

3I INFOTECH HOLDINGS PRIVATE LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED

MARCH 31, 2021

3I INFOTECH HOLDINGS PRIVATE LIMITED

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CORPORATE INFORMATION FOR THE YEAR ENDED MARCH 31, 2021

		Date of appointment
DIRECTORS :	Koomar Aslam	November 20, 2006
	Iyer Padmanabhan Nemmara Ranganathan	May 17, 2012
	Ghosh Mrinal Manoj	November 24, 2016
	Kasichainula Suryanarayan	February 5, 2018
	Ashok Shah	May 22, 2019
ADMINISTRATOR AND SECRETARY:	International Proximity Management Services Limited 5th Floor, Ebene Esplanade, 24 Bank Street, Cybercity, Ebene REPUBLIC OF MAURITIUS	
REGISTERED OFFICE:	5th Floor, Ebene Esplanade, 24 Bank Street, Cybercity, Ebene REPUBLIC OF MAURITIUS	
AUDITOR:	BDO & Co 10, Frère Félix de Valois Street, Port Louis REPUBLIC OF MAURITIUS	
BANK:	HSBC Bank (Mauritius) Limited 6th Floor, HSBC Centre 18, Cybercity Ebene REPUBLIC OF MAURITIUS	

DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2021

The directors submit herewith their report together with the separate audited financial statements of **3i Infotech Holdings Private Limited** ("the Company") for the year ended March 31, 2021.

PRINCIPAL ACTIVITY

The main activity of the Company is that of investment holding.

RESULTS AND DIVIDEND

The results for the year are shown in the statement of profit or loss and other comprehensive income set out on page 8.

The directors do not recommend the payment of dividend for the year under review (2020: Rs.Nil).

STATUS

The Company was incorporated in the Republic of Mauritius on November 20, 2006 under the Companies Act 2001.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT TO THE FINANCIAL STATEMENTS

Directors acknowledge their responsibilities for:

- (i) adequate accounting records and maintenance of effective internal control systems;
- (ii) the preparation of financial statements which fairly present the state of affairs of the Company as at the end of the financial year and the results of its operations and cash flows for that period and which comply with International Financial Reporting Standards (IFRS); and
- (iii) the selection of appropriate accounting policies supported by reasonable and prudent judgements.

The external auditors are responsible for reporting on whether the financial statements are fairly presented.


The directors report that:

- (i) adequate accounting records and an effective system of internal controls and risk management have been maintained;
- (ii) appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently; and
- (iii) International Financial Reporting Standards have been adhered to.

AUDITORS

The auditors, BDO & Co, has indicated their willingness to continue in office and will be automatically re-appointed at the next Annual Meeting.

BY ORDER OF THE BOARD



Director

Date: 30 September 2021

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Board ensures that the Company is in compliance with the rules of the National Code of Corporate Governance (the “Code”) as issued by National Committee on Corporate Governance on 13 February 2017 and which is effective as from reporting year ended 30 June 2018. The Company follows the guidance in the Code applicable for a Public Interest Entity (“PIE”).

Principle 1: Governance structure

3i Infotech Holdings Private Limited (the “Company”) is a private company limited by shares incorporated on 20 November 2006. The registered address of the Company is 5th Floor, Ebene Esplanade, 24 Bank Street, Cybercity, Ebene. The Company is wholly owned by 3i Infotech Limited (the “Holding Company”), an IT Company, listed on the National Stock Exchange of India and Bombay Stock Exchange. The Company’s activity is that of investment holding. The Company is administered by International Proximity Management Services Limited, a domestic company licensed by the Registrar of Companies (“ROC”). The constitution of the Company was adopted on 19 July 2012 (the “Constitution”). The Company is categorized as a PIE since it has a total asset exceeding 500 million rupees during the two consecutive preceding years.

Effective Board

The Company is managed by its board of directors comprising five members (the “Board”). The Board is chaired from Mauritius by the chairperson, normally, a resident director of the Company. Each director is appointed with the understanding of the amount of time, care that they will need to devote to the Board and the industry knowledge required.

Role of the Board

The Board plays a central supporting and supervisory role in the Company’s corporate governance structure, provides leadership and guidance to the Company’s activities, and oversees the execution of its business strategies. Specific matters reserved for the Board’s consideration and decision are:

- Determining the investment strategies, policies and business plans and monitor their implementation;
- Setting of appropriate policies to manage risks in pursuit of the Company’s strategic objectives;
- Ensuring the integrity of the Company’s accounting and financial reporting system and compliance with the relevant laws and standards, and that appropriate internal control systems are in place, including systems for risk management, as well as financial and operational control;
- Monitoring and controlling the operations and financial performance of the Company through the determination of the annual budget; and
- Ensuring timely and accurate disclosure to and communications with stakeholders;
- monitoring of investments and managing divestments on behalf of the Company

Code of Ethics

The directors of the Company maintain the highest standards of integrity to approach and solve problems ethically. In parallel, the Company has adopted the Code of Ethics of the Holding Company. Each director of the Company has provided its consent to the code.

Job description or Position Statement

The directors exercise their duties to act in good faith and in the best interest of the Company in line with the Companies Act and other laws and regulations.

Organisation Chart

The Company's organization chart is attached as Annexure 1 to this report.

Due to its size and nature of activities the Company does not deem it necessary to have a website. The Company follows the guidance from the Holding Company website ([https:// www.3i-infotech.com](https://www.3i-infotech.com)) which considers the IT policy and other policies.

Profile of the Directors**Aslam Koomar**

Aslam Koomar is Head of Compliance and Client Accounting at IP. He has been responsible for the accounting and tax departments of IP for over ten years. Prior to joining IP, he trained in accountancy in Mauritius and was admitted as a member of the UK Association of Chartered Certified Accountants in 1995, becoming a Fellow of the Association in 2000. He sits on the boards of many entities which invest in India, China and other Asian countries.

Ashok Shah

Ashok Shah is the chairman of 3i Infotech Limited. Ashok Shah joined Life Insurance Corporation of India (LIC) as a direct recruit officer in 1977. In the more than three decades in LIC, he has served in all important positions in Operations. He retired as Zonal Manager (Executive Director Cadre) at Delhi and was in charge of LIC's premier Zone, Northern Zone for five years. Subsequently, he went on deputation to the National Insurance Academy, Pune, as Chair Professor. In June 2010, he subsequently joined LIMRA (Life Insurance Marketing and Research Association), a U.S. based entity as Director-India. Mr. Ashok Shah holds a bachelor's degree in Science and a post graduate degree in Economics.

Padmanabhan Iyer

Padmanabhan Iyer was appointed as the Chief Financial Officer of 3i Infotech Limited effective November 11, 2014 and as the Managing Director and Global CEO of 3i Infotech Limited on August 11, 2016. He has spent 20 years with 3i Infotech Limited, having headed Product Development and Delivery Centers, Technology Services and the BPO Division. He was also the CEO of the China subsidiary of the Company. He brings with him profound knowledge and experience of more than 30 years in the techno-financial arena. Mr. Padmanabhan Iyer holds a Master's degree in Financial Management from Jammalal Bajaj Institute of Management Studies, University of Mumbai and has completed the Advanced Master's Program in Management of Global Enterprises, IIM, Bangalore.

Ghosh Mrinal Manoj

Mrinal Ghosh is a Chartered Accountant. He has vast experience in Finance with a demonstrated history of working in the information technology and services industry. Skilled in Operations Management, Bancassurance, Mutual Funds, Payments, and Management Information Systems (MIS). Strong finance professional with a Chartered Accountant focused in Accountancy, Audit, Operations from Institute of Chartered Accountants of India.

Profile of the Directors (cont'd)**Kasichainula Suryanarayan**

Kasichainula Suryanarayan is currently the Executive Vice President and & Business Head (ERP) at 3i Infotech Limited. Before joining 3i Infotech, he has served briefly as a visiting professor at K. J. Somaiya Institute of Management Studies and Research. Surya's last position at Oracle was Vice President, Sales responsible for growing Oracle FSGBU products market share across Commercial EMEA. Surya's last role was as President & Chief Sales Officer at Cogencis Information Services. Earlier, Surya has worked at Trimax, Gilat Satellite Networks, Emirates Technology Company (HP) and HCL-HP (Frontline). Mr. Kasichainula holds a degree in Production Engineering from the University of Mumbai.

Management assessment

The Company is compliant with Principle 1 of the Code of Corporate Governance given the nature and business activity of the Company.

Principle 2: The structure of the board and its committees**Board Composition**

The Board is composed of directors coming from different sectors. Every director has drawn from his/her professional background and expertise in positively contributing to the Board's activities.

The Board considers that its current size and composition are appropriate for the type of activity in which the Company is engaged and for the effective discharge of the Board's responsibilities.

Due to the nature of the activities of the Company, no sub-committees (Audit Committee, Corporate Governance Committee, Board Risk Committee, Remuneration Committee, or Nomination Committee) have been set up. The Board collectively considers the measures in respect of the Code of Corporate Governance. The Board assumes responsibility for leading and controlling the organisation, meeting all legal and regulatory requirements.

The Board currently comprises of directors who exercise independence of mind and judgement with no independent directors under this Company. The Board has appropriate balance of skills, experience, independence and knowledge of the Company which enables it to perform its respective duties and responsibilities effectively. The Board has also appointed International Proximity Management Services Limited as its Company Secretary.

The Company Secretary

International Proximity Management Services Limited has been appointed as the Company Secretary since incorporation of the Company in accordance with its Constitution.

Principle 2: The structure of the board and its committees (cont'd)

The Company Secretary (cont'd)

The role and responsibilities of the Company Secretary are as follows:

- Provide guidance to the Board as to its duties, responsibilities and powers;
- Inform the Board of all relevant legislations pertaining to meetings of directors and shareholders, reporting at any meetings, filing of any documents required and failure to comply with such legislation;
- Ensure proper recording of minutes and resolutions including proper maintenance of the statutory registers;
- Certify in the annual financial statements that all returns as required under the Companies Act 2001 have been filed with the Registrar; and
- Filing of the financial statements with the ROC.

Management Assessment

The Company is compliant with Principle 2 of the Code of Corporate Governance as it is controlled and managed by people who devote adequate time to the operational and strategic matters and assume their responsibilities in adhering to the legal and regulatory requirements, except for certain criteria as highlighted under the statement of non-compliance.

Principle 3: Director's appointment procedures

Appointment, Election and Re-election

The directors of the Company are appointed in line with its Constitution. As per section 5.1 of the Constitution, the directors shall have power at any time and from time to time to appoint any person to be a director to fill a casual vacancy. The board members of the Company possess relevant qualification and experience and sufficient knowledge of the financial sector in general .

The following factors are considered when appointing a director:

- Skills, knowledge and expertise of the proposed director;
- Amount of time the proposed director is able to devote to the board; and
- Qualifications and experience of the proposed director.

A due diligence exercise is carried out by International Proximity Management Services Limited to determine the suitability of the proposed director based on his or her qualifications and experience and whether he or she meets the fit and proper test.

No permanent chairperson has been appointed for the Company. At each meeting, the directors appoint one among them to act as the chairperson for that specific meeting.

Re-election

The directors are subject to re-election by the shareholder at the annual meeting.

Continuous Professional Development

The directors are of sufficient calibre and have the necessary expertise. The Board is apprised of all the developments relating to the IT sector.

Planning for Succession

Upon any change in directorship the Board assumes the responsibilities for succession planning as well as for the appointment of new directors. All directors, not limited to newly appointed directors are provided with day to day operational updates pertaining to the Company by the administrator and Company Secretary, International Proximity Management Services Private Limited, acting for and on behalf of the Company.

Management Assessment

The Company is compliant with Principle 3 of the Code of Corporate Governance as the above-mentioned measures are deemed adequate given the nature and business activity of the Company.

Principle 4: Directors' duties, remuneration and performance

Duties

All the directors on the Board are fully apprised of their fiduciary duties as required under the Companies Act 2001 and other laws and regulations and they use care, skill and diligence while exercising the same. The Board oversees the way the Company operates and ensures that sound policies already agreed upon are followed. The Board regularly monitors and evaluates compliance with its Code of Ethics.

The effectiveness of Board and its directors are evaluated on a periodic basis.

Allocation of Time

Each director is appointed with due consideration to the amount of time and care that they can devote to the Board.

Conflict of Interest

The directors must declare the nature of their interest(s), depending on the following circumstances:

(a) at the meeting of the directors at which the question of entering into the contract or arrangement is first taken into consideration;

(b) if the director is not at the date of the meeting interested in the proposed contract or arrangement, then at the next meeting held after he becomes interested; or

Principle 4: Directors' duties, remuneration and performance (cont'd)

Conflict of Interest (cont'd)

(c) in a case where the director becomes interested in a contract or arrangement after it is made, then at the first meeting of the directors held after he becomes so interested.

Directors disclose promptly any direct and indirect interest in contracts or transactions with the Company. The Company Secretary maintains an interest register and is available for consultation to the Holding Company upon written request to the Company Secretary.

Supply of Information on a Timely Manner

Notices, agenda and board papers are sent to the directors within a reasonable time frame prior to a particular meeting.

The Company Secretary has effective information, information technology and information security policies and strategies in place. The Company Secretary ensures that the correct information flows within the Board and provides accurate, timely and clear information to the Board as and when required. The Directors ensure strict confidentiality with respect to information obtained and shared while exercising their duties.

Remuneration

Messrs Aslam Koomar is the officer of the administrator of the Company, that is International Proximity Management Services Limited, and is also the resident directors of the Company. International Proximity Management Services Limited is entitled to an administration fee for directorship services exercised by its officers as per existing service agreement in place.

The remuneration of the directors of the Company is governed by sections 5.2 of the Constitution. Currently, no directors on the Board are entitled to a remuneration. No other remuneration has been paid to the directors in form of share options or bonuses or bonuses associated with organisational performance.

Management assessment

The Company has adequate measures in place to comply with Principle 4 of the Code of Corporate Governance given its nature and business activity.

Principle 5: Risk Governance and Internal Control

Risk Governance

The Board is ultimately responsible for the governance of risk, the Company's system of internal control and for reviewing its effectiveness. The Board confirms that there is an ongoing process for identifying, evaluating and managing the various risks faced by the Company. Further, risks and uncertainties are managed at the level of the board of directors of the Company.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 MARCH 2021

Principle 5: Risk Governance and Internal Control (cont'd)

Risk Governance (cont'd)

Considering the size and nature of its business activities, that is providing investment management services, the Company does not have a whistle blowing policy in place. Instead, all the Company's affairs are addressed to the Board.

The Board is responsible for the day to day management as well as the Company's strategic, financial, operational and compliance risk matters. Further, the Board has developed and implemented appropriate framework and effective process for the sound management of risk. There are no significant areas which are not covered by the system of internal control. During the year under review there were no risks or deficiencies in the Company's system of internal controls.

Management Assessment

The Company has the requisite risk mechanisms in place which are in line with its business activity and is therefore compliant with Principle 5 of the Code of Corporate Governance, except for certain criteria as highlighted under the statement of non-compliance.

Principle 6: Reporting with Integrity

The directors are responsible for the preparation and fair presentation of the financial statements, comprising the Company's statement of financial position, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards ("IFRS") and the Companies Act 2001. The financial statements for the year ended 31 March 2020 were filed with the ROC on 28 October 2020.

The directors' responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Management assessment

The Company is compliant with Principle 6 of the Code of Corporate Governance.

Principle 7: Audit

The auditors of the Company are BDO & Co. BDO & Co have in built processes to observe the highest standards of business and professional ethics. They are responsible for reporting on whether the financial statements are fairly presented.

BDO &Co was re-appointed as the statutory auditors for the financial year ended 31 March 2021 by way of a set of shareholder's resolutions in lieu of holding a shareholder's meeting in September 2020.

Principle 7: Audit (cont'd)

The responsibility of monitoring the internal control systems in place has been kept at the Board level, given the size and complexity of the Company. As such, no internal audit function has been established.

Management assessment

The Company is compliant with Principle 7 of the Code of Corporate Governance.

Principle 8: Relations with Shareholders and other key Stakeholders

The sole shareholder has confirmed the appointment of the existing directors and the auditors of the Company for the financial year 2020-21

The Company will call an annual meeting from shareholder not later than 6 months after the balance sheet date of the Company. Written notice of the time and place of a meeting of member shall be sent to the member entitled to receive notice of the meeting and to every director, secretary and auditor of the Company not less than 7 days before the meeting.

Management assessment

The Company is compliant with Principle 8 of the Code of Corporate Governance.

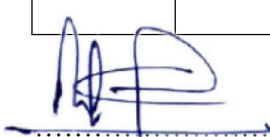
CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 MARCH 2021

Annexure 1

STATEMENT OF COMPLIANCE UNDER SECTION 75(3) OF THE FINANCIAL REPORTING ACT 2004

We, the Directors of 3i Infotech Holdings Private Limited confirm that to the best of our knowledge that 3i Infotech Holdings Private has complied with all its obligations and requirements under the NCCG other than for the followings:

Principle	Description	Criteria	Reasons for Non-Compliant/Proposed Action Plan
2	Boards and its Committees	All organisations should have, at a minimum, an audit committee. If an organisation does not have an audit committee, it should explain its reasons.	Due to the nature of the activities of the Company, no sub-committees (Audit Committee, Corporate Governance Committee, Board Risk Committee, Remuneration Committee, or Nomination Committee) have been set up. The Board collectively considers the measures in respect of the Code of Corporate Governance. The Board assumes responsibility for leading and controlling the organisation, meeting all legal and regulatory requirements.
2	Boards and its Committees	Definition of the roles and responsibilities of each Board committee, including the following information: the number of members, the number of independent members, the name of the committee Chairperson, and the names of the other members; the attendance record of all members at committee meetings; the scope of each committee's responsibility and how frequently the Board reassesses the Charter of each committee.	Due to its size and nature of activities the Company does not deem it necessary to have a board committee
5	Risk Governance and Internal Control	Report on whistle-blowing rules and procedures; possible protections could include confidential hotlines, access to a confidential and independent person or office, safe harbours and rewards, or immunity to whistle blowers.	Considering the size and nature of its business activities, that is investment holding, the Company does not have a whistle blowing policy in place. Instead, all the Company's affairs are addressed to the Board.



Aslam Koomar
Director

Date 30 September 2021

SECRETARY'S CERTIFICATE FOR THE YEAR ENDED MARCH 31, 2021

We certify that, to our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of **3i Infotech Holdings Private Limited** ("the Company") under the Companies Act 2001 for the year ended March 31, 2021.



for International Proximity Management Services Limited

COMPANY SECRETARY

Date: 30 September 2021

3I INFOTECH HOLDINGS PRIVATE LIMITED

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INDEPENDENT AUDITOR'S REPORT

To the Shareholder of 3i Infotech Holdings Private Limited

Report on the audit of the Financial Statements

We have audited the separate financial statements of **3i Infotech Holdings Private Limited** (the "Company") on pages 8 to 28 which comprise the statement of financial position as at March 31, 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity, the statement of cash flows for the year then ended and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the separate financial statements on pages 8 to 28 give a true and fair view of the financial position of the Company as at March 31, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the "IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the directors' report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the separate 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Corporate Governance Report

Our responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the public interest entity has, pursuant to section 75 of the Financial Reporting Act, complied with the requirements of the Code.



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INDEPENDENT AUDITOR'S REPORT (CONT'D)

To the Shareholder of 3i Infotech Holdings Private Limited

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs 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.

As part of an audit in accordance with ISAs, 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of directors' 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.



3i INFOTECH HOLDINGS PRIVATE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONT'D)

To the Shareholder of 3i Infotech Holdings Private Limited

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

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.

Report on Other Legal and Regulatory Requirements

Companies Act 2001

We have no relationship with, or interests in, the Company, other than in our capacity as auditor and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Other Matter

This report is made solely to the member of **3i Infotech Holdings Private Limited**, as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Port Louis,
Mauritius.

27.10.2021

BDO & Co

BDO & Co
Chartered Accountants

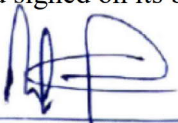
Lilawattee Tarachand


Lilawattee Tarachand, FCA, FCMA
Licensed by FRC

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2021

	<u>Notes</u>	<u>2021</u> Rs.	<u>2020</u> Rs.
ASSETS			
Non-current assets			
Investment in subsidiary companies	5	2,271,350,118	2,270,624,646
Share application monies on investments	6	243,996,445	244,970,880
Financial assets at amortised cost	7(a)	4,225,515,281	3,986,183,172
		<u>6,740,861,844</u>	<u>6,501,778,698</u>
Current assets			
Financial assets at amortised cost	7(b)	552,917,812	534,487,665
Prepayments		3,858	76,690
Cash and cash equivalents	8	137,351	650,854
		<u>553,059,021</u>	<u>535,215,209</u>
Total assets		<u><u>7,293,920,865</u></u>	<u><u>7,036,993,907</u></u>
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	9	6,258,371,598	6,258,371,598
Revenue deficit		<u>(3,394,943,252)</u>	<u>(3,325,584,739)</u>
Total equity		<u><u>2,863,428,346</u></u>	<u><u>2,932,786,859</u></u>
Non-current liabilities			
Redeemable convertible preference share capital	10 (a)	3,564,119,457	3,405,509,898
Premium payable on conversion of redeemable preference shares	10 (b)	865,423,443	697,723,475
		<u>4,429,542,900</u>	<u>4,103,233,373</u>
Current liabilities			
Other payables	11	836,310	845,225
Current tax liabilities	12(a)	113,309	128,450
		<u>949,619</u>	<u>973,675</u>
Total equity and liabilities		<u><u>7,293,920,865</u></u>	<u><u>7,036,993,907</u></u>

These separate financial statements have been approved for issue by the Board of Directors on 30 September 2021 and signed on its behalf by:


 Name: Aslam Koomar
 Director


 Name: Harish Shenoy
 Director

The notes on pages 12 to 28 form an integral part of the financial statements.
 Independent auditor's report on pages 5 to 7.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE
YEAR ENDED MARCH 31, 2021**

	<u>Notes</u>	<u>2021</u> Rs.	<u>2020</u> Rs.
INCOME			
Interest income	15	<u>4,088,970</u>	3,697,708
EXPENSES			
Administrative expenses		1,866,785	1,727,488
Professional fees		950,160	1,011,444
Bank charges		<u>32,302</u>	73,712
		<u>2,849,247</u>	<u>2,812,644</u>
Profit before foreign exchange		1,239,723	885,064
Net foreign exchange (loss)/gain	13	<u>(51,319,261)</u>	<u>63,348,466</u>
(Loss)/profit before finance costs		<u>(50,079,538)</u>	64,233,530
Net finance costs	14	<u>(19,150,525)</u>	<u>(15,625,771)</u>
(Loss)/profit before taxation		<u>(69,230,063)</u>	48,607,759
Income tax expense	12(b)	<u>(128,450)</u>	<u>(128,450)</u>
(Loss)/profit for the year		<u>(69,358,513)</u>	48,479,309
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>(69,358,513)</u></u>	<u><u>48,479,309</u></u>

The notes on pages 12 to 28 form an integral part of the financial statements.
Independent auditor's report on pages 5 to 7.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

	Stated capital Rs.	Revenue deficit Rs.	Total equity Rs.
Balance at April 1, 2020	6,258,371,598	(3,325,584,739)	2,932,786,859
Total comprehensive income:			
- Loss for the year	-	(69,358,513)	(69,358,513)
Balance at March 31, 2021	6,258,371,598	(3,394,943,252)	2,863,428,346
Balance at April 1, 2019	6,258,371,598	(3,374,064,048)	2,884,307,550
Total comprehensive income:			
- Profit for the year	-	48,479,309	48,479,309
Balance at March 31, 2020	6,258,371,598	(3,325,584,739)	2,932,786,859

The notes on pages 12 to 28 form an integral part of the financial statements.
Independent auditor's report on pages 5 to 7.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
		Rs.	Rs.
Cash flows from operating activities			
(Loss)/profit before taxation		(69,230,063)	48,607,759
<i>Adjustments for:</i>			
Interest income		(4,088,970)	(3,697,708)
Finance costs	14	19,150,525	15,625,771
Exchange difference		72,890,298	(63,254,183)
<i>Changes in working capital:</i>			
- Financial assets at amortised cost		(18,430,147)	3,219,190
- Prepayments		72,832	19,620
- Other payables		(8,915)	(406,385)
Cash generated from/(used in) operating activities		355,560	114,064
Tax paid	12(a)	(143,591)	-
Net cash generated from/(used in) operating activities		211,969	114,064
Cash flows from investing activities			
Acquisition of subsidiary	5	(725,472)	(288,130)
Net cash used in investing activities		(725,472)	(288,130)
Net decrease in cash and cash equivalents		(513,503)	(174,066)
Movement in cash and cash equivalents			
At April 1,		650,854	824,920
Decrease		(513,503)	(174,066)
At March 31,	8	137,351	650,854

The notes on pages 12 to 28 form an integral part of the financial statements.
Independent auditor's report on pages 5 to 7.

1. GENERAL INFORMATION

3i Infotech Holdings Private Limited (the "Company") was incorporated in the Republic of Mauritius on November 20, 2006. The Company's activity is that of investment holding. Its registered office is 5th Floor, Ebene Esplanade, 24 Cybercity, Ebene.

These separate financial statements will be submitted for consideration and approval at the forthcoming Annual Meeting of shareholder of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the separate financial statements of the Company are set out below.

2.1 Basis of preparation

The financial statements of *3i Infotech Holdings Private Limited* comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Where necessary, comparative figures have been amended to conform with change in presentation in the current year. The financial statements are prepared under the historical cost convention except for relevant financial assets and liabilities which are stated at fair values.

Amendments to published Standards effective in the reporting period

Definition of a Business (Amendments to IFRS 3) clarifies the definition of a business to help determine whether a transaction should be accounted for as a business combination or an asset acquisition and permits, in certain circumstances, a simplified assessment that an acquired set of activities and assets is not a business. The amendments have no impact on the Company's financial statements.

Definition of Material (Amendments to IAS 1 and IAS 8) clarifies the definition of material and aligns the definitions used across IFRSs and other IASB publications. The amendments have no impact on the Company's financial statements.

Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7) provides relief from certain hedge accounting requirements in order to avoid unnecessary discontinuation of existing hedge relationships during the period before the replacement of an existing interest rate benchmark with an alternative interest rate. The amendments have no impact on the company's financial statements.

Amendments to References to the Conceptual Framework in IFRS Standards relate to minor amendments to various standards to reflect the revised Conceptual Framework for Financial Reporting. The amendments have no impact on the Company's financial statements.

Covid-19-Related Rent Concessions (Amendment to IFRS 16) provides an option to apply a simplified accounting treatment to some lease modifications in the accounts of the lessee. The amendment has no impact on the Company's financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

Amendments to published Standards effective in the reporting period (cont'd)

Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) extends the temporary exemption to accounting periods beginning before January 1, 2023. The amendments have no impact on the Company's financial statements.

Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2021 or later periods, but which the Company has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

IFRS 17 Insurance Contracts

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

Annual Improvements 2018-2020

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)

Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)

Reference to the Conceptual Framework (Amendments to IFRS 3)

Amendments to IFRS 17

Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

Where relevant, the Company is still evaluating the effect of these Standards, amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

2.2 Investment in subsidiary companies

Separate financial statement of the investor

In the separate financial statements of the investor, investment in subsidiary companies are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investment.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Investment in subsidiary companies (cont'd)

Consolidated financial statements

These are the separate financial statements with information about the Company as an individual company and do not contain consolidated financial information as the parent of a group.

3i Infotech Holdings Private Limited elected not to present consolidated financial statements. The Company is a wholly owned subsidiary of 3i Infotech Limited, a company incorporated in the India. The election is in accordance with the exemption under paragraph 4(a) of IFRS 10 - Consolidated Financial Statements as 3i Infotech Limited prepares consolidated financial statements in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 that are in line with International Financial Reporting Standards and are available for public use.

These consolidated financials can be obtained on the website of 3i Infotech Limited.

Details on the investment in subsidiary company are included under note 5.

2.3 Financial assets

The Company classified its financial assets at amortised cost as discussed below.

These types of financial assets are held in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for amount receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Company's financial assets measured at amortised cost comprise loans and amounts receivables from related parties and cash and cash equivalents in the statement of financial position.

Cash & cash equivalents includes cash at bank.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Financial liabilities

The Company classifies its financial liabilities at amortised cost as discussed below:

Financial liabilities include the following items:

The Company's redeemable preference shares are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

(ii) *Other payables*

Other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

2.5 Current and deferred income tax

The tax expense for the period comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred income 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. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

2.5 Current and deferred income tax

Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable amounts will be available against which deductible temporary differences and losses can be utilised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Share capital

Ordinary shares

Ordinary shares are classified as equity.

Preference share capital

Preference share capital is classified as equity if it is non-redeemable or redeemable only at the Company's option, and any dividend are discretionary. Discretionary dividends thereon are recognised as distributions within the equity upon approval by the Company's shareholders.

Mandatorily redeemable preference shares are classified as liabilities.

2.7 Borrowings

Borrowings are recognised at fair value being their issue proceeds net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as interest expense.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liabilities for at least twelve months after the end of reporting date.

2.8 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

2.9 Foreign currencies

(i) *Functional and presentation currency*

Items included in the financial statements are measured using Mauritian Rupees (Rs.), the currency of the primary economic environment in which the entity operates ("functional currency").

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.10 Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

2.11 Revenue recognition

Revenues earned by the Company are recognised on the following bases:

- Interest income is calculated by applying the effective interest rate to the gross amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).
- Dividend income - when the shareholder's right to receive payment is established.
- Other income - as it accrues unless collectibility is in doubt.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

3. FINANCIAL RISK MANAGEMENT

3.1 *Financial risk factors*

The Company's activities expose it to a variety of financial risks, including:

- market risk (including currency risk, fair value interest rate risk and cash flow interest risk);
- credit risk;
- liquidity risk; and
- concentration risk;

A description of the significant risk factors is given below together with the risk management policies applicable.

Market riskCurrency risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to US Dollar ("USD") and Euro ("EUR").

Currency profile

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	Financial assets		Financial liabilities	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
USD	4,778,570,444	4,521,321,691	3,288,852,668	3,092,113,609
EUR	-	-	1,141,526,542	1,011,964,989
	4,778,570,444	4,521,321,691	4,430,379,210	4,104,078,598

The above currency profile excludes prepayments amounting to Rs.3,858 (2020: Rs.76,690) from financial assets and current tax liabilities Rs.113,309 (2020: Rs.128,450).

Sensitivity analysis

At March 31, 2021 and 2020, if the Mauritian Rupee (Rs.) had weakened/strengthened by 5%, against USD and Euro with all other variances held constant, pre-tax results would have changed as follows:

	2021	2020
	Rs.	Rs.
USD	74,485,889	71,460,404
EUR	(57,076,327)	(50,598,249)

Cash flow and fair value interest rate risk

As the Company's interest-bearing assets bear fixed interest rate and has borrowings and other payables which bear fixed interest rate at the reporting date, its income and operating cash flows are substantially independent of changes in market interest rates.

Credit risk

Credit risk arises from cash and cash equivalents and credit exposures to receivables from related parties. For banks and financial institutions, only independently rated parties are accepted. The Company's credit risk is primarily attributable to amount receivable from its related parties. This amount excludes share application monies on investment as shown in Note 6.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 *Financial risk factors (cont'd)*

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company aims at maintaining flexibility in funding through support from the holding company.

The table below summarises the maturity profile of the Company's financial liabilities based on the remaining period at the end of the reporting period to the contractual maturity date.

	Less than 1 year	More than 1 year
	Rs.	Rs.
<u>At March 31, 2021</u>		
Redeemable convertible preference share capital	-	3,564,119,457
Premium payable on conversion of redeemable preference shares	-	865,423,443
Other payables	836,310	-
	836,310	-
<u>At March 31, 2020</u>		
Redeemable convertible preference share capital	-	3,405,509,898
Premium payable on conversion of redeemable preference shares	-	697,723,475
Other payables	845,225	-
	845,225	-

Concentration risk

The Company's investments are concentrated mainly in the United States of America. The Company is, therefore, exposed to economic risks inherent to that country.

3.2 **Fair value estimation**

The nominal value less estimated credit adjustments of receivables and payables are assumed to approximate their fair values.

The fair value of those financial assets and liabilities not presented on the Company's statement of financial position at the fair values are not materially different from their carrying amounts.

3.3 **Capital risk management**

The Company's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders.

The debt-to-capital ratios of the Company as at March 31, 2021 and 2020 were as follows:

	2021	2020
	Rs.	Rs.
Total debts (note 10(a) and (b))	4,429,542,900	4,103,233,373
Less: cash and cash equivalents (note 8)	(137,351)	(650,854)
Net debts	4,429,405,549	4,102,582,519
Total equity	2,863,428,346	2,932,786,859
Debt-to-capital ratio	1.55:1	1.40:1

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year as discussed below.

(a) Fair value of securities not quoted in an active market

The fair value of securities not quoted in an active market may be determined by the Company using valuation techniques including third party transaction values, earnings, net asset value or discounted cash flows, whichever is considered to be appropriate. The Company would exercise judgement and estimates on the quantity and quality of pricing sources used. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(b) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(c) Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Company's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Company's view of possible near-term market changes that cannot be predicted with any certainty.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

5. INVESTMENT IN SUBSIDIARY COMPANIES

	2021 Rs.	2020 Rs.
At start	2,270,624,646	2,270,336,516
Additions	725,472	288,130
At end	2,271,350,118	2,270,624,646

(a) The subsidiary companies are as follows:

	Name of company	Line of business	Country of incorporation	Year ended	Class of shares held	2021 & 2020	
						% holding	USD
(i)	3i Infotech Inc	IT Services and Staffing Services	USA	March 31	Class A & B - Ordinary	100%	1,745,363,127
					Preference shares	100%	182,476,443
							1,927,839,570

The directors have reviewed the carrying value of the Company's interest in the subsidiary company for 4,251,536,323 (Class A & B) at the end of the reporting date and considered that there is no indication of additional impairment. The impairment to date amounts to Rs.2,506,173,196.

	Name of company	Line of business	Country of incorporation	Year ended	Class of shares held	2021 & 2020	
						% holding	USD
(ii)	3i Infotech (Middle East) FZ LLC	Software consultancy and customer service, software developer and solution provider and support services	United Arab Emirates	March 31	Ordinary	100%	339,759,120

The directors have reviewed the carrying value of the Company's interest in the subsidiary company at the end of the reporting date and considered that there is no indication of impairment. The investment in 3i Infotech (Middle East) FZ LLC is Rs. 339,759,120.

	Name of company	Line of business	Country of incorporation	Year ended	Class of shares held	2021 & 2020	
						% holding	USD
(iii)	3i Infotech (South Africa) Proprietary Limited	IT services	South Africa	March 31	Ordinary	100%	3

The directors have reviewed the carrying value of the Company's interest in the subsidiary company at the end of the reporting date and considered that there is no indication of impairment. The investment in 3i Infotech (South Africa) Proprietary Limited is Rs.3.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

5. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

	Name of company	Line of business	Country of incorporation	Year ended	Class of shares held	2021 & 2020	2021 & 2020
						% holding	USD
(iv)	3i Infotech (Cyprus) Limited	Holding of investments	Cyprus	March 31	Ordinary	100%	-

The investment of Rs.1,280,595,427 in 3i Infotech (Middle East) FZ LLC has been fully impaired as at March 31, 2020.

	Name of company	Line of business	Country of incorporation	Year ended	Class of shares held	2021 & 2020	2021 & 2020
						% holding	USD
(v)	3i Infotech Software Solution LLC	IT services	United Arab Emirates	March 31	Ordinary	100%	2,737,823

(a) During the year 2019, the Company has acquired 49% of 3i Infotech Software Solution LLC. With a view of carrying business in Dubai, the Company has also paid for the other 51% held by Almuftah Commercial Brokerage, and the latter has assigned all the rights and benefits of the said 51% shares to the Company, and irrevocably pledged those shares to the Company. As a result, the Company has accounted for 100% of the cost of the investment.

(b) The directors have reviewed the carrying value of the Company's interest in the subsidiary company at the end of the reporting date and considered that there is no indication of impairment.

	Name of company	Line of business	Country of incorporation	Year ended	Class of shares held	2021	2021
						% holding	USD
(vi)	3i Infotech Nigeria Limited	Computer Programming, IT Consultance and IT Enabled Services	Nigeria	March 31	Class A - Ordinary	100%	1,006,175

(a) The directors have reviewed the carrying value of the Company's interest in the subsidiary company at the end of the reporting date and considered that there is no indication of impairment.

	Name of company	Line of business	Country of incorporation	Year ended	Class of shares held	2021 & 2020	2021 & 2020
						% holding	USD
(vii)	3i Infotech Netherlands BV	IT services	Netherlands	March 31	Class A - Ordinary	100%	3,527

(a) The directors have reviewed the carrying value of the Company's interest in the subsidiary company at the end of the reporting date and considered that there is no indication of impairment.

	Name of company	Line of business	Country of incorporation	Year ended	Class of shares held	2021	2021
						% holding	USD
(viii)	3i Infotech Canada	Software solution and services	Canada	March 31	Class A - Ordinary	100%	3,900

(a) The directors have reviewed the carrying value of the Company's interest in the subsidiary company at the end of the reporting date and considered that there is no indication of impairment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

6. SHARE APPLICATION MONIES ON INVESTMENTS	2021	2020
	Rs.	Rs.
At start	244,970,880	244,970,880
Refund from subsidiary company	(974,435)	-
At end	<u>243,996,445</u>	<u>244,970,880</u>

The share application monies are as follows:

	2021	2020
	Rs.	Rs.
3i Infotech Inc.	213,375,085	214,349,520
3i Infotech (Middle East) FZ LLC	30,621,360	30,621,360
	<u>243,996,445</u>	<u>244,970,880</u>

7. FINANCIAL ASSETS AT AMORTISED COST	2021	2020
	Rs.	Rs.
(a) Non current		
Redeemable convertible preference shares (Note 7(a)(i) and (ii))	3,281,333,389	3,183,112,110
Premium receivable on conversion of preference redeemable shares (Note 7(a)(iii) and (iv))	944,181,892	803,071,062
	<u>4,225,515,281</u>	<u>3,986,183,172</u>

(i) The movement in Redeemable convertible preference shares are as follows:

	2021	2020
	Rs.	Rs.
At start	3,183,112,111	2,809,821,185
Foreign exchange gain (note 13)	98,221,278	373,290,925
At end	<u>3,281,333,389</u>	<u>3,183,112,110</u>

(ii) The Redeemable convertible preference shares as at March 31, 2021 and 2020 are made up as follows:

	2021	2020
3i Infotech Inc	Rs.	Rs.
Series B - Preference shares	851,209,579	825,730,030
Series C - Preference shares	2,430,123,810	2,357,382,080
	<u>3,281,333,389</u>	<u>3,183,112,110</u>

(iii) The movement in Premium receivable on conversion of preference redeemable shares are as follows:

	2021	2020
	Rs.	Rs.
At start	803,071,062	611,875,775
Foreign exchange gain (note 13)	24,780,361	81,289,043
Premium for the year on conversion of preference redeemable shares (note 14)	116,330,469	109,906,244
At end	<u>944,181,892</u>	<u>803,071,062</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

7. FINANCIAL ASSETS AT AMORTISED COST (CONT'D)

(a) Non current (cont'd)

(iv) The Premium receivable on conversion of preference redeemable shares as at March 31, 2021 and 2020 are made up as follows:

	2021	2020
	Rs.	Rs.
3i Infotech Inc		
Series B - Preference shares	236,437,616	201,181,118
Series C - Preference shares	707,744,276	601,889,944
	<u>944,181,892</u>	<u>803,071,062</u>

(b) Current

	2021	2020
	Rs.	Rs.
Receivables from subsidiary companies (Note 15(ii))	491,483,746	471,302,434
Loan to holding company (Note 15(i))	61,434,066	63,185,231
	<u>552,917,812</u>	<u>534,487,665</u>
	<u>4,778,433,093</u>	<u>4,520,670,837</u>

(v) The carrying amounts of the financial assets at amortised cost are denominated in USD.

(vi) The total amount due from related parties represents management's best estimates of the amounts expected to be recoverable as at March 31, 2021 and 2020.

(vii) Out of the receivables from subsidiary companies, Rs.84,276,054 (2020: Rs.80,187,084) bear interest at the rate of 4% and 5% and are repayable on demand.

(viii) The loan to holding company is unsecured, interest-free and repayable on demand.

8. CASH AND CASH EQUIVALENTS

	2021	2020
	Rs.	Rs.
Cash at bank	<u>137,351</u>	<u>650,854</u>

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

9. STATED CAPITAL

	2021 & 2020	
<u>Issued and fully paid</u>	Number of shares	Shares of no par value Rs.
At start, and at end,	<u>6,258,371,598</u>	<u>6,258,371,598</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

10. REDEEMABLE CONVERTIBLE PREFERENCE SHARES	2021	2020
	Rs.	Rs.
(a) At April 1,	3,405,509,898	3,016,850,474
Foreign exchange loss (note 13)	158,609,559	388,659,424
At March 31, (note 15)	3,564,119,457	3,405,509,898

The redeemable convertible preference shares of no par value are as follows:

	2021 & 2020	
	Number of shares	
Series A (<i>denominated in EUR</i>)	891,631,605	891,631,605
Series C (<i>denominated in USD</i>)	1,780,361,142	1,780,361,142
Series D (<i>denominated in USD</i>)	21,878,720	21,878,720
At March 31,	2,693,871,467	2,693,871,467

Terms and conditions

- (i) The holders shall have no right to request for early redemption.
- (ii) The Company reserves the right to redeem the shares at its will.
- (iii) The redemption amount shall not be less than 115% of the principal amount.
- (iv) The Company shall mandatorily redeem all the shares in each series for cash as below:

Class of Preference shares	Redemption date	% of capital amount redeemed	Redeemed in
Series A	March 24, 2025	139.627%	Euro
Series C	March 24, 2025	141.428%	USD
Series D	March 24, 2025	115%	USD

- (v) (a) The subscriber shall have the right to apply for conversion of the preference shares into 1 ordinary share for consideration of Rs. 1 each for every 1 preference share held, irrespective of the Series.
- (b) The shareholder shall apply for conversion at any time before March 17, 2025.

(b) Premium payable on conversion of preference redeemable shares	2021	2020
	Rs.	Rs.
At start	697,723,475	506,844,450
Foreign exchange loss (note 13)	32,218,974	65,347,010
Premium payable for the year (note 14)	135,480,994	125,532,015
At end (note 10(i))	865,423,443	697,723,475

- (i) The premium payable on conversion of preference redeemable shares is as follows:

	2021	2020
	Rs.	Rs.
Series A	218,460,541	168,452,988
Series C	644,036,988	526,853,248
Series D	2,925,914	2,417,239
	865,423,443	697,723,475

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

11. OTHER PAYABLES	2021	2020
	Rs.	Rs.
Accruals	825,715	838,535
Others	6,695	6,690
	832,410	845,225

12. INCOME TAX

The Company is liable to pay tax in Mauritius at the rate of 15%. However, the Company is entitled to foreign tax credit which is the higher of:

- (i) deemed foreign tax credit of 80% of Mauritius tax charge; or
- (ii) withholding tax suffered on foreign source income.

(a) Statement of financial position	2021	2020
	Rs.	Rs.
At April 1,	128,450	-
Paid during the year	(143,591)	-
Under provision in previous year	(15,141)	-
Charge for the year (Note 12(b))	128,450	128,450
At March 31,	113,309	128,450

(b) Statement of profit or loss and other comprehensive income

The tax on the Company's results before taxation differs from the theoretical amount that would arise using the basic rate of the Company as follows:

	2021	2020
	Rs.	Rs.
(Loss)/profit before taxation	(69,230,063)	48,607,759
Tax calculated at the rate of 15% (2020: 15%)	(10,384,509)	7,291,164
Expenses not allowable for tax purposes	13,046,613	2,380,077
Other deductible items	(2,471,866)	(9,485,113)
Utilisation of tax losses brought forward	40,068	(57,678)
Other adjustments	(101,856)	-
Tax charge	128,450	128,450

As at March 31, 2021, the Company had no accumulated tax losses in respect of which no deferred tax asset has been recognised due to unpredictability of future profit streams (2020: Nil).

13. NET FOREIGN EXCHANGE (LOSSES)/GAIN	2021	2020
	Rs.	Rs.
Foreign exchange gain on financial assets at amortised cost (Note 7(a))	123,001,639	454,579,968
Foreign exchange gain on other financial assets at amortised cost	16,496,643	62,660,547
Foreign exchange loss on redeemable convertible preference shares (Note 10(a))	(158,609,559)	(388,659,424)
Foreign exchange loss on premium payable on conversion of preference redeemable shares (Note 10(b))	(32,218,974)	(65,347,010)
Other foreign gains	10,990	114,385
	(51,319,261)	63,348,466

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

14. NET FINANCE COSTS	2021	2020
	Rs.	Rs.
Premium receivable on conversion of preference redeemable shares (Note 7)	116,330,469	109,906,244
Premium payable on conversion of preference redeemable shares (Note 10(b))	<u>(135,480,994)</u>	<u>(125,532,015)</u>
	<u>(19,150,525)</u>	<u>(15,625,771)</u>

15. RELATED PARTY TRANSACTIONS

The related party transactions during the year ended March 31, 2021 and 2020, are as follows:

(i) <u>Holding company</u>	2021	2020
	Rs.	Rs.
Redeemable preference shares (Note 10(a))	(3,564,119,457)	(3,405,509,898)
Premium payable on redemption of redeemable preference shares (Note 10(b))	(865,423,443)	(697,723,475)
Amount receivable (Note 7(b))	<u>61,434,066</u>	<u>63,185,231</u>

The movements during the year represent mainly foreign exchange gain on translation.

(ii) <u>Subsidiary companies</u>	2021	2020
	Rs.	Rs.
Preference shares (Note 7(a))	3,281,333,389	3,183,112,110
Accrued interest income (Note 7(a))	944,181,892	803,071,062
Amount receivable (Note 7(b))	407,207,692	391,115,350
Loans receivable (Note 7(b))	84,276,054	80,187,084
Interest income	<u>4,088,970</u>	<u>3,697,708</u>

(a) **Terms and conditions of transactions with related parties**

- (i) Outstanding balances at the year-end are unsecured and interest-free except for the loans receivable from subsidiary companies which bear interest at the rate of 4% and 5% and are repayable on demand.
- (ii) There have been no guarantees received or provided for any outstanding balances.
- (iii) For the years ended March 31, 2021, the Company has not recorded any impairment with respect to amounts owed by related parties (2020: Rs.Nil). This assessment is undertaken through examining the financial position of the related party and the market in which the party operates.
- (iv) The terms and conditions of amounts receivable and payable are disclosed in notes 7 and 10.
- (v) The above transactions have been made on normal commercial terms and in the ordinary course of business.

16. **HOLDING COMPANY**

The directors consider 3i Infotech Limited, a company incorporated in India, as the holding company.

17. **CONTINGENT LIABILITIES**

There were no contingent liabilities as at March 31, 2021.

18. IMPACT OF COVID-19

The Directors acknowledge the current outbreak of COVID-19 which is causing economic disruption in most countries. There is additional risk factor which could impact the operations and the valuation of the Company's assets after year end. The Directors are actively monitoring developments closely. Given the nature of the outbreak and the on-going developments, there is a high degree of uncertainty in the global markets.

The Directors have thus concluded that the developments after the year end did not provide evidence of conditions that existed at the end of the reporting period and have therefore assessed any impact they had as non-adjusting.

19. EVENTS AFTER THE REPORTING DATE

There are no material events after the reporting date which requires amendments and/or disclosure in the financial statements for the year ended March 31, 2021.