Walker Chandiok & Co LLP
Chartered Accountants
2nd Floor, Plot No. 19A
Sector 16A, Noida 201301
India

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

Independent Auditor's Report

To the Members of Ebix Payment Services Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Ebix Payment Services 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, 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- Restatement of Comparative Financial Statements

4. We draw attention to note 50 to the accompanying financial statements which describes the restatement of the comparative financial information included in the accompanying financial statements for the year ended 31 March 2020 and opening balance sheet as at 01 April 2019, in accordance with the requirements of Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors. 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.

Independent Auditor's Report to the Members of Ebix Payment Services Private Limited Report on the Audit of the Financial Statements for the year ended 31 March 2021 (cont'd)

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.

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 Ebix Payment Services Private Limited Report on the Audit of 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;

- 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 Accountants), who have expressed an unmodified opinion on those financial statements vide their audit report dated 29 October 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;

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 October 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, as detailed in note 39 and 47 to the financial statements, has disclosed the impact of pending litigations on 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 Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No.: 504774
UDIN: 21504774AAAAJS5762

Place: Noida
Date: 30 October 2021

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

K.G. Somani & Co. LLP New Delhi Chartered Accountants

Varun Sharma
Partner
Membership No.: 512916
UDIN: 21512916AAAAAV7843

Place: Noida
Date: 30 October 2021

Annexure A to the Independent Auditor's Report of even date to the members of Ebix Payment Services Private Limited, on the financial statements for the year ended 31 March 2021

Annexure A

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) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(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 transaction 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.

Annexure A to the Independent Auditor's Report of even date to the members of EBIX Payment Services Private Limited, on the financial statements for the year ended 31 March 2021 (cont'd)

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.

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (INR in Lakhs)	Amount paid under Protest (INR in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	31.64	-	October 2010 to June 2012	The Customs Excise and Service Tax Appellate Tribunal ('CESTAT'), Mumbai
Finance Act, 1994	Service tax	21.19	-	FY 2013-14 and 2014-15	Commissioner of Service Tax, Mumbai
Finance Act, 1994	Service tax	110.99	-	FY 2012-13, FY 2014-15	Commissioner of Service Tax, Mumbai
Finance Act, 1994	Service tax	58.82	-	FY 2016-17, FY 2017-18	Commissioner of Service Tax, Mumbai
Finance Act, 1994	Service tax	350.29	-	FY 2015-16	Commissioner of Service Tax, Mumbai
Finance Act,1994	Service tax	287.12	37.14	October 2007 to March 2012	Commissioner of Service Tax, Mumbai
Finance Act, 1994	Service tax	32.17	-	FY 2012-13	Commissioner of Service Tax, Mumbai
Finance Act, 1994	Service tax	47.88	-	FY 2014-15	Commissioner of Service Tax, Mumbai
Finance Act, 1994	Service tax	16.24	-	October 2015 to March 2016	Commissioner of Service Tax, Mumbai
Finance Act, 1994	Service tax	23.66	-	FY 2013-14	Commissioner of Service Tax, Mumbai

Annexure A to the Independent Auditor's Report of even date to the members of EBIX Payment Services Private Limited, on the financial statements for the year ended 31 March 2021 (cont'd)

Name of the statute	Nature of dues	Amount (INR in Lakhs)	Amount paid under Protest (INR in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	88.18	-	FY 2016-17	Commissioner of Service Tax, Mumbai

(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

Rohit Arora
Partner
Membership No.: 504774
UDIN: 21504774AAAAJS5762

Place: Noida
Date: 30 October 2021

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

K.G. Somani & Co. LLP
New Delhi
Chartered Accountants

Varun Sharma
Partner
Membership No.: 512916
UDIN: 21512916AAAAAV7843

Place: Noida
Date: 30 October 2021

Annexure B to the Independent Auditor's Report of even date to the members of Ebix Payment Services 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 Ebix Payment Services 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 ('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.

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') (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 by the ICAI.

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

Rohit Arora

Rohit Arora
Partner
Membership No.: 504774
UDIN: 21504774AAAAJS5762

Place: Noida
Date: 30 October 2021

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

Varun Sharma
Partner
Membership No.: 512916
UDIN: 21512916AAAAAV7843

K.G. Somani & Co. LLP
New Delhi
Chartered Accountants

Place: Noida
Date: 30 October 2021

Ebix Payment Services Private Limited
Balance Sheet as at March 31, 2021
(All Amounts in INR lakhs unless otherwise stated)

	Notes	March 31, 2021	March 31, 2020	April 01, 2019
I ASSETS				
(1) Non-current assets				
Property, plant and equipment	3	179.17	110.06	10.91
Capital work in progress	3	-	0.21	-
Right-of-use assets	4	208.65	299.51	-
Intangible assets	5	225.82	455.01	18.07
Intangible assets under development	5	65.03	-	670.03
Investments in subsidiary	6	-	-	5.00
Financial assets				
Investments	6a	20.14	20.14	20.14
Loans	7	86.81	101.33	113.95
Other financial assets	8	155.52	70.51	89.92
Non current tax assets (net)	9	451.47	1,458.29	899.87
Deferred tax assets (net)	10	692.08	940.92	861.22
		2,084.69	**3,455.98**	**2,689.11**
(2) Current assets				
Inventories	11	25.85	713.00	376.62
Financial assets				
Trade receivables	12	2,162.04	1,178.01	2,397.97
Cash and cash equivalents	13	3,129.09	1,578.43	10,622.83
Bank balance other than cash and cash equivalents	14	1,620.64	1,555.84	1,479.00
Loans	15	830.00	3,580.00	-
Other financial assets	16	7,404.09	5,066.28	1,199.43
Other current assets	17	7,081.85	1,793.93	2,168.83
		22,253.56	**15,465.49**	**18,244.68**
Total assets		**24,338.25**	**18,921.47**	**20,933.79**
II EQUITY AND LIABILITIES				
(1) Equity				
Equity share capital	18	1,687.71	1,687.71	1,687.71
Other equity	19	9,878.03	9,131.70	9,490.91
Total equity		**11,565.74**	**10,819.41**	**11,178.62**
Liabilities				
(2) Non-current liabilities				
Financial liabilities				
Lease liabilities	20	139.53	231.10	-
Other financial liabilities	21	8.32	9.28	9.78
Provisions	22	106.64	88.21	76.78
		254.49	**328.59**	**86.56**
(3) Current liabilities				
Financial liabilities				
Trade payables	23			
(a) Total outstanding dues of micro enterprises and small enterprises	38	-	-	-
(b) Total outstanding dues of creditors other than mico enterprises and small enterprises		559.43	903.97	685.70
Lease liabilities	24	91.57	75.33	-
Other financial liabilities	25	928.05	950.26	2,928.48
Other current liabilities	26	10,935.53	5,840.76	6,051.58
Provisions	27	3.44	3.15	2.85
		12,518.02	**7,773.47**	**9,668.61**
		12,772.51	**8,102.06**	**9,755.17**
Total equity and liabilities		**24,338.25**	**18,921.47**	**20,933.79**

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 Chandiok & Co LLP**
ICAI firm registration number : 001076N/N500013
Chartered Accountants

Rohit Arora
Partner
Membership number: 504774

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

Varun Sharma
Partner
Membership number: 512916

Place: Noida
Date: October 30, 2021

For and on behalf of the Board of Directors of
Ebix Payment Services Private Limited

Satya Bushan Kotru
Director
DIN: 01729176

Vikas Verma
Director
DIN: 03511116

Rahul Nemichand Chopra
Company Secretary
Membership number: 41826

Ebix Payment Services Private Limited
Statement of Profit and Loss for the year ended March 31, 2021
(All Amounts in INR lakhs unless otherwise stated)

		Note	March 31, 2021	March 31, 2020
I	**Income**			
	Revenue from operations	28	316,023.50	36,260.80
	Other income	29	564.40	705.24
	Total income		**316,587.90**	**36,966.04**
	Expenses			
	Purchase of stock-in-trade	30	306,741.11	28,758.37
	Changes in inventories of stock-in-trade	31	687.15	(336.38)
	Employee benefits expense	32	559.54	1,236.91
	Finance costs	33	59.70	66.24
	Depreciation and amortisation expenses	34	374.43	348.58
	Other expenses	35	7,171.23	7,328.47
	Total expenses		**315,593.17**	**37,402.19**
III	**Profit/(loss) before tax (I - II)**		**994.73**	**(436.15)**
IV	**Tax expense:**			
	(1) Current tax	36	-	-
	(2) Deferred tax	36	249.07	(78.70)
	Total tax expenses		**249.07**	**(78.70)**
V	**Profit/(loss) for the year (III - IV)**		**745.66**	**(357.45)**
VI	**Other comprehensive (loss)/ income**			
	Items that will not be reclassified to profit or loss			
	- Re-measurement gain/(loss) of defined benefit plans		0.90	(2.76)
	- Income tax effect		0.23	(1.00)
	Total other comprehensive income / (loss) for the year		**0.67**	**(1.76)**
IX	**Total comprehensive income for the year (V - VI)**		**746.33**	**(359.21)**
X	**Earnings per equity share (nominal value of shares INR 10 each)**	37		
	Basic		4.42	(2.12)
	Diluted		4.42	(2.12)

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 Chandiok & Co LLP**
ICAI firm registration number : 001076N/N500013
Chartered Accountants

Rohit Arora
Partner
Membership number: 504774

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

Varun Sharma
Partner
Membership number: 512916

K.G. Somani & Co. LLP New Delhi Chartered Accountants

Place: Noida
Date: October 30, 2021

For and on behalf of the Board of Directors of
Ebix Payment Services Private Limited

Satya Bushan Kotru
Director
DIN: 01729176

Vikas Verma
Director
DIN: 03511116

Rahul Nemichand Chopra
Company Secretary
Membership number: 41826

EBIX PAYMENT SERVICES PVT. LTD.

Ebix Payment Services Private Limited
Cash Flow Statement for the year ended March 31, 2021
(All Amounts in INR lakhs unless otherwise stated)

	March 31, 2021	March 31, 2020
Cash flow from operating activities		
Net profit/(loss) before tax	994.73	(436.15)
Adjustments for:		
Interest income	(219.18)	(225.36)
Depreciation and amortisation expenses	374.43	348.58
Finance costs	59.70	66.24
Provision for impairment of investment in subsidiary	-	5.00
Liabilities no longer required written back	(184.01)	(431.34)
Bad debts and advances written off	46.45	109.99
Excess Provisions written back	-	(28.87)
Operating profit/(loss) before working capital changes	**1,072.12**	**(591.91)**
Working capital adjustments:		
Change in inventories	687.15	(336.38)
Change in trade receivables	(984.03)	1,219.96
Change in loans (non current)	14.52	12.62
Change in other financial assets	(2,284.16)	(3,804.14)
Change in other assets	(5,334.37)	264.98
Change in trade payables	(344.54)	218.27
Change in other financial liabilities	(19.12)	(1,978.72)
Change in provisions	19.62	37.84
Change in other liabilities	5,278.78	220.52
	(1,894.04)	(4,736.97)
Income taxes refund/(paid) (net)	1,006.82	(558.49)
Net used in operating activities	**(887.21)**	**(5,295.46)**
Cash flow from investing activities		
Purchase of property, plant and equipment and capital work-in-progress	(188.52)	(122.34)
Amount (invested)/withdrawn from the banks deposits accounts	(85.01)	19.41
Interest received	100.48	70.54
Net cashflow used in investing activities	**(173.04)**	**(32.40)**
Cash flow from financing activities		
Proceeds/(Repayment) of intercorporate deposits (net)	2,750.00	(3,580.00)
Finance cost paid	(40.21)	(36.41)
Lease liability paid	(98.88)	(100.13)
Net cashflow (used in) financing activities	**2,610.91**	**(3,716.55)**
Net increase/(decrease) in cash and cash equivalents	**1,550.66**	**(9,044.40)**
Cash and cash equivalents at the beginning of the year	1,578.43	10,622.83
Cash and cash equivalents at the end of the year (refer note 13)	**3,129.09**	**1,578.43**
Components of cash & cash equivalents		
Balances with banks:		
- In current accounts	3,129.03	1,578.37
Cash on hand	0.06	0.06
	3,129.09	**1,578.43**

The accompanying notes are an integral part of these financial statements

This is the cash flow statement referred to in our report of even date

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

Rohit Arora
Partner
Membership number: 504774

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

Varun Sharma
Partner
Membership number: 512916

Place: Noida
Date: October 30, 2021

For and on behalf of the Board of Directors of
Ebix Payment Services Private Limited

Satya Bushan Kotru
Director
DIN: 01729176

Vikas Verma
Director
DIN: 03511116

Rahul Nemichand Chopra
Company Secretary
Membership number: 41826

K.G. Somani & Co. LLP New Delhi Chartered Accountants

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Ebix Payment Services Private Limited
Statement of Changes in Equity for the year ended March 31, 2021
(All Amounts in INR lakhs unless otherwise stated)

(a) Equity share capital
Equity share of INR 10 each issued, subscribed and fully paid

Particulars	Number of shares	Amount
At April 1, 2019	16,877,137	1,687.71
Add: issued during the year	-	-
At March 31, 2020	**16,877,137**	**1,687.71**
Add: issued during the year	-	-
At March 31, 2021	**16,877,137**	**1,687.71**

(b) Other equity

Particulars	Reserves and surplus		
	Securities premium	Retained earnings	Total
As at April 1, 2019	**23,508.67**	**(14,017.76)**	**9,490.91**
Profit/(loss) for the year	-	(357.45)	(357.45)
Other comprehensive income/(loss) for the year	-	(1.76)	(1.76)
Total comprehensive income/(loss) for the year	-	**(359.21)**	**(359.21)**
As at March 31, 2020	**23,508.67**	**(14,376.97)**	**9,131.70**
Profit for the year	-	745.66	745.66
Other comprehensive income for the year	-	0.67	0.67
Total comprehensive income for the year	-	**746.33**	**746.33**
As at March 31, 2021	**23,508.67**	**(13,630.64)**	**9,878.03**

The accompanying notes are an integral part of these financial statements

This is the statement of changes in equity referred to in our report of even date

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

Rohit Arora
Partner
Membership number: 504774

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

Varun Sharma
Partner
Membership number: 512916

Place: Noida
Date: October 30, 2021

For and on behalf of the Board of Directors of
Ebix Payment Services Private Limited

Satya Bushan Kotru
Director
DIN: 01729176

Vikas Verma
Director
DIN: 03511116

Rahul Nemichand Chopra
Company Secretary
Membership number: 41826

1. Background of the Company

Ebix Payment Services Private Limited (the 'Company') is a private company incorporated under the provisions of Indian Companies Act having its registered office at 2nd floor, Manek plaza, Kalina CST road, Kolekalyan, Santacruz (E) Mumbai City MH 400098 Maharashtra, India. The Company is engaged in the business of providing payment solutions to customers through prepaid payment instruments say, general purpose reloadable cards, gift cards etc. and facilitating distribution of gift and prepaid cards. The Company also facilitates utility and other bill payment, and domestic money transfer services.

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 Companies Act, 2013 (the 'Act').

These financial statements were authorised for issue by the Company's Board of Directors on October 30, 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 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.

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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 and 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. 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 iv. 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.

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.

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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 capitalized 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 PPE is calculated on Straight Line Method ('SLM') using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013 except for technical evaluation done by management's experts for given below assets.

Assets category	**Useful life (in years)**
Computers and peripherals	3 years
Furniture and fixtures	5 years
Office equipment	5 years
Leasehold Improvement	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.

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at historical cost. Intangibles 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.

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.

Assets category	**Useful life (in years)**
Computer Softwares	3 years

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h) 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.

i) 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

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade rate.

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Subsequent measurement

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

- *Debt instruments at amortized cost*
- *Debt instrument at fair value through Other Comprehensive Income (FVTOCI)*
- *Debt instrument, derivatives and equity instruments at fair value through profit and loss (FVTPL)*
- *Equity Instrument measured at fair value through Other Comprehensive Income (FVTOCI)*

Debt instruments at amortized cost

A financial asset is measured at amortized 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 amortized cost using the EIR (effective interest rate) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included 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:

-The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
-The asset's contractual cash flows represent 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 amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI 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.

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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 amortized 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 recognising 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 lifetime losses to be recognized from initial recognition of trade receivables and unbilled revenue. 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 analyzed.

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<u>Financial liabilities</u>

Initial recognition and measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in 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 amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

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.

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.

j) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer net of variable consideration e.g. discounts, volume rebate, any payment made to a customer (unless the payment is for a distinct good or services received from the customer) and excludes amount collected on behalf of third parties. The Company recognises revenue when it transfers control over a product or service to a customer. The amount of revenue recognised at an amount that reflects the consideration to which the Company expect to be entitled to in exchange for the goods/services. Revenue is only recognized to the extent that is highly probable that a significant reversal will not occur. In a sales transaction, where the Company acts as an agent, only the commission income or margin earned is included within the revenue. On the other hand, in a sales transaction, where the Company acts as a principal, accordingly the consideration for the services/products sold is recognized on gross basis with corresponding cost of goods sold being recorded as an expense. Revenue on sale of gift cards is recognized only to the extent the Company's performance obligation is met, which is on redemption/utilization.

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Processing fees

On utilization/redemption of prepaid payment instruments, the Company receives commission which is recognised when services are complete as per the agreed terms.

Service fee from merchants

The Company earns processing fee from merchants and recognises such revenue when services have been provided. Such service fee is generally determined as a percentage of transaction value executed by the merchants.

Revenue from other services including registration/renewal, convenience fees is recognized when such services are completed / performed as per the agreed terms.

Interest income

Interest income is recognised 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 gross carrying amount of the financial assets or to the amortized cost of a financial liability but does not consider the expected credit loss. 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.

k) Foreign currency transactions

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction. Monetary items denominated in foreign currencies outstanding at the year-end are translated at exchange rates applicable on year end date. Non-monetary items denominated in foreign currency, are valued at the exchange rate prevailing on the date of transaction and carried at cost. Any gains or losses arising due to exchange differences arising on translation or settlement are accounted for in the Statement of Profit and Loss.

l) 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 recognised 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 payable under other financial liabilities.

b. Defined contribution plans

Obligations for contributions to defined contribution plans (Contribution to Provident Fund) are recognized in Statement of profit and loss, when the employee rendered related service. The Company has no further obligations under these plans beyond its periodic contributions.

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 recognised asset is limited to the present value of economic benefits available in the form of any future

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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. Re-measurement are not reclassified to profit or loss in the subsequent periods. 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 recognised 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 recognised immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

d. Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in statement of profit or loss in the period in which they arise. Expenses related to other long-term employee benefits are recognised in statement of profit or loss under 'Employee benefits expense'.
Long-term compensated absences: Long-term compensated absences are provided for on the basis of its actuarial valuation as per the projected unit credit method as on the Balance Sheet date.

m) Income tax

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

a. Current tax

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period in India, where the Company operate and generate taxable income. The Company creates provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

b. Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. In case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

n) 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 finance cost.

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.

o) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term 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.

p) Leases

The Company assesses whether a contract contain a lease, at inception of contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether : (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of lease and (iii) the Company has the right to direct the use of the asset.

EBIX PAYMENT SERVICES PVT. LTD.

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 recognises 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 remeasurement 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. 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. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases the recoverable amount is determined for the cash generating units to which the asset belong.

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 in the country of domicile of these lease. 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 in 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.

q) Operating segments

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 indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

EBIX PAYMENT SERVICES PVT. LTD.

r) 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.

s) Inventories

Inventories comprising traded prepaid payment instruments. Inventories are valued at the lower of cost and net realisable value. The cost of inventories comprises cost of purchase (net of recoverable taxes where applicable). Net realisable value (NRV) is the estimated selling price in the ordinary course of business, less and estimated costs necessary to make the sale. Provisions/write-downs for obsolescence and slow-moving inventory are made, wherever necessary and inventory is stated net of such provisions/write-downs.

t) Recent pronouncements

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

Balance sheet

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

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.

EBIX PAYMENT SERVICES PVT. LTD.

Ebix Payment Services Private Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
(All Amounts in INR lakhs unless otherwise stated)

3 **Property, plant and equipment and capital work-in-progress**

Particulars	Office equipment	Computers	Furniture and fixtures	Leasehold improvement	Total of PPE	Capital work-in-progress	Total
Gross carrying value							
As at April 1, 2019	9.40	2.93	2.19	-	14.52	-	14.52
Additions	-	30.92	-	89.55	120.47	0.21	120.68
As at March 31, 2020	9.40	33.85	2.19	89.55	134.99	0.21	135.20
Additions	-	101.22	-	22.27	123.49	-	123.49
Disposals/adjustments	-	-	-	-	-	0.21	0.21
As at March 31, 2021	9.40	135.07	2.19	111.82	258.48	-	258.48
Accumulated depreciation							
As at April 1, 2019	1.69	1.83	0.09	-	3.61	-	3.61
Charge for the year	1.77	4.95	0.42	14.18	21.32	-	21.32
Disposals/adjustments	-	-	-	-	-	-	-
As at March 31, 2020	3.46	6.78	0.51	14.18	24.93	-	24.93
Charge for the year	1.79	20.51	0.41	31.67	54.38	-	54.38
Disposals/adjustments	-	-	-	-	-	-	-
As at March 31, 2021	5.25	27.29	0.92	45.85	79.31	-	79.31
Net carrying value							
As at March 31, 2021	4.15	107.78	1.27	65.97	179.17	-	179.17
As at March 31, 2020	5.94	27.07	1.68	75.37	110.06	0.21	110.27
As at April 01, 2019	7.71	1.10	2.10	-	10.91	-	10.91

4 **Right-of-use assets**

Particulars	Buildings	Total
Gross carrying value		
As at April 1, 2019	392.02	392.02
As at March 31, 2020	392.02	392.02
As at March 31, 2021	392.02	392.02
Accumulated depreciation		
As at April 1, 2019	-	-
Depreciation Charge for the year	92.51	92.51
As at March 31, 2020	92.51	92.51
Depreciation Charge for the year	90.86	90.86
As at March 31, 2021	183.37	183.37

Net carrying value	Buildings	Total
As at March 31, 2021	208.65	208.65
As at March 31, 2020	299.51	299.51
As at April 01, 2019	-	-

5 **Other intangible assets**

Particulars	Computer softwares	Total	Intangible assets under development	Total
Gross carrying value				
As at April 1, 2019	34.65	34.65	671.69	706.34
Additions	671.69	671.69	-	671.69
Disposals/adjustments	-	-	671.69	671.69
As at March 31, 2020	706.34	706.34	-	706.34
Additions	-	-	65.03	65.03
Disposals/adjustments	-	-	-	-
As at March 31, 2021	706.34	706.34	65.03	771.37
Accumulated amortisation				
As at April 1, 2019	16.58	16.58	-	16.58
Charge for the year	234.75	234.75	-	234.75
Disposals/adjustments	-	-	-	-
As at March 31, 2020	251.33	251.33	-	251.33
Charge for the year	229.19	229.19	-	229.19
Disposals/adjustments	-	-	-	-
As at March 31, 2021	480.52	480.52	-	480.52

Net carrying value	Computer softwares	Total	Intangible assets under development	Total
As at March 31, 2021	225.82	225.82	65.03	290.85
As at March 31, 2020	455.01	455.01	-	455.01
As at April 01, 2019	18.07	18.07	671.69	689.76

EBIX PAYMENT SERVICES PVT. LTD.

	Particulars	March 31, 2021	March 31, 2020	April 01, 2019
6	**Financial assets- investments (non-current)**			
	Investment in equity instruments			
	- Investment in subsidiary			
	Investment in equity shares (unquoted) of subsidiary company at cost			
	ItzCash Payment Solutions Limited 50,000 (March 31, 2020: 50,000, April 01, 2019: 50,000) equity shares of INR 10 each	5.00	5.00	5.00
	Provision for impairment in value of investments	(5.00)	(5.00)	-
		-	-	**5.00**
6a	**Investment - others**			
	Investment measured at fair value through other comprehensive income (FVTOCI) (fully paid-up)			
	- Un-quoted equity shares			
	VV Finly Technology Private Limited (formerly known as Jouska Tech Private Limited) 438 (March 31, 2020: 438, April 01, 2019: 438) equity shares of INR 10 each	20.14	20.14	20.14
		20.14	**20.14**	**20.14**
	Aggregate amount of quoted investments	-	-	-
	Aggregate amount of un-quoted investments	20.14	20.14	20.14
	Aggregate amount of impairment in value of investments	5.00	5.00	5.00
7	**Loans (non-current)**			
	Unsecured, considered good			
	Security deposits	86.81	101.33	113.95
		86.81	**101.33**	**113.95**
8	**Other financial assets**			
	Balance with banks in deposits accounts with remaining maturity of more than 12 months*	155.52	70.51	89.92
		155.52	**70.51**	**89.92**
	*includes deposits of INR 138.17 lakhs (March 31, 2020: INR 39.67 lakhs, April 01, 2019: INR 65.15 lakhs) pledged with bank against guarantee.			
9	**Non current tax assets (net)**			
	Advance tax (net of provision for income tax)	451.47	1,458.29	899.87
		451.47	**1,458.29**	**899.87**

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EBIX PAYMENT SERVICES PVT. LTD.

	Particulars	March 31, 2021	March 31, 2020	April 01, 2019
11	**Inventories**			
	Stock in trade			
	Prepaid gift cards	25.85	713.00	376.62
		25.85	**713.00**	**376.62**
12	**Trade receivables**			
	(Unsecured, considered good)			
	Other trade receivables	2,153.51	1,156.55	2,418.62
	Receivable from related parties (refer note 41)	8.53	21.46	2.73
	Less: Allowance for bad and doubtful debts	-	-	23.38
		2,162.04	**1,178.01**	**2,397.97**
13	**Cash and cash equivalents**			
	Balances with banks:			
	- In current accounts	3,129.03	1,578.37	5,371.18
	Cheques on hand	-	-	5,251.59
	Cash on hand	0.06	0.06	0.06
		3,129.09	**1,578.43**	**10,622.83**
14	**Bank balances other than cash equivalents**			
	Balances with banks:			
	- In current account - Escrow account#	700.36	637.40	1,131.19
	- Fixed deposits with remaining maturity for more than 3 months but less than 12 months*	920.28	918.44	347.81
		1,620.64	**1,555.84**	**1,479.00**

In Escrow account as per Reserve Bank of India guidelines on Prepaid Payment Instruments

*Deposits of INR 182.82 lakhs (March 31, 2020: INR 200.54 lakhs, 01 April, 2019: INR 144.69 lakhs) are pledged with banks against guarantees given and deposits of INR 550.00 lakhs (March 31, 2020: INR 550.00 lakhs, 01 April, 2019: INR 50.00 lakhs) are in escrow account.

	Particulars	March 31, 2021	March 31, 2020	April 01, 2019
15	**Loans (current)**			
	(Unsecured, considered good)			
	Loan to related parties (refer note 41)	830.00	3,580.00	-
		830.00	**3,580.00**	**-**

Loan to related parties represents loan given to holding company and fellow subsidiaries of INR 830 lakhs @ 8.25% per annum (INR 3,580 lakhs March 31, 2020 @ 9% per annum) and are repayable on demand.

	Particulars	March 31, 2021	March 31, 2020	April 01, 2019
16	**Other financial assets**			
	(Unsecured, considered good unless stated otherwise)			
	Receivables:			
	-Other receivables	6,336.78	4,669.59	850.92
	Interest accrued and not due on loan to related parties (refer note 41)	251.06	142.44	-
	Interest accrued on fixed deposits	40.59	30.51	21.18
	Unbilled receivables/revenue	775.66	223.74	327.33
		7,404.09	**5,066.28**	**1,199.43**
	***Movement in contract assets during the year**			
	Balance at the beginning of the year	223.74	327.33	89.17
	Revenue recognised during the year	775.66	223.74	327.33
	Invoices raised during the year	(223.74)	(327.33)	(89.17)
	Balance at the end of the year	**775.66**	**223.74**	**327.33**
17	**Other current assets**			
	Prepayments - co-branded cards	6,099.27	542.99	-
	Trade advances to super distributor	706.00	650.85	429.17
	Trade advances to related parties (refer note 41)	-	-	1,100.00
	Advance to vendors	8.34	147.65	498.43
	Advance to employees	15.31	15.83	-
	Balance with statutory/government authorities	-	221.41	11.89
	Prepaid expenses	33.62	52.06	129.34
	Balances with merchants pending utilization	219.31	163.14	-
		7,081.85	**1,793.93**	**2,168.83**

EBIX PAYMENT SERVICES PVT. LTD.

(All Amounts in INR lakhs unless otherwise stated)

10 Deferred tax

Deferred income tax reflect the net tax effects of temporary difference between the carrying amount of asset and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant component of the Company's net deferred income tax are as follows:

Deferred tax assets:

	Provision for long-term employee benefits	Difference between book balance and tax balance of property, plant and equipment / other intangible assets	Accumulated losses and unabsorbed depreciation	Right-of-use assets net of lease liabilities (refer note 44)	Allowance for bad and doubtful debts	Others	Total
As at April 01, 2019	20.70	379.44	455.00	-	6.08	-	861.22
(Charged)/credited							
- to statement of profit and loss	1.29	(56.84)	129.19	1.74	(6.08)	9.40	78.70
- to other comprehensive income	1.00	-	-	-	-	-	1.00
As at March 31, 2020	**22.99**	**322.60**	**584.19**	**1.74**	-	**9.40**	**940.92**
(Charged)/credited							
- to statement of profit and loss	5.40	(12.88)	(248.20)	4.10	-	2.51	(249.07)
- to other comprehensive income	0.23	-	-	-	-	-	0.23
As at March 31, 2021	**28.62**	**309.72**	**335.99**	**5.84**	-	**11.91**	**692.08**

Reflected in the Balance Sheet as follows:

	March 31, 2021	March 31, 2020
Deferred tax assets	692.08	940.92
Deferred tax liabilities	-	-
Deferred tax assets (net)	**692.08**	**940.92**

Reconciliation of deferred tax assets (net): -

	March 31, 2021	March 31, 2020
Balance as at the commencement of the year	940.92	861.22
Expense/(income) during the year recognised in statement of profit andoss	(249.07)	78.70
Expenses/(credit) during the year recognised in other comprehensive income	0.23	1.00
Balance as at the end of the year	**692.08**	**940.92**

EBIX PAYMENT SERVICES PVT. LTD.

Ebix Payment Services Private Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
(All Amounts in INR lakhs unless otherwise stated)

	Particulars	March 31, 2021	March 31, 2020	April 01, 2019
18	**Equity share capital**			
	Authorised share capital :			
	20,000,000 (March 31, 2020: 20,000,000, April 01, 2019: 20,000,000) equity shares of INR 10 each	2,000.00	2,000.00	2,000.00
	5,500,000 (March 31, 2020: 5,500,000, April 01, 2019: 5,500,000) preference shares of INR 100 each	5,500.00	5,500.00	5,500.00
		7,500.00	**7,500.00**	**7,500.00**
	Issued, subscribed and fully paid up:			
	16,877,137 (March 31, 2020: 16,877,137, April 01, 2019: 16,877,137) equity shares of INR 10 each fully paid up	1,687.71	1,687.71	1,687.71
		1,687.71	**1,687.71**	**1,687.71**

a. **Terms and rights attached to equity shares**

The Company has only one class of equity shares referred to as equity shares each having par value of INR 10 per share. Every member holding equity shares therein shall have voting rights in proportion to the menmber's share of the paid up equity share capital.

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 the equity shareholders.

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

	Number of shares	Amount
Balance as at April 1, 2019	16,877,137	1,687.71
Equity shares issued during the year	-	-
Balance as at March 31, 2020	**16,877,137**	**1,687.71**
Equity shares issued during the year	-	-
Balance as at March 31, 2021	**16,877,137**	**1,687.71**

c. **Shareholders holding more than 5% shares in the Company**

Name of the shareholders	March 31, 2021		March 31, 2020		April 01, 2019	
	No. of shares	% Holding in class	No. of shares	% Holding in class	No. of Shares	% Holding in class
Ebixcash World Money Limited	3,731,235	22.11%	3,731,235	22.11%	3,731,235	22.11%
Ebixcash Private Limited (formerly Ebix Software India Private Limited)	9,770,435	57.89%	9,770,435	57.89%	9,770,435	57.89%
Intrex India Private Limited	3,355,427	19.88%	3,355,427	19.88%	3,355,427	19.88%

d. There were no shares allotted as fully paid up pursuant to contract without payment being received in cash or shares allotted as fully paid up bonus shares or shares bought back during the current year and five years immediately preceding the reporting date i.e. March 31, 2021.

19 **Other equity**

Securities premium (refer foot note 1)	
Balance as at April 1, 2019	23,508.67
Balance as at March 31, 2020	23,508.67
Balance as at March 31, 2021	23,508.67
Retained earnings (refer foot note 2)	
Balance as at April 1, 2019	(14,017.76)
Loss for the year	(357.45)
Add: Re-measurement loss on defined benefit plans	(1.76)
Balance as at March 31, 2020	(14,376.97)
Gain for the year	745.66
Add: Re-measurement gain on defined benefit plans	0.67
Balance as at March 31, 2021	(13,630.64)
Total other equity	
Balance as at March 31, 2021	9,878.03
Balance as at March 31, 2020	9,131.70
Balance as at April 01, 2019	9,490.91

Nature and purpose of other reserves

1 **Securities premium**
Securities premium is the unutilized accumulated excess of issue price over face value on issue of shares. This reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

2 **Retained earning**
This represents the cumulative profits/(losses) of the Company.

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EBIX PAYMENT SERVICES PVT. LTD.

(All Amounts in INR lakhs unless otherwise stated)

	Particulars	March 31, 2021	March 31, 2020	April 01, 2019
20	**Lease liabilities**			
	Lease liabilities (refer note 44)	139.53	231.10	-
		139.53	**231.10**	**-**
21	**Other financial liabilities- non-current**			
	(other financial liabilities at amortised cost)			
	Security deposits	8.32	9.28	9.78
		8.32	**9.28**	**9.78**
22	**Provisions- non-current**			
	Provision for compensated absences	64.15	61.56	69.44
	Provision for gratuity (refer note 43)	42.49	26.65	7.34
		106.64	**88.21**	**76.78**
23	**Trade payables**			
	Total outstanding dues of micro enterprises and small enterprises (refer note 38)	-	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	559.43	903.97	685.70
		559.43	**903.97**	**685.70**
24	**Lease liabilities- current**			
	Lease liabilities (refer note 44)	91.57	75.33	-
		91.57	**75.33**	**-**
25	**Other financial liabilities**			
	Interest accrued and due on loan from related parties (refer note 41)	24.06	28.11	-
	Employee benefits payable	1.02	79.39	8.28
	Refund liabilities	479.86	339.81	676.27
	Payable to merchants	423.11	502.95	2,243.94
		928.05	**950.26**	**2,928.49**
26	**Other current liabilities**			
	Unearned revenue	6,099.27	542.99	-
	Advances received for merchant settlement	1,854.14	3,151.89	3,338.11
	Advances received from customers	2,435.32	2,095.87	2,629.42
	Statutory dues	63.11	50.01	84.05
	Payable to related parties (refer note 41)	483.69	-	-
		10,935.53	**5,840.76**	**6,051.58**
27	**Provisions- current**			
	Provision for employee benefits			
	Provision for compensated absences	0.31	-	-
	Provision for gratuity (refer note 43)	3.13	3.15	2.85
		3.44	**3.15**	**2.85**

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EBIX PAYMENT SERVICES PVT. LTD.

(All Amounts in INR lakhs unless otherwise stated)

	Particulars	March 31, 2021	March 31, 2020
28	**Revenue from operations**		
	Sale of goods and services		
	Sales - prepaid gift vouchers/cards	307,260.45	28,118.13
	Processing/Convenience fees	8,347.86	7,261.55
		315,608.31	**35,379.68**
	Other operating income		
	Registration and renewal fees	90.66	387.14
	Sale of POS machines	139.31	268.08
	Service income	185.22	225.90
		415.19	**881.12**
		316,023.50	**36,260.80**
29	**Other income**		
	Interest income on		
	Bank deposits	58.30	64.04
	Inter corporate deposit to related parties (refer note 41)	157.57	158.27
	Interest on income tax refunds	83.75	-
	Financial assets carried at amortised cost	3.31	3.05
	Excess provisions written back	-	28.87
	Liabilities no longer required written back	184.01	431.34
	Miscellaneous income	77.46	19.67
		564.40	**705.24**
30	**Purchase of stock-in-trade**		
	Purchase of prepaid gift vouchers/cards	306,645.30	28,555.93
	Purchase of POS machines	95.81	202.44
		306,741.11	**28,758.37**
31	**Changes in inventory of traded goods**		
	Inventories at the end of the year	25.85	713.00
	Inventories at the beginning of the year	713.00	376.62
	Decrease/(increase) in inventories	**687.15**	**(336.38)**
32	**Employee benefits expense**		
	Salaries, wages and other benefits	499.15	1,138.87
	Contribution to provident and other funds	26.80	52.63
	Gratuity expenses (refer note 43)	16.72	16.85
	Staff welfare expenses	16.87	28.56
		559.54	**1,236.91**
33	**Finance costs**		
	Interest on late deposit of statutory dues	0.39	5.18
	Interest on loan from related parties (refer note 41)	35.77	31.23
	Finance charges on lease liabilities (refer note 44)	23.54	29.83
		59.70	**66.24**
34	**Depreciation and amortisation expenses**		
	Depreciation on property, plant and equipment (refer note 3)	54.38	21.32
	Amortisation of intangible assets (refer note 5)	229.19	234.75
	Depreciation of right-of-use assets (refer note 4)	90.86	92.51
		374.43	**348.58**

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Ebix Payment Services Private Limited
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(All Amounts in INR lakhs unless otherwise stated)

	Particulars	March 31, 2021	March 31, 2020
35	**Other expenses**		
	Commission- distribution network	5,950.78	5,412.30
	Payment card printing and technology charges	355.90	506.09
	Software maintenance charges	175.77	175.36
	Payment network charges	130.74	228.58
	Bank charges	63.27	82.09
	Other operational charges	35.04	25.00
	Short-term lease expense (refer note 44)	4.08	3.68
	Rates and taxes	17.06	72.02
	Repairs and maintenance- others	70.06	113.54
	Electricity charges	7.91	16.94
	Communication expenses	139.62	165.58
	Printing and stationary expenses	18.55	26.34
	Expenditure on corporate social responsibility (refer note 48)	8.96	-
	Legal and professional charges	39.69	45.07
	Travelling and conveyance expenses	55.77	265.89
	Membership and subscription expenses	-	11.89
	Directors sitting fees	-	-
	Payment to auditors (refer note 35.1)	29.00	13.89
	Bad debts and advances written off	46.45	109.99
	Provision for impairment of investment in subsidiary	-	5.00
	Advertisement and publicity expenses	-	0.83
	Business promotion expenses	-	26.63
	Miscellaneous expenses	22.58	21.76
	Total	**7,171.23**	**7,328.47**
35.1	**Payment to auditor (exclusive of goods and services tax)**		
	To statutory auditors		
	for statutory audit	27.00	11.50
	for tax audit	2.00	2.00
	for reimbursement of expenses	-	0.39
		29.00	**13.89**

36 Income tax

36.1 Income tax expenses

The Company is subject to income tax in India. As per the Income Tax Act, 1961 the Company is liable to pay income tax which is the higher of regular income tax payable or the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT).

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

		March 31, 2021	March 31, 2020
	(a) Current tax	-	-
	(b) Deferred tax	249.07	(78.70)
	Total	**249.07**	**(78.70)**
36.2	**Reconciliation of effective tax rate**		
	Profit/(loss) before taxes	994.73	(436.15)
	Applicable tax rates	26.00%	25.17%
	Computed tax expenses	258.63	(109.77)
	Tax effect of:		
	Non taxable income	0.86	8.03
	Impact of change in rate of deferred tax	(21.48)	31.10
	Other adjustments	11.05	(8.07)
	Tax expenses recognised in profit and loss	**249.07**	**(78.70)**

37 Earnings per share (EPS)

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2021	March 31, 2020
Profit/(loss) for the year	745.66	(357.45)
Weighted average number of equity shares of INR 10/- each	16,877,137	16,877,137
EPS - basic and diluted (INR)	**4.42**	**(2.12)**

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38 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) ("MSMED Act, 2006")

S.No.	Particulars	March 31, 2021	March 31, 2020	April 01, 2019
i	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-	-
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			

39 Contingent liabilities, contingent assets and commitments

A. Contingent liabilities

Particulars	March 31, 2021	March 31, 2020
Claim against the Company not acknowledged as debts- service tax**	1,068.18	1,068.18

** These litigations relate to the period preceding the date of acquisition of the Company (refer note 47 for details) and management believes that any demand thereon shall be reimbursed by the erstwhile owners of the Company.

B. Capital and other commitments
Estimated amount of contracts on capital account and other commitments remaining to be executed and not provided for in accounts is Nil (March 31,2020 : INR 25.65 Lacs)

40 Segment information:
The Management Information System of the Company identifies and monitors payment services business as the business segment. The Company is managed organizationally as a single unit. In the opinion of the management, the Company is predominantly engaged in the business of payment related services and payment instruments. 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 "Payment Services", hence no specific disclosures have been made.

This is also inline with the way the operational results are reviewed by the Chief operating decision makers.

Entity wide disclosures

A. **Information about products and services**
During the year, the Company primarily operated in a single business segment, therefore service wise revenue disclosure is not applicable.

B. **Information about geographical areas**
The major services of the Company are proivded to the customers who are domiciled in India. Also, all the assets of the Company are located in India.

C. **Information about major customers (from external customers)**
The Company derives revenues from the following customers which amount to 10 per cent or more of a Company's revenues:

Customer	March 31, 2021	March 31, 2020
Prepay Payment Services Pvt Ltd	33,265.68	6,597.63
Epocket Online Payments Private Limited	35,604.18	-
Madison Incentives Managemennt Pvt. Ltd	-	3,215.72

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41 Related party disclosures

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)- Holding Company
ItzCash Payment Solutions Limited - Wholly Owned Subsidiary Company

B. Fellow subsidiaries of Holding Company or Ultimate Holding Company with whom transactions took place during current year or previous year
Ebix Travels Private Limited
Ebix Smartclass Educational Services Private Limited
Leisure Corp Private Limited
Ebix Money Express Private Limited
Ebix Travel & Holidays Limited (Formerly Mercury Travels Limited)
Ebixcash World Money Limited
Ebix Asia Pacific FZE LLC

C. Key Management Personnel (KMP)

Mr. Robin Raina	Director
Mr. Vikas Verma	Director
Mr. Satya Bushan Kotru	Director
Mr. Sumit Khadria (w.e.f 16 August 2019)	Director
Mr. Guruprasad Tiruvanamalai Chandrashekran (w.e.f 16 August 2019)	Director
Mr. Rahul Nemichand Chopra	Company Secretary

II Transactions with related parties are as follow:

	March 31, 2021	March 31, 2020
Particulars		
Ebixcash Private Limited (Formerly Ebix Software India Private Limited)	5,145.00	11,928.70
Inter-corporate deposits given	27.82	8.80
Interest income on inter-corporate deposits given	24.78	-
Interest cost on inter-corporate deposits taken		
Ebix Asia Pacific FZE LLC	-	1,849.30
Sale of gift cards		
Ebix Inc. USA	161.37	-
Sale of gift cards		
Ebix Travels Private Limited	4,815.15	9,543.33
Purchase of tickets using portal of Ebix Travels Private Limited	19.18	11.82
Sale of gift cards	-	2,000.00
Inter- corporate deposits taken	-	2,000.00
Inter-corporate deposits repaid	-	300.00
Inter-corporate deposits given	300.00	-
Inter-corporate deposits repaid	-	31.23
Interest cost on inter-corporate deposits taken	-	4.50
Interest income on inter-corporate deposits given	93.29	252.79
Commission paid		
Ebix Smartclass Educational Services Private Limited	8.04	64.31
Sale of gift cards		
Ebix Money Express Private Limited	1.90	-
Sale of gift cards	-	900.00
Trade advances converted in to inter-corporate deposits	49,430.00	38,450.43
Inter-corporate deposits given	51,980.00	36,070.43
Inter-corporate deposits repaid	120.25	134.04
Interest income on inter-corporate deposits given	10.98	-
Interest cost on inter-corporate deposits taken		
Leisure Corp Private Limited	23.72	22.46
Sale of gift cards	-	200.00
Inter-corporate deposits given	-	200.00
Inter-corporate deposits repaid	-	10.85
Interest income on inter-corporate deposits given		
Ebix Travel & Holidays Limited (Formerly Mercury Travels Limited)	2.38	25.06
Travelling expenses	-	80.00
Inter-corporate deposits given	-	80.00
Inter-corporate deposits repaid	-	0.08
Interest income on inter-corporate deposits given		
EbixCash World Money Limited	630.00	-
Inter-corporate deposits given	630.00	-
Inter-corporate deposits repaid	9.49	-
Interest income on inter-corporate deposits given		
Remuneration	4.20	5.24
Mr. Rahul Nemichand Chopra		

	March 31, 2021	March 31, 2020	April 01, 2019
Balance outstanding at year end			
Receivable/ (payable)	-	-	421.13
Interactive Financial & Trading Services Private Limited	-	-	429.17
Interactive Tradex India Pvt Ltd	(507.75)	277.32	-
Ebix Travels Private Limited	8.03	2.26	2.73
Ebix Smartclass Educational Services Pvt Ltd	951.71	3,400.64	900.00
Ebix Money Express Private Limited	9.76	28.96	200.00
Leisure Corp Private Limited	0.50	(2.35)	-
Ebix Travel & Holidays Limited (Formerly Mercury Travels Limited)	(9.60)	-	-
EbixCash World Money Limited	110.74	5.11	-
Ebixcash Private Limited (Formerly Ebix Software India Private Limited)			

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

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42 Details of Loans given, inter corporate deposit, investments made and guarantee given covered U/s 186(4) of the Companies Act, 2013.

	March 31, 2020	Deposit given	Deposit recovered	March 31, 2021
Inter corporate deposit given				
Ebix Money Express Private Limited	3,280.00	49,430.00	51,980.00	730.00
Ebixcash Private Limited	-	5,145.00	5,045.00	100.00
Ebix Cash World Money Limited	-	630.00	630.00	-
Ebix Travels Private Limited	300.00	-	300.00	-
Total	**3,580.00**	**55,205.00**	**57,955.00**	**830.00**

Particulars	April 01, 2019	Deposit given	Deposit recovered	March 31, 2020
Inter corporate deposit given				
Ebix Money Express Private Limited	-	39,350.43	36,070.43	3,280.00
Ebixcash Private Limited	-	11,928.70	11,928.70	-
Leisure Corporate Private Limited	-	200.00	200.00	-
Ebix Travel & Holidays Limited (previous name "Mercury Travels Limited")	-	80.00	80.00	-
Ebix Travels Private Limited	-	300.00	-	300.00
Total	-	**51,859.13**	**48,279.13**	**3,580.00**

Inter corporate deposits are provided for business purpose of borrower and are repayable on demand.

Notes:
(i) All above Inter corporate deposits are given at an interest rate of 8.5% p.a.(March 31, 2020: 9% p.a, April 01, 2019: 7% p.a.)
(ii) All the above loans are provided for business purpose of respective entities, repayable on demand with repayment option to the borrowers

43 Employee benefits

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

Defined contribution plan:
The Company's contribution to provident and other funds amounts to INR 26.80 lakhs (March 31, 2020: INR 52.63 lakhs). The obligation of the Company is limited to the amount contributed and it has no further contractual and / or constructive obligation.

Post employment benefit obligation:
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 scheme is funded with "New Group Gratuity Cash Accumulation Plan" managed by Life Insurance Corporation of India.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2021. 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.

The amount recognised in the balance sheet and the movement in the net defined obligation over the year are as follows :

	March 31, 2021	March 31, 2020	April 01, 2019
(i) Net defined benefit asset/ (liability)			
Defined benefit obligation	137.29	136.59	119.29
Fair value of plan assets	91.67	106.79	109.10
Plan liability	**45.62**	**29.80**	**10.19**
Fair value of planned (liability) /assets			
Non-Current	42.49	26.65	
Current	3.13	3.15	

	March 31, 2021	March 31, 2020
(ii) Net defined benefit expenses (recognised in statement of profit and loss)		
Current service cost	14.66	16.07
Net interest cost on defined benefit obligations	2.06	0.78
Net benefit expenses	**16.72**	**16.85**

	March 31, 2021	March 31, 2020
(iii) Remeasurement (gains) /loss recognised in other comprehensive income (OCI)		
Actuarial (gain) /loss for the year on present defined benefit obligation	**(1.08)**	**1.78**
Actuarial loss for the year on asset	**0.18**	**0.98**
Actuarial (gain)/loss recognised in OCI	**(0.90)**	**2.76**

(iv) (a) Changes in present value of the defined benefit obligation as follows:

Particulars	March 31, 2021	March 31, 2020
Opening defined benefit obligation	136.59	119.29
Interest cost on the defined benefit obligation	9.45	9.14
Current service cost	14.66	16.07
Actuarial (gain)/loss on obligation	(1.07)	1.78
Benefits paid	(22.33)	(9.69)
Closing defined benefit obligation	**137.29**	**136.59**

(b) Changes in the fair value of plan assets are as follows:

Particulars	March 31, 2021	March 31, 2020
Fair value of plan assets at beginning of the year	106.79	109.10
Return on plan assets	7.36	7.62
FMC charges	(0.15)	(0.25)
Benefits paid	(22.33)	(9.69)
Fair value of plan asset at end of the year	**91.67**	**106.79**

(c) Net defined benefit asset /(liability)

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
Present value of defined benefit obligation	137.29	136.59	119.29
Fair value of plan asset	91.67	106.79	109.1
Unfunded liability / provision in Balance sheet	**45.62**	**29.80**	**10.19**

	March 31, 2021	March 31, 2020
(e) Investment Details:		
Funds managed by insurer (investment with insurer)	100%	100%

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(f) Actuarial assumptions used in determining gratuity obligation for the Company's plan are shown below:

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
Discount rate	6.92%	6.92%	6.92%
Salary escalation rate	6.00%	6.00%	6.00%

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 expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of the return on plan assets and the Company's policy for plan asset management.

The expected contributions for defined benefit plan for the next financial year will be in line with FY 2020-21

(g) Maturity profile of defined benefit obligations Year	March 31, 2021	March 31, 2020
0 to 1 Year	3.14	31.5
1 to 2 Year	4.79	2.85
2 to 3 Year	2.87	4.35
3 to 4 Year	5.06	2.83
4 to 5 Year	2.77	4.75
5 to 6 Year	3.49	2.74
6 Year onwards	115.18	115.93

(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 below:

Particulars	March 31, 2021		March 31, 2020	
	Increase	Decrease	Increase	Decrease
Change in discounting rate (delta effect of +/- 0.5%)	(7.59)	8.19	(7.68)	8.30
Change in rate of salary increase (delta effect of +/- 0.5%)	8.22	(7.69)	7.54	(7.07)

44 **Leases**

a. The Company's significant leasing arrangements are in respect of leases for office spaces only. When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate as at 01 April 2021. The weighted average rate applied is 9 % per annum.

b. Amount recognized in balance sheet are as follows:	March 31, 2021	March 31, 2020	April 01, 2019
Right-of-use assets (refer note 4)	208.65	299.51	-
Current lease liabilities (refer note 24)	91.57	75.33	-
Non current lease liabilities (refer note 20)	139.53	231.10	-
	231.10	**306.43**	-

c. The following amounts are recognized in the statement of profit and loss:	March 31, 2021	March 31, 2020
-Depreciation on right-of-use assets	90.86	92.51
-Interest expense on lease liabilities	23.54	29.83
-Expenses related to short term leases	4.08	3.68
-Expenses related to low value assets, excluding short term leases of low value assets	90.86	92.51

d. Refer note 45 for contractual maturities of lease liabilities

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45 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 of March 31, 2021 is as given under:

	March 31, 2021		March 31, 2020		April 01, 2019	
	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost
Financial assets						
Non-current investments	20.14		20.14		20.14	
Other non-current financial assets	-	155.52	-	70.51	-	89.92
Trade receivables	-	2,162.04	-	1,178.01	-	2,397.97
Cash and cash equivalents	-	3,129.09	-	1,578.43	-	10,622.83
Bank balances other than cash and cash equivalents	-	1,620.64	-	1,555.84	-	1,479.00
Loans- current	-	830.00	-	3,580.00	-	-
Other current financial assets	-	7,404.09	-	5,066.28	-	1,199.43
	20.14	**15,301.38**	**20.14**	**13,029.07**	**20.14**	**15,789.15**
Financial liabilities						
Lease liabilities- non current	-	139.53	-	231.10	-	-
Trade payables	-	559.43	-	903.97	-	685.70
Lease liabilities- current	-	91.57	-	75.33	-	-
Other financial liabilities	-	936.37	-	959.54	-	2,938.26
	-	**1,726.90**	-	**2,169.94**	-	**3,623.96**

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.

Quoted prices in an active Market (level 1)

This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

Valuation techniques with observable inputs (level 2)

This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) .

Valuation techniques with significant unobservable inputs (level 3)

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs) . Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market

Financial assets measured at fair value - recurring fair value measurements

Particulars	March 31, 2021 Level 1	Level 2	Level 3	Total
Financial Assets				
Non-current investments	-	-	20.14	20.14
Total financial assets	-	-	**20.14**	**20.14**

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

Particulars	March 31, 2021 Level 1	Level 2	Level 3	Total
Financial Assets				
Other non-current financial assets	-	-	155.52	155.52
Trade receivables	-	-	2,162.04	2,162.04
Cash and cash equivalents	-	-	3,129.09	3,129.09
Bank balances other than cash and cash equivalents	-	-	1,620.64	1,620.64
Loans- current	-	-	830.00	830.00
Other current financial assets	-	-	7,404.09	7,404.09
Total financial assets	-	-	**15,301.38**	**15,301.38**
Financial Liabilities				
Lease liabilities- non current	-	-	139.53	139.53
Trade payables	-	-	559.43	559.43
Lease liabilities- current	-	-	91.57	91.57
Other financial liabilities	-	-	936.37	936.37
Total financial liabilities	-	-	**1,726.90**	**1,726.90**

Financial assets measured at fair value - recurring fair value measurements

Particulars	March 31, 2020 Level 1	Level 2	Level 3	Total
Financial Assets				
Non-current investments	-	-	20.14	20.14
Total financial assets	-	-	**20.14**	**20.14**

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

Particulars	March 31, 2020 Level 1	Level 2	Level 3	Total
Financial assets				
Other non-current financial assets	-	-	70.51	70.51
Trade receivables	-	-	1,178.01	1,178.01
Cash and cash equivalents	-	-	1,578.43	1,578.43
Bank balances other than cash and cash equivalents	-	-	1,555.84	1,555.84
Loans- current	-	-	3,580.00	3,580.00
Other current financial assets	-	-	5,066.28	5,066.28
	-	-	**13,029.07**	**13,029.07**
Financial liabilities				
Lease liabilities- non current	-	-	231.10	231.10
Trade payables	-	-	903.97	903.97
Lease liabilities- current	-	-	75.33	75.33
Other financial liabilities	-	-	959.54	959.54
Total financial liabilities	-	-	**2,169.94**	**2,169.94**

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Financial assets measured at fair value - recurring fair value measurements

Particulars	April 01, 2019			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Non-current investments	-	-	20.14	20.14
Total financial assets	-	-	20.14	20.14

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

Particulars	April 01, 2019			
	Level 1	Level 2	Level 3	Total
Financial assets				
Other non-current financial assets	-	-	89.92	89.92
Trade receivables	-	-	2,397.97	2,397.97
Cash and cash equivalents	-	-	10,622.83	10,622.83
Bank balances other than cash and cash equivalents	-	-	1,479.00	1,479.00
Loans- current	-	-	-	-
Other current financial assets	-	-	1,199.43	1,199.43
Total financial assets	-	-	15,789.15	15,789.15
Financial liabilities				
Lease liabilities- non current	-	-	-	-
Trade payables	-	-	685.70	685.70
Lease liabilities- current	-	-	-	-
Other financial liabilities	-	-	2,938.26	2,938.26
Total financial liabilities	-	-	3,623.96	3,623.96

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

Particulars	March 31, 2021		March 31, 2020		April 01, 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets						
Other non-current financial assets	155.52	155.52	70.51	70.51	89.92	89.92
Trade receivables	2,162.04	2,162.04	1,178.01	1,178.01	2,397.97	2,397.97
Cash and cash equivalents	3,129.09	3,129.09	1,578.43	1,578.43	10,622.83	10,622.83
Bank balances other than cash and cash equivalents	1,620.64	1,620.64	1,555.84	1,555.84	1,479.00	1,479.00
Loans- current	830.00	830.00	3,580.00	3,580.00	-	-
Other current financial assets	7,404.09	7,404.09	5,066.28	5,066.28	1,199.43	1,199.43
	15,301.38	**15,301.38**	**13,029.07**	**13,029.07**	**15,789.15**	**15,789.15**
Financial liabilities						
Lease liabilities- non current	139.53	139.53	231.10	231.10	-	-
Trade payables	559.43	559.43	903.97	903.97	685.70	685.70
Lease liabilities- current	91.57	91.57	75.33	75.33	-	-
Other financial liabilities	936.37	936.37	959.54	959.54	2,938.26	2,938.26
	1,726.90	**1,726.90**	**2,169.94**	**2,169.94**	**3,623.96**	**3,623.96**

i. Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

ii. There have been no transfers between level 1, level 2 and level 3 for the year ended March 31, 2021 and year ended March 31, 2020.

II. Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:
- credit risk;
- liquidity risk; and
- market risk

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 Company if a customer or counterparty to the financial instrument fails to meet its financial obligations leading to financial loss.

Financial instruments that are subject to concentration 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 15,301.38 lakhs and INR 13,029.07 lakhs as at March 31, 2021 and March 31, 2020 respectively, being the total carrying value of investments, trade receivables, cash and cash equivalents, loans 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 Company 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.

During the period, the Company has made no write-offs of trade receivables. The Company management also pursue 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:	March 31, 2021	March 31, 2020
Opening balance	-	23.38
Changes in loss allowance calculated at life time expected credit losses	-	(23.38)
Closing balance	-	-

EBIX PAYMENT SERVICES PVT. LTD.

(All Amounts in INR lakhs unless otherwise stated)

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 invests its surplus funds in bank fixed deposit which carry no market risk.The Company manages liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company has no outstanding long term borrowing and the Company believes that working capital is sufficient to meet its current requirements.

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.

Particulars	Carrying Amounts March 31, 2021	Contractual cash flows Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities					
Lease liabilities- non current	139.53	-	139.53	-	-
Trade payables	559.43	559.43	-	-	-
Lease liabilities- current	91.57	91.57	-	-	-
Other financial liabilities	936.37	928.05	-	-	8.32
Total non-derivative liabilities	**1,726.90**	**1,579.05**	**139.53**	-	**8.32**

Particulars	Carrying Amounts March 31, 2020	Contractual cash flows Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities					
Lease Liabilities- Non Current	231.10	-	91.57	139.53	-
Trade payables	903.97	903.97	-	-	-
Lease Liabilities- Current	75.33	75.33	-	-	-
Other financial liabilities	959.54	950.26	-	-	9.28
Total non-derivative liabilities	**2,169.94**	**1,929.56**	**91.57**	**139.53**	**9.28**

Particulars	Carrying Amounts April 01, 2019	Contractual cash flows Upto 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 year
Non-derivative financial liabilities					
Lease Liabilities- Non Current	-	-	-	-	-
Trade payables	685.70	685.70	-	-	-
Lease Liabilities- Current	-	-	-	-	-
Other financial liabilities	2,938.26	2,928.48	-	-	9.78
Total non-derivative liabilities	**3,623.96**	**3,614.18**	-	-	**9.78**

iii. Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may results from a change in the price of a financial instrument.The value of a financial instrument may change as a result of change in the interest rate, foreign currency exchange rates , liquidity and other market changes . Future specific market movements cannot be normally predicted with reasonable accuracy.

a) Currency risk

The Company does not have any exposure in foreign currency and therefore not exposed to currency risk.

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's exposure to the risk of changes in market interest rates primarily relates to the fixed deposits and borrowings. 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	April 01, 2019
Fixed rate instruments			
Financial assets	1,905.80	4,568.95	437.73
Financial liabilities	-	-	
	1,905.80	**4,568.95**	**437.73**
Variable rate instruments			
Financial assets	-	-	
Financial liabilities	-	-	
	-	-	

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 sensitive analysis.

Variable rate instruments

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

46 The Company has been granted licenses from Reserve Bank of India for operating as Bharat bill payment operating unit under Bharat Bill Payment System in India which is valid till 30 September 2022 and to set up and operate payment system for semi-closed prepaid payment instrument services which is valid till 30 November 2025, thereby the Company is also required to comply with the Master Direction on Issuance and Operation of Prepaid Payment Instruments (as amended) and other circulars and notifications as issued from time to time.

47 The holding company, along with Ebix Singapore Pte. Ltd. (hereinafter referred to as the Ebix entities), had purchased 13,501,670 equity shares of the Company on April 1, 2017. During FY 2019-20, the erstwhile shareholders of the Company have raised a dispute with the Ebix entities alleging breaches of the Share Purchase Agreement (SPA) and Shareholders' Agreement (SHA), entered into between the parties and demanding termination of SHA. The matter is under arbitration in accordance with the rules of the Singapore International Arbitration Centre ("SIAC"). Simultaneously, Ebix entities have also filed application before the National Company Law Tribunal, Mumbai ("NCLT") seeking, inter alia, a declaration that the Articles of the Company stand amended pursuant to the termination of the SHA by erstwhile shareholders. The Management of the Company based upon legal analysis believes that no additional demand shall devolve upon the Company.

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Ebix Payment Services Private Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
(All Amounts in INR lakhs unless otherwise stated)

48 Corporate Social Responsibility (CSR) expense

As required by Section 135 of the Comapanies Act, 2013, gross amount required to be spent by the Company during the year was INR 8.96 lakhs (March 31, 2020: Nil) and amount spent by the Company is INR Nil (March 31, 2020: Nil).

Particulars	For the year ended March 31, 2021	March 31, 2020	April 01, 2019
Amount requrired to be spent during the year (A)	8.96	-	-
Shortfall amount of previous year (B)	-	-	-
Total (A) + (B)	8.96	-	-
Amount spent on CSR	-	-	-
Shortfall amount of current year (C)	8.96	-	-

49 Capital management

The Company manages its capital to ensure that it will be able to continue as going concerns 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 a 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 30, 2020.

50 Prior year adjustments

During the year, the Company has restated its comparative financial statements to account for the impact of revenue transactions from sale of semi-closed loop co-branded cards (Gift Cards) which have now been recorded on gross basis. The semi-closed loop co-branded gift cards business majorly picked up from Janaury 2020 onwards. Further, few other heads of other financial statements line items have now been correctly grouped wherever considered necessary to make them comparable with those of the current year. The effect of restatement due to above adjustment is summarised below:

Extract of Balance Sheet as at March 31, 2019

Particulars	As previously reported	Adjustment	As restated
Liabilities			
Trade payables	3,571.50	(2,885.80)	685.70
Other financial liabilities	9.78	2,928.48	2,938.26
Other current liabilities	6,059.86	(8.28)	6,051.58
Provisions	37.25	(34.40)	2.85

Extract of Balance Sheet as at March 31, 2020

Particulars	As previously reported	Adjustment	As restated
Assets			
Trade receivables	822.72	355.29	1,178.01
Other current financial assets	5,584.61	(518.33)	5,066.28
Other current assets	1,087.80	706.13	1,793.93
Liabilities			
Trade payables	1,482.73	(578.76)	903.97
Other financial liabilities	28.11	922.15	950.26
Other current liabilities	5,205.00	635.76	5,840.76
Provisions	439.21	(436.06)	3.15

Extract of statement of profit and loss for the year ended March 31, 2020

Particulars	As previously reported	Adjustment	As restated
Revenue			
Revenue from operations	24,941.54	11,319.26	36,260.80
Cost			
Purchase of stock-in-trade	17,090.52	11,667.85	28,758.37
Finance costs	129.02	(62.78)	66.24
Other expenses	7,614.28	(285.81)	7,328.47

Extract of statement of cash flows for FY March 31, 2020

Particulars	As previously reported	Adjustment	As restated
Cash flows from operating activities	(8,945.04)	3,649.58	(5,295.46)
Cash flows from investing activities	99.97	(132.37)	(32.40)
Cash flows from financing activities	(199.33)	(3,517.22)	(3,716.55)

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EBIX PAYMENT SERVICES PVT. LTD.

Ebix Payment Services Private Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
(All Amounts in INR lakhs unless otherwise stated)

51 The outbreak of Coronavirus (CoVID-19) pandemic globally is causing slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time. Measures are taken to contain the spread of the virus, including travel restrictions, quarantines, social distancing and closure of non-essential services. The potential impact to our results going forward will depend to a large extent on future developments regarding COVID-19 that cannot be accurately predicted at this point in time, including the duration and severity of the pandemic, the extent and effectiveness of containment actions and the impact of these and other factors on our employees, customers, and vendors. The Company, as on the date of approval of the financial statements believes there is no significant impact of COVID-19 on the underlying assumptions and estimates that have been used to prepare these statements.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

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

Rohit Arora
Partner
Membership number: 504774

For KG Somani & Co LLP
Chartered Accountants
Firm Reg No.: 006591N/N500377

K.G. Somani & Co. LLP New Delhi Chartered Accountants

Varun Sharma
Partner
Membership number: 512916

Place: Noida
Date: October 30, 2021

For and on behalf of the Board of Directors of
Ebix Payment Services Private Limited

Satya Bushan Kotru
Director
DIN: 01729176

Vikas Verma
Director
DIN: 03511116

Rahul Nemichand Chopra
Company Secretary
Membership number: 41826

Ebix Payment Services Pvt. Ltd.