer from surplus balance in the statement of Profit & Loss	-	-
Balance at the end of the year	<u>25.71</u>	<u>25.71</u>
<b>d. Retained earnings</b>		
Balance at the beginning of the year	6,892.25	3,354.01
Add: Profit for the year after taxation as per statement of Profit and Loss	<u>1,980.26</u>	<u>3,538.24</u>
	8,872.51	6,892.25
<b>e. Other comprehensive income</b>		
<b>Remeasurement of defined benefit plans</b>		
Balance at the beginning of the year	(98.62)	(87.14)
Addition during the year	<u>(3.19)</u>	<u>(11.48)</u>
Balance at the end of the year	<u>(101.81)</u>	<u>(98.62)</u>
<b>Total</b>	<u>10,950.68</u>	<u>8,973.61</u>

**Nature and purpose of other reserves**

**Securities premium account**

Securities premium account is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

**Capital redemption reserve**

The Companies Act requires that when a Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account and details of such transfer shall be disclosed in the balance sheet. The capital redemption reserve account may be applied by the Company, in paying up unissued shares of the Company to be issued to shareholders of the Company as fully paid bonus shares.

**General reserve**

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

**Retained earnings**

This represents the cumulative profits/(losses) of the Company

**Remeasurement of defined benefit plans**

Remeasurements of defined benefit plans represents the following as per Ind AS 19, Employee Benefits:

- (a) actuarial gains and losses
- (b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
- (c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)

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**EbixCash Financial Technologies Private Limited**  
(formerly known as Miles Software Solutions Private Limited)

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021  
(all amounts are in INR Lakhs unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
<b>21 Lease liabilities (non-current)</b>		
Lease liabilities	772.50	1,115.34
	<b>772.50</b>	<b>1,115.34</b>
<b>22 Provisions (non-current)</b>		
Provision for employee benefits		
Leave encashment	24.17	10.61
Gratuity	256.28	233.32
	<b>280.45</b>	<b>243.93</b>
<b>23 Trade payables</b>		
Total outstanding dues of micro enterprises and small enterprises	9.20	0.61
Total outstanding dues of creditors other than micro enterprises and small enterprises	115.51	229.52
	<b>124.71</b>	<b>230.13</b>
<b>24 Lease Liability</b>	342.84	295.04
<b>25 Other current financial liabilities</b>		
Payable to related party (Refer Note 39)	421.95	62.15
Employee benefits payable	122.35	473.14
Other payables	170.83	81.02
	<b>715.13</b>	<b>616.31</b>
<b>26 Other current liabilities</b>		
Statutory dues payable	84.81	84.24
Unearned revenue / income received in advance*	518.91	557.67
Advance received from related party (Refer Note 39)	472.27	357.10
Advance received from customers	135.73	115.99
	<b>1,211.73</b>	<b>1,115.00</b>
<b>*Movement in contract liabilities during the year</b>		
Balance at the beginning of the year	557.67	442.28
Add: Income received in advance during the year	518.91	557.67
Less: Revenue recognised during the year	(557.67)	(442.28)
<b>Balance at the end of the year</b>	<b>518.91</b>	<b>557.67</b>
<b>27 Provisions (current)</b>		
Provision for employee benefits		
- Gratuity (Refer Note 41)	0.71	0.75
- Leave encashment	2.45	0.87
Provision for bonus	-	150.00
	<b>3.16</b>	<b>151.62</b>
<b>27A Current tax liabilities (Net)</b>		
- Provision for income tax	543.59	899.40
	<b>543.59</b>	<b>899.40</b>



**EbixCash Financial Technologies Private Limited**  
**(formerly known as Miles Software Solutions Private Limited)**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021**

(all amounts are in INR Lakhs unless otherwise stated)

	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>28 Revenue from operations</b>		
Sales of services		
Sale of software and related services	5,838.27	8,971.53
	<b>5,838.27</b>	<b>8,971.53</b>
<b>29 Other income</b>		
Interest on		
-fixed deposits with banks	12.55	9.59
-Inter corporate deposit to related parties	328.58	230.71
-Rural electrification bonds	25.38	23.44
-Income tax refund	65.52	30.46
-financial assets recognised at amortised cost	12.27	11.22
Income from investments	16.01	23.99
Miscellaneous income	8.46	-
Miscellaneous balances written back	1.71	-
Profit on sale of property, plant and equipment	-	0.35
Foreign exchange gain	57.03	170.42
	<b>527.51</b>	<b>500.18</b>
<b>30 Employee benefits expense</b>		
Salaries and wages	1,928.29	2,615.18
Contribution to provident and other funds	101.04	123.51
Gratuity expense	51.94	49.55
Staff welfare expenses	2.95	30.53
	<b>2,084.22</b>	<b>2,818.77</b>
<b>31 Finance cost</b>		
Interest on statutory dues	7.82	4.23
Interest on Income tax	134.95	90.73
Interest on ICD	0.94	-
Finance cost on lease liability (Refer Note 40)	110.93	134.46
	<b>254.64</b>	<b>229.42</b>
<b>32 Depreciation expense</b>		
Depreciation on tangible assets (Refer Note 3)	165.84	124.22
Amortisation of intangible assets (Refer Note 3)	12.44	16.32
Amortisation of right-of-use assets (Refer Note 4)	356.00	355.84
	<b>534.28</b>	<b>496.38</b>
<b>33 Other expenses</b>		
Commission to agents/ partners	140.20	92.90
Short-term lease expenses	-	5.83
Software maintenance expenses	182.65	201.22
Outsourced manpower expenses	30.07	98.24
Subcontract costs	-	76.60
Electricity charges	23.73	57.13
Communication expenses	21.82	21.91
Corporate social responsibility expense	70.00	-
Legal and professional charges	100.95	25.65
Travelling and conveyance expenses	39.23	409.43
Rates and taxes	7.44	1.19
Insurance expense	5.76	5.45
Bank charges	6.49	3.05
Allowance for doubtful debts	62.65	-
Payment to auditors (Refer Note 32.1)	17.10	9.14
Loss on discard/write off of fixed assets	-	8.73
Housekeeping and security charges	5.35	30.61
Training and recruitment expenses	1.03	4.45
Business promotion expenses	1.36	16.10
Miscellaneous expenses	13.69	83.52
<b>Total</b>	<b>729.52</b>	<b>1,151.15</b>

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**EbixCash Financial Technologies Private Limited**  
(formerly known as Miles Software Solutions Private Limited)

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021**

(all amounts are in INR Lakhs unless otherwise stated)

	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>33.1 Payment to auditor comprise (exclusive of Goods and Services tax)</b>		
As auditors	15.50	7.00
Out of pocket expenses	-	0.49
Others	1.60	1.65
	<b>17.10</b>	<b>9.14</b>
<b>34 Income tax</b>		
<b>34.1 Income tax expenses</b>		
<b>Particulars</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>
<b>Current tax expenses</b>		
Current year	735.81	1,320.86
Adjustment to current tax in respect of prior periods	23.48	1.81
	759.29	1,322.67
<b>Deferred tax expenses</b>		
Change in recognised temporary differences	23.58	(84.92)
<b>Total tax expenses</b>	<b>782.86</b>	<b>1,237.75</b>
<b>34.2 Reconciliation of effective tax rate</b>		
Profit/(Loss) before tax	2,763.12	4,775.99
Applicable tax Rate	25.17	25.17
Computed tax expenses	695.42	1,202.02
<b>Tax effect of:</b>		
Non-taxable income	-	(5.90)
Impact of change in rate of deferred tax	-	2.68
Permanent differences	49.85	22.83
Prior year tax adjustments	23.58	1.81
Income taxable at the higher rate	17.26	(2.57)
Other adjustments	(3.25)	16.85
<b>Tax expenses recognised in profit and loss</b>	<b>782.86</b>	<b>1,237.75</b>
<b>Effective tax rate</b>	<b>28.33%</b>	<b>25.92%</b>
<b>35 Earnings per share ('EPS')</b>		
Profit attributable to equity shareholders (A)	1,980.26	3,538.24
Number of equity shares	88,734	88,734
Weighted average number of equity shares of INR 1 each outstanding during the year for computing basic EPS (B)*	88,734	88,734
Basic earning per share of INR 1 each (A/B) (Amount in Rs.)	<b>2,231.68</b>	<b>3,987.47</b>
Savings due to conversion of compulsory convertible preference shares (C)	-	-
Dilutive impact of compulsory convertible preference shares (D)	40,518	40,518
Weighted average number of equity shares of INR 1 each outstanding during the year for computing Diluted EPS (B+D)*	129,252	129,252
Diluted earning per share (A+C/B+D) (Amount in INR)	<b>1,532.09</b>	<b>2,737.47</b>

\*Weighted average number of shares have been calculated considering shares to be issued on conversion of compulsorily convertible preference shares

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36 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (Notification no. 27 of 2006) ("MSMED Act, 2006")

S.N. Particulars	As at March 31, 2021	As at March 31, 2020
i The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	9.20	0.61
ii The amount of interest paid by the buyer in terms of Section 16 of MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii 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 this Act;	-	-
iv The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
v 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 MSMED Act, 2006.	-	-

37 Contingent liabilities and commitments

A. Contingent liabilities

The Company is not having any contingent liability as at March 31, 2021 (As on March 31, 2020: Nil)

B. Capital and other commitments

Estimated amount of commitments on capital account and other commitments remaining to be executed and not provided for in accounts is Nil (As on March 31, 2020: Nil).

C. Contingent assets

The Company is not having any contingent assets as at March 31, 2021 (As on March 31, 2020: Nil)

38 Segment information:

Segment information is presented in respect of the Company's key operating segments. The operating segments are based on the Company's management and internal reporting

Operating segments

The Management Information System of the Company identifies and monitors sale of software license and related services as the business segment. The Company is managed organizationally as a single unit. In the opinion of the management, the Company is primarily engaged in the business of providing services related to software. As the basic nature of these activities are governed by the same set of risks and returns, these constitute and are grouped as a single segment. Accordingly, there is only one reportable segment for the Company which is "Sale of software and related services", hence no separate disclosures have been made.

Entity wise disclosures

A. Information about products and services

During the year, the Company primarily operated in one product line, therefore product wise revenue disclosure is not applicable.

B. Information about geographical areas

The Company derives revenue from following major geographical areas:

Area	For the year ended March 31, 2021	For the year ended March 31, 2020
Outside India	3,265.84	4,737.53
Domestic	2,572.43	4,234.00

Domestic segment revenue includes sales and services to customers located in India and overseas segment revenue includes sales and services rendered to customers located outside India.

C. Information about major customers (from external customers)

The Company has not derived revenue from any external customer which amounts to 10 per cent or more of its total revenue.

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(formerly known as Miles Software Solutions Private Limited)

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021  
(all amounts are in INR Lakhs unless otherwise stated)

39 Related party disclosure:-

I List of related parties:-

A. Name and nature of relationship with the related party where control exists:

Ebix Inc. USA	Ultimate Holding Company
Ebixcash Private Limited (Formerly Ebix Software India Private Limited)	Ultimate Holding Company in India
Ebix Technologies Private Limited	Intermediate Holding Company
Miles Software Solutions FZ LLC, UAE	Subsidiary company
Miles Software Solutions Inc, Philippines	Subsidiary company

B. Fellow subsidiaries of holding company with whom transactions took place during current year or previous year

Ebix Travels Private Limited
Ebix Travel & Holidays Limited (Formerly Mercury Travels Limited)
Ebixcash World Money Limited
Ebixcash World Money India Limited
Ebix Asia Holdings Inc., Mauritius
Trimax IT Infrastructure & Services Limited

C. Key Management Personnel (KMP) and their relatives

Mr. Milan Ganatra	Director (upto February 05, 2021)
Mr. Vikas Verma	Director
Mr. Satya Bushan Kotru	Director

II Transactions with related parties

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Ebixcash World Money Limited</b>		
Purchase of foreign currency	-	208.51
Inter corporate deposit (ICD) given	575.00	2,385.00
Interest income on ICD	273.30	177.57
<b>Miles Software Solutions FZ LLC, UAE</b>		
Sale of services	1,104.32	1,257.35
Reimbursement of expenses incurred on behalf of the Company	-	83.19
Expenses incurred by the Company on behalf of Miles Software Solutions FZ LLC	-	12.03
Amount collected by the Miles Software Solutions FZ LLC on behalf of the Company	-	130.37
Inter company deposit received back	-	469.12
Interest income on inter company deposit given	-	39.05
<b>Miles Software Solutions Inc, Philippines</b>		
Sale of services	130.71	1,674.41
Expenses incurred by the Company on behalf of Miles Software Solutions Inc	-	3.91
<b>Ebix Technologies Private Limited</b>		
Expenses incurred by the Company on behalf of Ebix Technologies Private Limited	65.76	115.72
Lease rent paid against sublease	405.97	379.12
Security deposit given	-	184.50
<b>Ebix Travel &amp; Holidays Limited (Formerly Mercury Travels Limited)</b>		
Travelling and conveyance expenses	9.12	182.47
Expenses incurred by the Company on behalf of Ebix Travel & Holidays Limited	-	1.18
<b>Ebix Travels Private Limited</b>		
Inter corporate deposit given	455.00	660.00
Inter corporate deposit received back	455.00	660.00
Interest income on inter corporate deposit	-	14.09
Interest expenses on inter corporate deposit	0.94	-
<b>Ebixcash World Money India Limited</b>		
Travelling and conveyance expenses	-	0.52
<b>EbixCash Private Limited</b>		
Inter corporate deposit given	1,628.00	-
Inter corporate deposit received back	800.20	-
Expenses incurred by the Company on behalf of EbixCash Private Limited	2.79	-
Interest income on inter corporate deposit	48.31	-
<b>Trimax IT Infrastructure &amp; Services Limited</b>		
Inter corporate deposit given	475.00	-
Inter corporate deposit received back	475.00	-
Interest income on inter corporate deposit	6.98	-
Software maintenance services received	6.55	-
<b>Mr. Milan Ganatra</b>		
Remuneration	-	160.02
Travel advance given	-	0.22



(formerly known as Miles Software Solutions Private Limited)

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021  
(all amounts are in INR Lakhs unless otherwise stated)

### III Closing balances with related parties

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Ebixcash World Money Limited</b>		
Inter corporate deposit receivable	3,820.00	3,245.00
Interest accrued on inter corporate deposit	422.68	169.88
<b>Miles Software Solutions FZ LLC, UAE</b>		
Advance received	472.27	357.10
Amount payable	93.81	93.81
<b>Miles Software Solutions Inc, Philippines</b>		
Receivable for services provided	2,449.16	2,349.50
Amount payable	13.35	12.82
<b>Ebix Technologies Private Limited</b>		
Amount payable	419.61	48.61
<b>Ebix Travel &amp; Holidays Limited (Formerly Mercury Travels Limited)</b>		
Amount payable for services received	1.47	13.54
<b>Ebix Travels Private Limited</b>		
Interest accrued on inter corporate deposit	11.81	12.68
<b>EbixCash Private Limited</b>		
Inter corporate deposit receivable	827.80	-
Interest accrued on inter corporate deposit	44.69	-
<b>Trimax IT Infrastructure &amp; Services Limited</b>		
Interest accrued on inter corporate deposit	6.46	-
<b>Mr. Milan Ganatra</b>		
Remuneration payable	-	8.11
Travel advance recoverable	-	2.64

\*Transactions with related parties have been disclosed from or upto the date, the parties became/remain as related parties.

#### 40 Leases

##### (a) Company as a lessee

- (i) The Company's significant leasing arrangements are in respect of leases for office space only.  
(ii) The movement in lease liabilities during the year ended March 31, 2021 is as follows :

	March 31, 2021	March 31, 2020
Balance at the beginning of the year (Pursuant to adoption of Ind AS 116)	1,410.38	1,655.04
Finance cost accrued during the year	110.93	134.46
Payment of lease liabilities during the year	405.97	379.12
<b>Balance at the end of the year</b>	<b>1,115.34</b>	<b>1,410.38</b>

- (iii) The details of the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis are as follows :

	March 31, 2021	March 31, 2020
Not later than 1 year	426.27	405.97
Later than 1 year and not later than 5 years	839.22	1,265.49
Later than 5 years	-	-

- (iv) Adjustments recognised on adoption of Ind AS 116

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of April 01, 2019. The weighted average incremental borrowing rate applied to the lease liabilities on April 01, 2019 was 9%.

- (v) The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

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41 Details of loans given, inter corporate deposits, made and guarantee given covered u/s 186(4) of the Companies Act, 2013.

Particulars	As at April 01, 2020	Deposit given	Deposit recovered	As at March 31, 2021
<b>A) Inter Corporate Deposit Given</b>				
Ebix Travels Private Limited	-	455.00	455.00	-
EbixCash World Money Limited	3,245.00	575.00	-	3,820.00
EbixCash Private Limited	-	1,630.79	802.99	827.80
Trimax IT Infrastructure & Services Limited	-	475.00	475.00	-
<b>Total</b>	<b>3,245.00</b>	<b>3,135.79</b>	<b>1,732.99</b>	<b>4,647.80</b>

Notes:

- (i) Inter corporate deposit is given at an interest rate of 8.25% p.a. (as on March 31, 2020: 9% p.a.)  
(ii) Inter corporate deposit is provided for business purpose of borrower and is repayable on demand.

42 Employee benefits

The Company contributes to the following post-employment defined benefit plans in India

**Defined contribution plans:**

The Company's contribution to provident and other funds amounts to INR 101.04 Lakhs (Previous Year INR 123.51 Lakhs). The obligation of the Company is limited to the amount contributed and it has no further contractual and / or constructive obligation.

**Defined benefit plan :**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	March 31, 2021	March 31, 2020
<b>(a) Net defined benefit liability</b>		
Provision for gratuity	256.99	234.07
<b>Total employee benefit liability</b>	<b>256.99</b>	<b>234.07</b>
<b>Non-current</b>	256.28	233.32
<b>Current</b>	0.71	0.75

(i) (a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation

Particulars	March 31, 2021	March 31, 2020
Present value of defined benefit obligation at the beginning of the year	234.07	181.21
Interest cost	16.20	13.88
Current service cost	35.74	35.67
Actuarial losses/(gains)	4.26	15.34
Benefits paid	(33.28)	(12.03)
Present value of defined benefit obligation at the close of the year	<b>256.99</b>	<b>234.07</b>

(b) Amount recognised in the balance sheet

Particulars	March 31, 2021	March 31, 2020
Present value of defined benefit obligation	256.99	234.07
Less : Fair value of plan assets	-	-
Present value of unfunded obligation	<b>256.99</b>	<b>234.07</b>

(c) Amounts recognised in the statement of profit and loss are as follows:

Particulars	March 31, 2021	March 31, 2020
<b>In Income Statement</b>		
Current service cost	35.74	35.67
Interest cost	16.20	13.88
<b>Total</b>	<b>51.93</b>	<b>49.55</b>
<b>In Other Comprehensive Income</b>		
Net actuarial loss/(gain)	4.26	15.34
<b>Total</b>	<b>4.26</b>	<b>15.34</b>

(f) Actuarial assumptions as at the balance sheet date

Particulars	March 31, 2021	March 31, 2020
Discount rate	6.82%	6.92%
Salary escalation rate	5.00%	5.00%

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The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The company is not having any plan assets.

**(g) Maturity profile of defined benefit obligations**

Year	Amount
0 to 1 Year	0.71
1 to 2 Year	4.66
2 to 3 Year	4.78
3 to 4 Year	5.46
4 to 5 Year	4.35
5 to 6 Year	4.24
6 Year onwards	232.78

**(h) Sensitivity analysis:**

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given

Particulars	As at March 31, 2021		As at March 31, 2020	
	Increase	Decrease	Increase	Decrease
Change in discounting rate (delta effect of +/- 0.5%)	(19.24)	21.14	(16.79)	18.45
Change in rate of salary increase (delta effect of +/- 0.5%)	21.41	(19.64)	17.71	(16.21)

**43 Disclosures as per Ind AS 27: Separate Financial Statements**

a) These financial statements are separate financial statements of the Company. The Company has availed exemption as per paragraph 4(a) of IND AS 110 "Consolidated Financial Statements". Accordingly, the financial statements of the subsidiaries have not been consolidated with the Company's financial statements as the company itself is an ultimate subsidiary of Ebixcash Private Limited (formerly Ebix Software India Private Limited), incorporated in India, which prepares the consolidated financial statements. Such financial statements are available at the registered office of Ebixcash Private Limited (formerly Ebix Software India Private Limited).

b) Details of investments in subsidiaries

Name of Subsidiary	Place of business/ Country of Incorporation	Ownership interest/ Voting Power held by the Company	
		As at	As at
		March 31, 2021	March 31, 2020
Miles Software Solutions FZ LLC	UAE	100%	100%
Miles Software Solutions INC	Philippines	100%	100%

c) Investments in subsidiary companies are measured at cost as per the provisions of Ind AS 27 on 'Separate Financial Statements'.

**44 Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy.

Gross amount required to be spent by the Company during the year (excluding the shortfalls) in compliance with section 135 of the Companies Act, 2013 is INR 34.20 lakhs (As on March 31, 2020 : INR

**(i) Contribution to CSR**

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Amount required to be spent during the year (A)	48.90	16.46
Shortfall amount of previous year (B)	21.00	4.54
<b>Total (A+B)</b>	<b>69.90</b>	<b>21.00</b>
Amount spent on CSR	70.00	-
<b>(Surplus)/Shortfall amount of current year (C)</b>	<b>(0.10)</b>	<b>21.00</b>

**(ii) Details of CSR expenses incurred towards:**

Particulars	March 31, 2021	March 31, 2020
Construction/acquisition of any asset	-	-
On purpose other than above	70.00	-
<b>Total</b>	<b>70.00</b>	<b>-</b>

Particulars	March 31, 2021	March 31, 2020*
(iii) Unspent amount to be deposited in a designated bank account, in terms of section 135(6) of the Companies Act, 2013	-	-

\* As per The Companies (Amendment) Act, 2019 effective January 22, 2021, the Company is required to transfer unspent CSR within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the unspent corporate social responsibility account. Considering the amendment, the Company was not required to deposit unspent CSR in a designated bank account for the year ending March 31, 2020.

(iv) The Company has not contributed in the nature of CSR expenditure to related party covered under Ind AS 24, Related party disclosures.

(v) The Company has created provisions for Corporate social responsibility for the current year amounting to Nil. (As on March 31, 2020 : Nil)

(vi) The company does not have any ongoing projects as at March 31, 2021.

**45 Transfer pricing**

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.



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**46 Financial instruments – fair values and risk management**

**I. Fair value measurements**

**A. Financial instruments by category**

The carrying value of financial instruments by categories as given under:

Particulars	As at March 31, 2021		As at March 31, 2020	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
<b>Financial assets</b>				
Non-current investments	-	-	-	307.61
Non-current loans	-	144.09	-	131.81
Other non-current financial assets	-	3.49	-	3.30
Current loans	-	4,652.80	-	3,245.00
Current investments	-	-	177.88	-
Trade receivables	-	3,492.20	-	3,651.85
Cash and cash equivalents	-	207.66	-	502.62
Bank balances other than above	-	263.54	-	141.34
Other current financial assets	-	1,774.11	-	1,603.26
	-	<b>10,537.89</b>	<b>177.88</b>	<b>9,586.79</b>
<b>Financial liabilities</b>				
Lease liabilities (non-current)	-	772.50	-	1,115.34
Lease liabilities (current)	-	342.84	-	295.04
Trade payables	-	124.71	-	230.13
Other current financial liabilities	-	715.13	-	616.31
	-	<b>1,955.18</b>	-	<b>2,256.82</b>

**B. Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

- (a) recognised and measured at fair value and  
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Financial assets measured at fair value - recurring fair value measurements**

Particulars	As at March 31, 2021			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Current investments	-	-	-	-
<b>Total financial assets</b>	-	-	-	-

**Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed**

Particulars	As at March 31, 2021			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Non-current investments	-	-	-	-
Non-current loans	-	-	144.09	144.09
Other non-current financial assets	-	-	3.49	3.49
Current loans	-	-	4,652.80	4,652.80
Trade receivables	-	-	3,492.20	3,492.20
Cash and cash equivalents	-	-	207.66	207.66
Bank balances other than above	-	-	263.54	263.54
Other current financial assets	-	-	1,774.11	1,774.11
<b>Total financial assets</b>	-	-	<b>10,537.89</b>	<b>10,537.89</b>
<b>Financial liabilities</b>				
Lease liabilities (non-current)	-	-	772.50	772.50
Lease liabilities (current)	-	-	342.84	342.84
Trade payables	-	-	124.71	124.71
Other current financial liabilities	-	-	715.13	715.13
<b>Total financial liabilities</b>	-	-	<b>1,955.18</b>	<b>1,955.18</b>



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**Financial assets measured at fair value - recurring fair value measurements**

Particulars	As at March 31, 2020			Total
	Level 1	Level 2	Level 3	
<b>Financial assets</b>				
Current investments	177.88	-	-	177.88
<b>Total financial assets</b>	<b>177.88</b>	<b>-</b>	<b>-</b>	<b>177.88</b>

**Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed**

Particulars	As at March 31, 2020			Total
	Level 1	Level 2	Level 3	
<b>Financial assets</b>				
Non-current investments	-	-	307.61	307.61
Non-current loans	-	-	131.81	131.81
Current loans	-	-	3,245.00	3,245.00
Other non-current financial assets	-	-	3.30	3.30
Trade receivables	-	-	3,651.85	3,651.85
Cash and cash equivalents	-	-	502.62	502.62
Bank balances other than above	-	-	141.34	141.34
Other current financial assets	-	-	1,603.26	1,603.26
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>9,586.79</b>	<b>9,586.79</b>
<b>Financial liabilities</b>				
Lease liabilities (non-current)	-	-	1,115.34	1,115.34
Lease liabilities (current)	-	-	295.04	295.04
Trade payables	-	-	230.13	230.13
Other current financial liabilities	-	-	616.31	616.31
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>2,256.82</b>	<b>2,256.82</b>

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

**Transfers between Levels 1 and 2**

There are no transfers between level 1 and level 2 during the year.

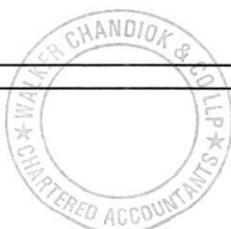
**Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- fair value of derivative financial instruments are based on broker quotations
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

**C. Fair value of financial assets and liabilities measured at amortised cost**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Non-current investments	-	-	307.61	307.61
Non-current loans	144.09	144.09	131.81	131.81
Other non-current financial assets	3.49	3.49	3.30	3.30
Current loans	4,652.80	4,652.80	3,245.00	3,245.00
Trade receivables	3,492.20	3,492.20	3,651.85	3,651.85
Cash and cash equivalents	207.66	207.66	502.62	502.62
Bank balances other than above	263.54	263.54	141.34	141.34
Other current financial assets	1,774.11	1,774.11	1,603.26	1,603.26
	<b>10,537.89</b>	<b>10,537.89</b>	<b>9,586.79</b>	<b>9,586.79</b>
<b>Financial liabilities</b>				
Lease liabilities (non-current)	772.50	772.50	1,115.34	1,115.34
Lease liabilities (current)	342.84	342.84	295.04	295.04
Trade payables	124.71	124.71	230.13	230.13
Other current financial liabilities	715.13	715.13	616.31	616.31
	<b>1,955.18</b>	<b>1,955.18</b>	<b>2,256.82</b>	<b>2,256.82</b>



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The carrying amounts of trade receivables, cash and cash equivalents, bank balances, other current financial assets, trade payables, and other financial liabilities are considered to be the same as their fair values.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**II. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

**Risk management framework**

The company is exposed primarily to credit, liquidity and market risk which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

**i. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to the financial instrument fails to meet its financial obligations, and arises principally from the Company's receivables from customers.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk other than trade receivable.

The Company maintains its cash and cash equivalents and Bank Deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit rating on a timely basis.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was INR 10,537.89 Lakhs as on March 31, 2021 and INR 9,586.79 Lakhs as on March 31, 2020 being the total carrying value of investments, loans given, trade receivables, cash & cash equivalents, bank balances and other current financial assets.

**Trade receivables**

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

In determining the allowances for credit losses of trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

The gross carrying amount of trade receivables is INR 3,492.20 Lakhs (as at March 31, 2020 INR 3,651.85 Lakhs).

During the period, the Company has not made write-offs of trade receivables (Previous Year INR Nil). The Company management also pursues all options for recovery of dues wherever necessary based on its internal assessment. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognized, where considered appropriate by management.

**Movements in allowance for credit losses of receivables is as below:**

	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Opening balance	(19.65)	(19.65)
Changes in loss allowance calculated at life time expected credit losses	(62.65)	-
<b>Closing balance</b>	<b>(82.30)</b>	<b>(19.65)</b>

**ii. Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are to be settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

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Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(all amounts are in INR Lakhs unless otherwise stated)

(a) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and excluding contractual interest payments and exclude the impact of netting agreements.

As at March 31, 2021

Particulars	Contractual cash flows				Total
	Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year	
<b>Non-derivative financial liabilities</b>					
Lease liabilities (non-current)	447.58	391.64	-	-	839.22
Lease liabilities (current)	426.27	-	-	-	426.27
Trade payables	124.71	-	-	-	124.71
Other current financial liabilities	715.13	-	-	-	715.13
<b>Total non-derivative liabilities</b>	<b>1,713.70</b>	<b>391.64</b>	<b>-</b>	<b>-</b>	<b>2,105.33</b>

As at March 31, 2020

Particulars	Contractual cash flows				Total
	Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year	
<b>Non-derivative financial liabilities</b>					
Lease liabilities (non-current)	426.27	447.58	391.64	-	1,265.49
Lease liabilities (current)	405.97	-	-	-	405.97
Trade payables	230.13	-	-	-	230.13
Other current financial liabilities	616.31	-	-	-	616.31
<b>Total non-derivative liabilities</b>	<b>1,678.68</b>	<b>447.58</b>	<b>391.64</b>	<b>-</b>	<b>3,633.24</b>

iii. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk.

a) Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in foreign currencies against the functional currency of the company.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

As at March 31, 2021

	AED	GBP	PHP	USD	IDR	CHF
<b>Financial asset</b>						
Trade receivables	-	61.09	2,449.16	131.97	141.79	2.43
<b>Net exposure to foreign currency risk (assets)</b>	<b>-</b>	<b>61.09</b>	<b>2,449.16</b>	<b>131.97</b>	<b>141.79</b>	<b>2.43</b>
<b>Other Current Financial Liabilities</b>	<b>566.08</b>	<b>-</b>	<b>13.35</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>566.08</b>	<b>-</b>	<b>13.35</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net statement of financial position exposure</b>	<b>(566.08)</b>	<b>61.09</b>	<b>2,435.81</b>	<b>131.97</b>	<b>141.79</b>	<b>2.43</b>

As at March 31, 2020

	AED	GBP	PHP	USD	OMR
<b>Financial asset</b>					
Trade receivables	-	101.17	2,349.50	155.50	0.60
<b>Net exposure to foreign currency risk (assets)</b>	<b>-</b>	<b>101.17</b>	<b>2,349.50</b>	<b>155.50</b>	<b>0.60</b>
<b>Other Current Financial Liabilities</b>	<b>450.91</b>	<b>-</b>	<b>12.82</b>	<b>-</b>	<b>-</b>
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>450.91</b>	<b>-</b>	<b>12.82</b>	<b>-</b>	<b>-</b>
<b>Net statement of financial position exposure</b>	<b>-450.91</b>	<b>101.17</b>	<b>2,336.68</b>	<b>155.50</b>	<b>0.60</b>

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**EbixCash Financial Technologies Private Limited**  
(formerly known as Miles Software Solutions Private Limited)

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021**

**Sensitivity analysis**

A 5% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

	Profit or loss, net of tax		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>March 31, 2021</b>				
5% movement				
AED	(21.18)	21.18	(21.18)	21.18
GBP	2.29	(2.29)	2.29	(2.29)
PHP	91.14	(91.14)	91.14	(91.14)
USD	4.94	(4.94)	4.94	(4.94)
IDR	5.31	(5.31)	5.31	(5.31)
CHF	0.09	(0.09)	0.09	(0.09)
<b>March 31, 2020</b>				
5% movement				
AED	(16.27)	16.27	(16.27)	16.27
GBP	3.65	(3.65)	3.65	(3.65)
PHP	84.33	(84.33)	84.33	(84.33)
USD	5.61	(5.61)	5.61	(5.61)
OMR	0.02	(0.02)	0.02	(0.02)

**b) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's term deposits with banks with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

**Exposure to interest rate risk**

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	March 31, 2021	March 31, 2020
<b>Fixed rate instruments</b>		
<b>Financial assets</b>		
-Other non-current financial assets	3.49	3.30
-Balance with banks (In current accounts)	207.59	502.52
-Balance with banks (In term deposits)	263.54	141.34
-Loans (current)	4,647.80	3,245.00
<b>Financial liabilities</b>	-	-
	<b>5,122.42</b>	<b>3,892.16</b>

**Sensitivity analysis**

**Fixed rate instruments**

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitivity analysis.

**Variable rate instruments**

There is no variable interest rate financial instrument in the Company.

(This space has been left blank intentionally)



**47 Capital management**

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The Board of directors of the Company review the capital structure of the Company on an ongoing basis. As part of this review, the Board considers the cost of capital and the risks associated with each class of capital.

The Company monitors capital using gearing ratio which is net debt divided by total equity. Net debt comprises of long term and short term borrowings less cash and cash equivalent. Equity includes equity share capital and reserves that are managed as capital. The Company is not having any debt as on March 31, 2021 and March 31, 2020.

48 The outbreak of Coronavirus Disease 2019 (COVID-19), declared as a pandemic by the World Health Organization, severely impacted the businesses and economic activities around the world including India. During the year ended March 31, 2021, both Central and State Governments of India had imposed lockdown and other emergency restrictions which had led to the disruption of all regular business operations. Further, the recent second wave of COVID-19 has again resulted in partial lockdown/restrictions in various states. The Company is closely monitoring the impact of the aforementioned pandemic and has made a detailed assessment and considered possible effects, if any, on its liquidity position, including recoverability of its assets as at the balance sheet date and currently believes that there will not be any adverse impact on the long term operations, financial position and performance of the Company.

49 The Code on Social Security, 2020 ("the Code") relating to employee benefits during employment and post-employment received presidential assent in september 2020. Subsequently, the Ministry of Labour and Employments had release the draft rules on the aforementioned code. However , the same is yet to be notified. The Company will evaluate the impact and make necessary adjustments to the financial statements in the period when the code will be notified and will come into effect.

50 As per Foreign Exchange Management Act, 1999 and new RBI circular number RBI/2019-20/206, for the exports made upto or on July 31, 2020, period of realization and repatriation to India of the amount representing the full export value of goods or software or services exported has been extended from 9 months to 15 months from the date of export. As at 31 March 2021, the Company has foreign currency receivables from exports INR 2,335.14 lakhs outstanding for a period of more than 9 or 15 months (previous year INR 624.13 lakhs was outstanding for more than 9 months). The management is of the view that the Company will be able to obtain approvals, if required, from the authorities for remitting and realizing such funds without levy of any penalties as it had bonafide reasons that caused the delays in remittance.

51 The management of the Company has approved arrangement for amalgamation of Ebix Technologies Private Limited and EBIX Cash Financial Technologies Private Limited (the "Transferor Companies") as a going concern with the Ebix Cash Private Limited (the "Transferee Company") and for drafting of the underlying scheme of amalgamation for approval of the Board of Directors, Shareholders and other concerned authorities. Following the closing of the aforesaid amalgamation, the transferor companies will continue its operations under the name of Ebix Cash Private Limited. The transferee Company is in process of preparing the underlying scheme and other filings for making necessary submissions including obtaining required regulatory approvals.

**52 Previous year figures**

The figures of the previous year have been reworked, regrouped, rearranged and reclassified wherever necessary to conform to the current year's presentation.

For **Walker Chandiook & Co LLP**

ICAI firm registration number : 001076N/N500013

Chartered Accountants



**Rohit Arora**

Partner

Membership number: 504774



For and on behalf of the board of directors  
**EbixCash Financial Technologies Pvt Ltd**



**Vikas Verma**  
Director  
DIN: 03511116



**Satya Bushan Kotru**  
Director  
DIN: 01729176

For **KG Somani & Co. LLP**

ICAI firm registration number : 006591N/N500377

Chartered Accountants



**Varun Sharma**

Partner

Membership number: 512916



Place: Noida

Date: November 30, 2021