

CCAvenue®

LAUNCHING
THE WORLD'S MOST ADVANCED
OMNI-CHANNEL PAYMENT APP

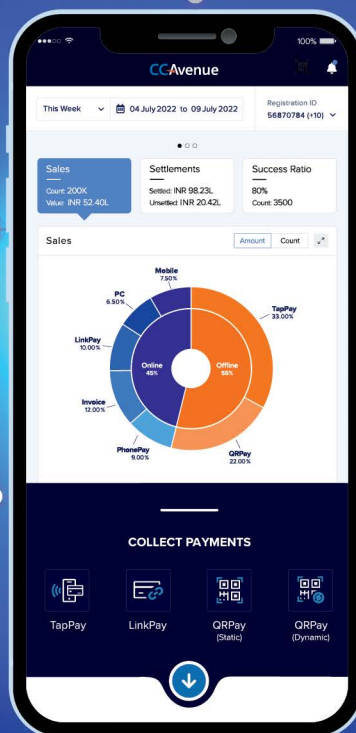
CCAvenue
TAPpay



CCAvenue
LINKpay



CCAvenue
QRpay



CCAvenue
WEBpay



CCAvenue
APPpay



CCAvenue
IVRpay



Table of Contents

| | | |
|--|---|--|
| About Us Page No. 08 | | |
| Chairman’s Letter to Shareholders Page No. 18 |  | The All-In-One CCAvenue Payment Solutions to Simplify Business Payments Page No. 07 |
| Corporate Governance Standards and Compliance Page No. 20 |  | Business Model Page No. 29-43 |
| | | Company’s Growth is Now at an Inflection Point Page No. 12 |

Overview

| | | | |
|---|-------|--|-------|
| An Eventful Year | 02-03 | How We Create Value Through Managing Our Five Capitals | 22 |
| Key Highlights of the Company | 04 | Review by the Managing Director | 24-26 |
| Key Advantages | 05 | Strategic Framework | 27 |
| The Connected Experience with Company’s Omnichannel Payments | 06 | Fintech Universe | 28 |
| The All-In-One CCAvenue Payment Solutions to Simplify Business Payments | 07 | Business Model (Merchant Centric Business Model) | 29 |
| About Us | 08 | Payments | 30-37 |
| Our Global Footprints | 09 | Platforms | 38-41 |
| Milestones | 11 | Finance | 41 |
| Company’s Growth is Now at an Inflection Point | 12 | Business Model Bank Centric Business Model | 42-43 |
| Key Performance Indicators | 14 | Revenue Model | 44-45 |
| Key Drivers of the Business | 16 | Awards | 46 |
| Fintech Adoptions Few Facts | 17 | | |
| Chairman’s Letter | 18-19 | | |
| Corporate Governance Standards and Compliance | 20-21 | | |

Statutory Reports

| | |
|----------------------------------|----|
| Management Discussion & Analysis | 47 |
| Corporate Information | 67 |
| Notice | 68 |
| Director’s Report | 89 |

Financial Statements

| | |
|-----------------------------------|---------|
| Standalone Financial Statements | 141-222 |
| Consolidated Financial Statements | 223-311 |

An Eventful Year

Strengthening Infibeam's Transformation

Corporate Governance and Security Standards



Payments Business, CCAvenue, achieved ISO/IEC 27001:2013 certification from the British Standard Institution (BSI) for its best-in-class information security management system. Company has an unwavering commitment towards corporate governance, and in retaining the highest levels of information security, confidentiality, integrity and availability of all data.



Further to ISO certification, Company renewed its PCI DSS 3.2.1 certification (highest global payment standards) for its digital payments platform to offer maximum level of security for online payments

STRENGTHENED DATA SECURITY WITH TOKENPAY

Launched a secure multi-network tokenisation solution, TokenPay, for businesses allowing their customers to have the convenience of saved card transactions with added security, in compliance with the RBI data security guidelines.

EXECUTIVE DIRECTOR, RE-ELECTED AS PCI CHAIRMAN

Company's executive director Mr. Vishwas Patel has been re-elected as chairman of the Payments Council of India (PCI), the apex industry body for digital operators in India's payments and settlement system that operates under the aegis of the Internet And Mobile Association of India (IAMAI)

Business Development

ACQUIRED UVIK TECHNOLOGIES TO OFFER SOFTPOS SOLUTION

Acquired Bengaluru-based Uvik Technologies for ₹ 750 million in a cash and stock deal. Uvik is in the contactless payments space and has developed a technology that converts any smartphone into a payment device.

INTERNATIONAL EXPANSION

Payments daily TPV in UAE doubled in less than 4 months and received Expression of Interest (EOI) coupled with primary investment from Royal family of Qatar.

EXPANDS NET BANKING PAYMENT OPTIONS

Expands its comprehensive payment options with the inclusion of NSDL Payments Bank's Net Banking facility. The company offers over 60 net banking options including international banks, among the highest in the industry.

PARTNERSHIP WITH AU SFB

CCAvenue partnered with AU Small Finance Bank for its comprehensive EMI Offering. CCAvenue is currently the provider of maximum EMI options in India, offering the EMI facilities of 13 leading banks including HDFC Bank's Debit Card EMI option.

EXPANDS BILL PAYMENTS IN KERALA

Infibeam partnered with BOXOP Solutions in Kerala to offer the BillAvenue platform for utility bill payment services. The BillAvenue platform will provide collection and processing services for utility bill payments for all customers

Investments for a Scalable and Sustainable Future



SERIES-A INVESTMENT

Cross border payments firm, Fable Fintech, incubated by the Company, raised funds in Series A round from the Company along with other marquee industry investors that include Pentathlon Ventures, Ashish Kacholia, Lashit Sanghvi, Sumeet Kanwar and many more. It caters to 20 banks, currency exchange companies, and Money Service Businesses across 8 countries. This includes 9 out of 10 large private sector banks in India.

RETAIL PAYMENT NETWORK

Through a majority owned subsidiary, So Hum Bharat Digital Payments, formed a consortium with one large Indian conglomerate and among two of the world's largest internet companies, to apply for a license from RBI for setting up New Umbrella Entity (NUE) for retail payments (similar to NPCI).

FINTECH STARTUP MANAGEMENT

Formed, Infibeam Project Management Private Ltd, to tap the new emerging opportunities of aiding the software & fintech startups with required prebuild infrastructure and ecosystem so that they can focus on their core business.

Key Highlights of the Company

INDIA'S FIRST

- Listed fintech company
- Retail payment gateway
- Enterprise eCommerce Software Platform

₹2,759 billion
Total TPV*
+ 98%

299 million
Number of transactions
+ 64%

5.7 million
Merchants
8,000+ avg. daily addition

₹1,691 billion
Total Payments TPV
+ 69%

₹1,068 billion
GeM GMV
+ 176%

85 million
BillAvenue Volume
+ 241%

₹12,939 million
Gross Revenue
+ 91%

₹11,341 million
Payments Revenue
+ 108%

₹1,598 million
Platforms Revenue
+ 22%

₹2,594 million
Net Revenue
+ 11%

₹1,450 million
EBITDA
+ 2%

₹837 million
PAT
+ 19%

56%
EBITDA as a % of Net Revenue

32%
PAT as a % of Net Revenue

750+
Employees

*excluding zero MDR payment options
Net Revenue = Gross Revenue less Operating expenses (payment processing charges)

Key Advantages

BUSINESS MODEL ADVANTAGE

- Agile and scalable fintech business model encompassing B2B omnichannel Digital Payments solutions (Payments), enterprise eCommerce Software Platforms (Platforms) and Lending solutions.
- Full-stack merchant-centric (Refer pg 29) and bank-centric (Refer pg 42) approach
- Pan India presence with a digital inclusive approach
- Expanding across fintech ecosystem organically and inorganically.

FINANCIAL ADVANTAGES

- Proven track record of consistent profitability
- 5 year TPV CAGR of 85% to ₹ 2,759 billion in FY22 from ₹ 126 billion in FY18
- 19% PAT growth in FY22
- Consistent improvement in core business' RoE, RoCE and RoA
- Strong operating & free cash flows and zero debt

PRODUCT ADVANTAGES

- Comprehensive fintech portofolio covering full-stack payments and ecommerce platforms
- Product development organically as well as through inorganic acquisitions
- Brand equity developed through 20 years of operations
- Fintech R&D backed by a team of 400+ fintech experts.

LOCAL & GLOBAL ADVANTAGES

- Pan India presence
- Increasing presence in GCC
- Launching soon in USA, Australia
- Will expand in multiple countries in the next 3-5 years

TECH & INFRASTRUCTURE CAPABILITIES

Data Center Infrastructure segment includes state-of-the-art Tier III data center built in collaboration with Schneider and IBM at GIFT City, Gandhinagar. The centre has received Tier-III design certification from Uptime Institute and is built on resilient and high-speed processors. The Company will run the captive workload through this data centre and will also open additional capacity as public cloud with the following services: Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS) (blockchain platform, e-commerce platform), Database-as-a-Service (DBaaS). The data centre business will offer storage as well as compute services. It will also provide domain infrastructure services under our 'OOO' generic top-level domain (gTLD) and will also run our advertisement platform frameworks. This centre houses the first IBM LinuxONE in India to run public cloud services and is the first production-ready blockchain platform in India running on HyperLedger.

The Connected Experience with Company's Omnichannel Payments

The consumer landscape is changing as they are now connected, making it easier to get the products and services they want, fast. Consumers are switching between physical and digital shopping and expect their interaction and shopping experience to be seamless. By implementing an omnichannel payments platform, payment data is unified, and businesses can gain the insight required to produce a single, accurate view of an individual shopper. This is crucial to delivering a coherent customer experience.

The Company, for this purpose, launched the world's most advanced omni-channel payment app in July 2022, with multiple ways of accepting payments and featuring India's first pin-on-glass SoftPOS solution – CCAvenue TapPay. The contactless technology, an all-in-one mobile app, can turn smartphones into payment terminals that also gives instant audio confirmation of payment receipt, all without any additional hardware and hence making it a no/low cost payment acceptance mechanism.

RBI data reveals that 79 million credit card holders spent on an average more than ₹ 1 trillion in each month of the first quarter of this fiscal, which is record high. Contribution of Credit and Debit cards spend between eCommerce (online) and POS (offline) in FY22 turned almost equal, after POS transactions suffered during the pandemic. POS contribution in FY23 is also expected to be close to 50%, based on Q1 FY23, Payment System Indicators data released by RBI.

The Company is entering offline to increase Digital Payments market share

| Nearing equal contribution between PoS and Ecommerce in Card spends | | | Credit and Debit card spends in FY23 is estimated to grow 28% YoY | | | |
|---|-----|-----------|---|-----|-----|-------------------|
| Years | POS | ECOMMERCE | Years | CC | DC | Total (₹ billion) |
| FY20 ¹ | 49% | 51% | FY20 | 51% | 49% | 1,435 |
| FY21 | 44% | 56% | FY21 | 49% | 51% | 1,291 |
| FY22 | 49% | 51% | FY22 | 57% | 43% | 1,703 |
| FY23 ² | 48% | 52% | FY23 ³ | 63% | 37% | 2,183 |

¹ RBI's Five months Payment System Indicators data

² RBI's Q1 FY23 Payment System Indicators data

³ Extrapolated based on RBI's Q1 FY23 Payment System Indicators data

The company, in the last 20+ years of operational history, had no presence in offline. After a very successful two-decade journey in online payments and software platforms, the company is now entering offline digital payments for the connected consumers of tomorrow, presenting multiple opportunities for the company through its diverse portfolio of payments, platforms and lending solutions for the business community.

The All-In-One CCAvenue Payment Solutions to Simplify Business Payments

CCAvenue
TAPpay

India's First Certified Pin-On-Glass Solution

- Transforms merchants smartphone into a PoS terminal to accept contactless payments
- Customers can tap their cards on merchant's or their own NFC-enabled mobile phone
- First Indian Pin-On-Glass solution certified by Visa, MasterCard and RuPay that securely accepts transactions over ₹ 5000 - a complete game changer for big-ticket businesses

CCAvenue
QRpay

Instant QR Code-based Payments

- Offers secure and contactless payments with CCAvenue QR, UPI QR or Bharat QR codes
- Smartphone users can scan the code to pay conveniently via any UPI enabled app

CCAvenue
APPpay

Frictionless In-App Transactions

- Provides seamless, secure and enhanced in-app payment experience to customers with CCAvenue's mobile SDKs
- Facilitates smooth and easy integration of company's payment solutions directly into business' iOS or Android app

CCAvenue
WEBpay

Highly Secure Online Transactions

- Largest bouquet with multicurrency capability to accept payments in real-time on merchant's website
- Comprehensive payment stack including all the major credit/debit cards, net banking, EMI, UPI, mobile wallets and more

CCAvenue
LINKpay

Custom Payment Links

- Allows selling online without a website via easy to use payment links
- Merchants can share links with customers via email, SMS or social media networks

CCAvenue
IVRpay

Convenient IVRS-based Payments

- Allows to collect payments securely over the phone; does not require internet
- Provides swift and cost-effective means of payment acceptance

Comprehensive Stack of Omnichannel Digital Payments, Enterprise Software Platforms, and Lending Solutions

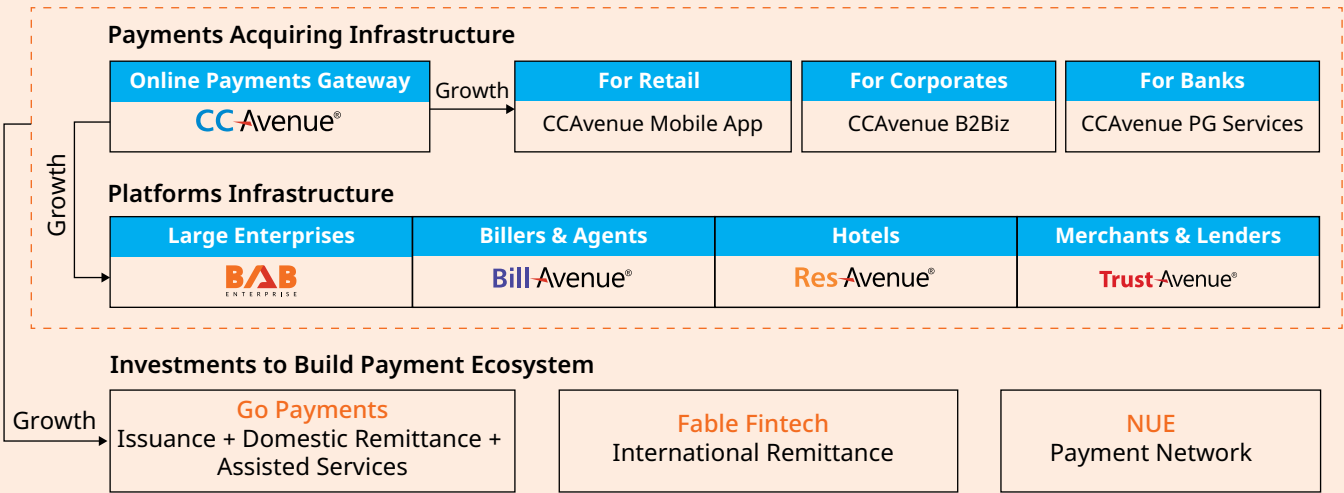
About Us

Infibeam Avenues Limited (Infibeam) is among the leading financial technology (Fintech) companies in India offering digital infrastructure comprising omnichannel digital payment solutions (Payments), and Enterprise Software Platforms (Platforms) to merchants, institutions, enterprises and corporates. The company also offers lending solutions (Finance) to merchants and banks. Beyond its pan India presence, the company has its footprints in GCC (UAE, Saudi Arabia, Oman) and USA. The Company has recently planned expansion in Qatar and Australia.

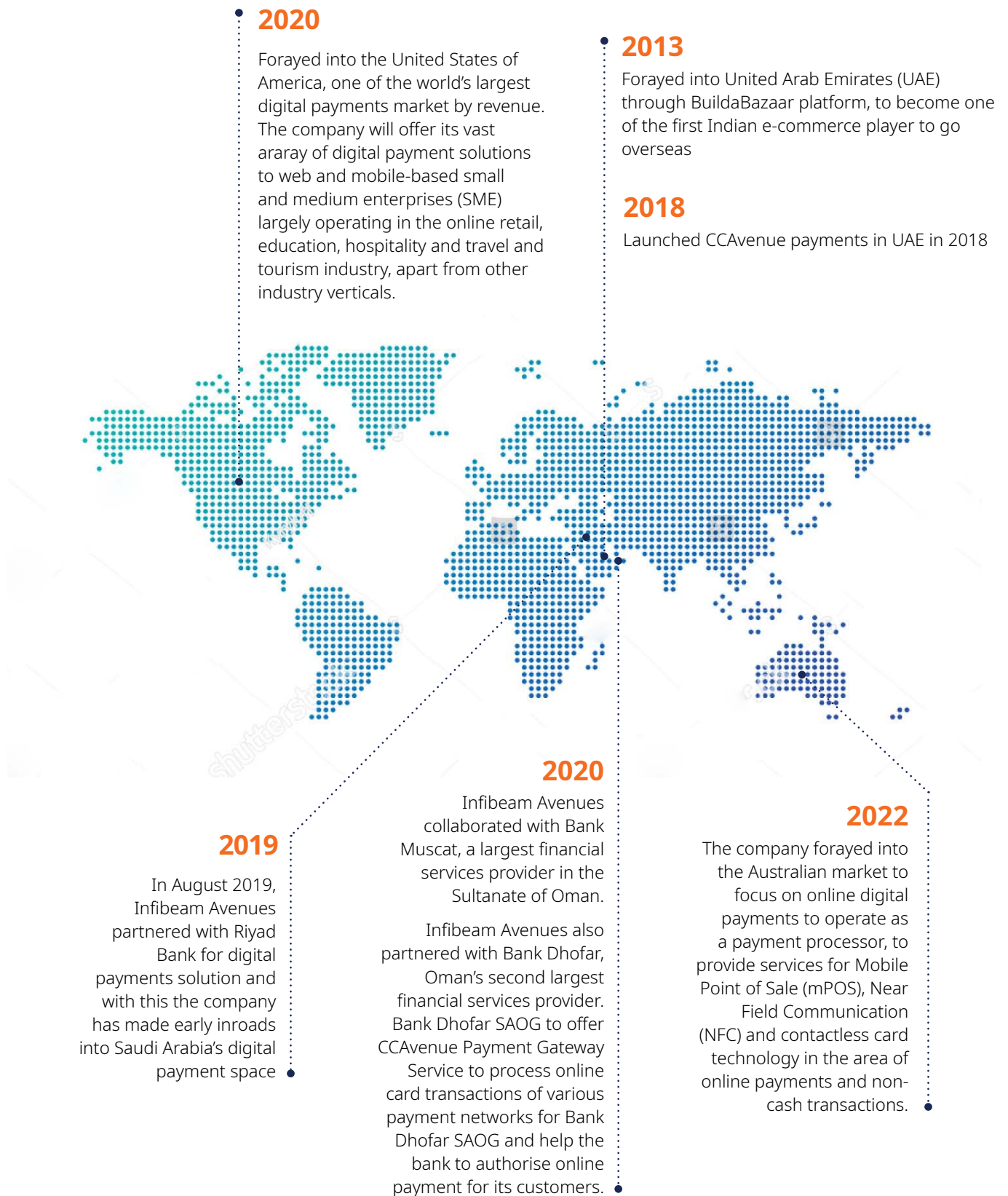
Company's Digital Payment portfolio consists of payment acquiring (online and offline thru SoftPoS), payment issuance and remittances along with relevant infrastructure. The company processes online transactions for merchants across various industries in various sectors both in India and abroad. The company offers eCommerce marketplace infrastructure to large enterprises with 3P capability under the Software Platforms business, through a SaaS model. The Company also offers various value added web-based services to merchants under Payments and Platforms businesses. The company has recently launched lending solutions where it offers early settlement to payment merchants and will soon offer working capital loans and bill/invoice discounting from lending partners through its AI/ML based lending platform.

ONE-STOP-SHOP FOR MERCHANTS DIGITAL BUSINESS NEEDS

Comprehensive bank grade technology solutions for merchants to do business online



Our Global Footprints



We are a pioneer in **Digital Payment** solutions and enterprise eCommerce **Software Platforms**

2000-2005 •

- India's first retail PG, CCAvenue
- First PSP to provide net banking payment option
- First to offer Invoice payments
- First to go live with Verified By Visa & MasterCard SecureCode

2006-2010 •

- First Indian PG to achieve PCI-DSS compliance
- First to become a MasterCard Member Service Provider.
- First to be certified by AmEx for global currency processing
- Launched India's first ecommerce technology platform for enterprise

2016-2020 •

- first fintech to get listed on NSE and BSE
- First RBI licensed optg unit to onboard billers & agents
- Exclusive contract with GeM
- launched B2B payments
- Launched payments in UAE, Saudi Arabia, Oman, USA

2011-2015

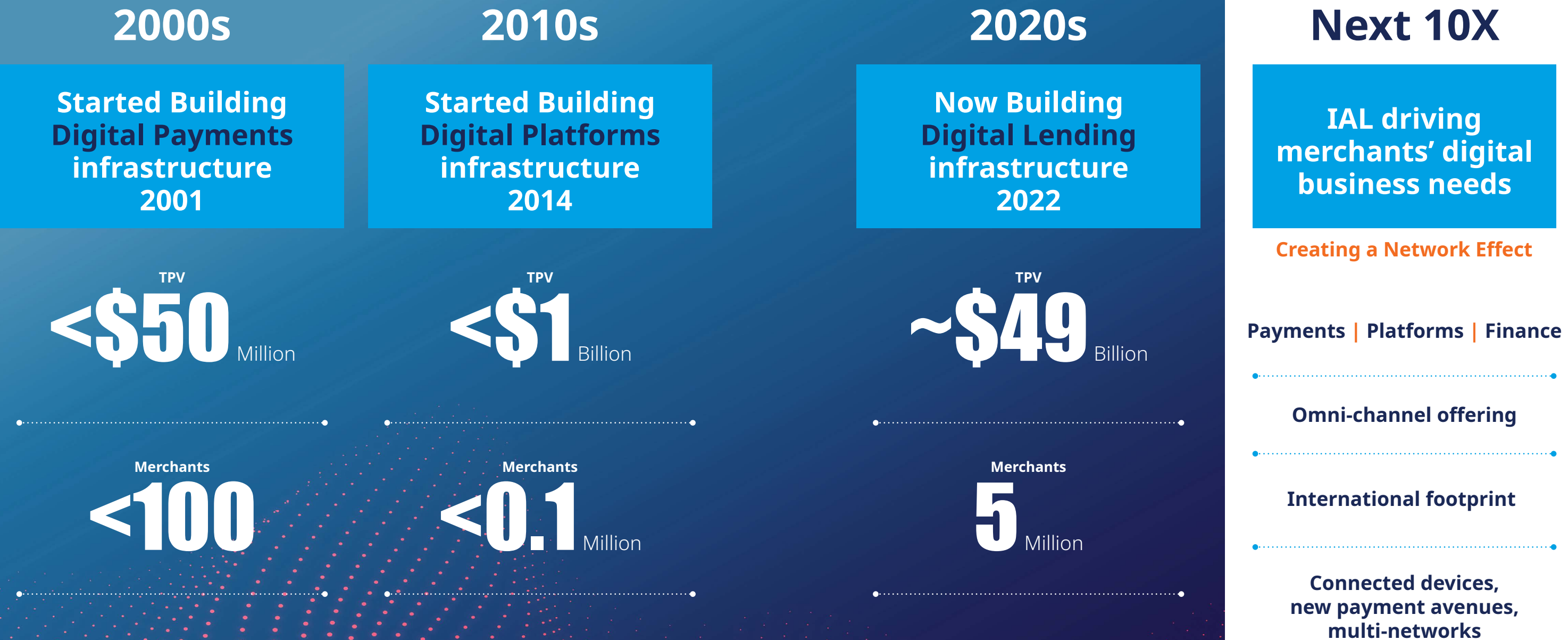
- First online RuPay debit card transaction through CCAvenue
- First to offer Payments for social media platforms
- Launched cross-border payments platform; also used by 9 of India's top 10 private banks

2021 onwards ... •

- Went Live with Jio Platforms to offer Platform & Payment
- Applied to RBI for NUE license with consortium partners
- Launched payments in Australia
- Among firsts to offer tokenisation
- Launched world's most advanced payment app featuring India's first Pin-on-Glass solution targeting offline payments

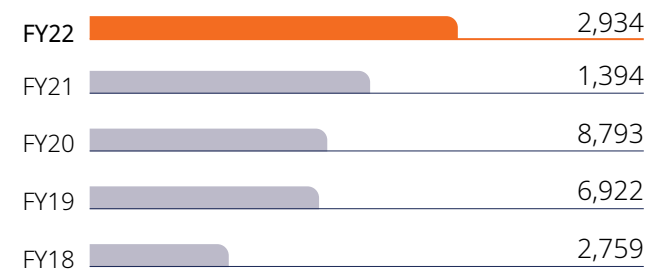
Company's Growth is Now at an Inflection Point

With a '10x growth opportunity' over the next decade

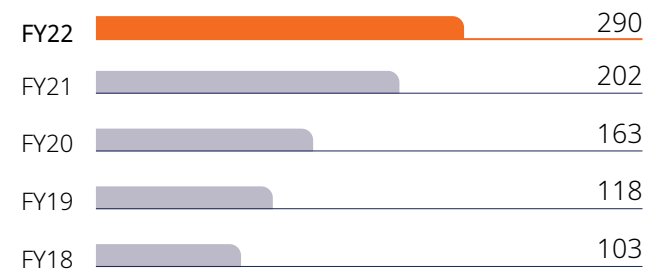


Key Performance Indicators (Standalone)

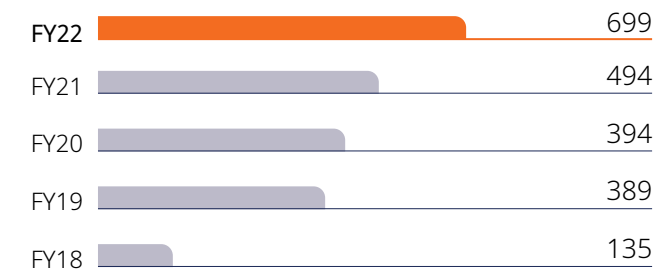
Transaction Value¹ (₹ in Billion)



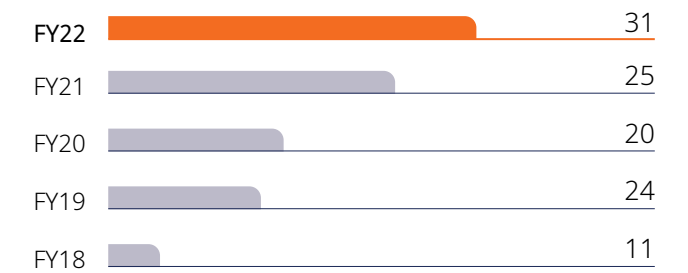
Transaction Volume (Million)



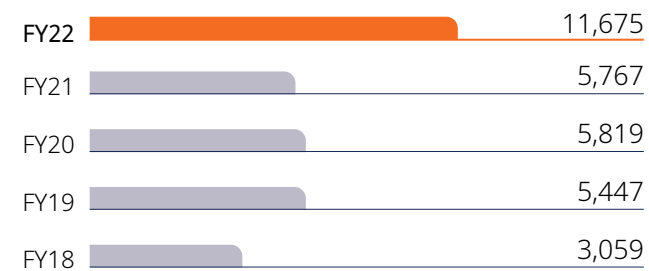
PAT (from continuing operations) (₹ in Million)



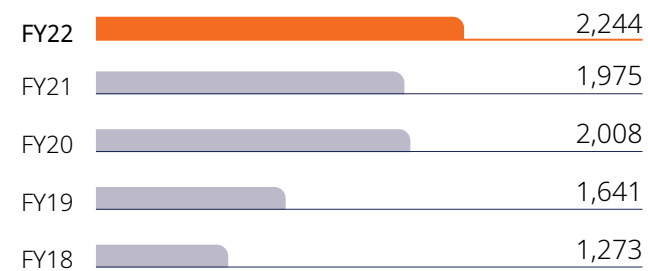
PAT margin on Net Revenue (%)



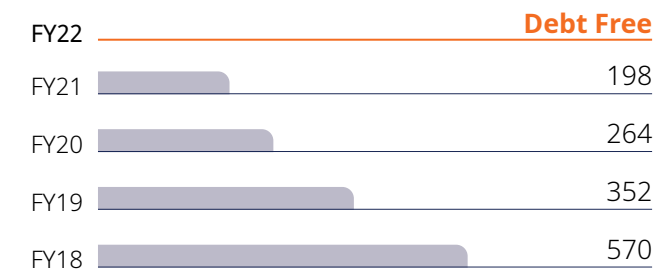
Gross Revenue (₹ in Million)



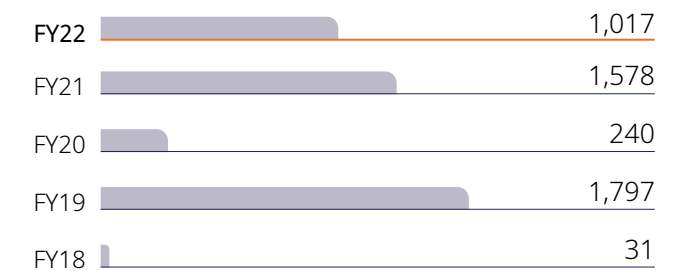
Net Revenue² (₹ in Million)



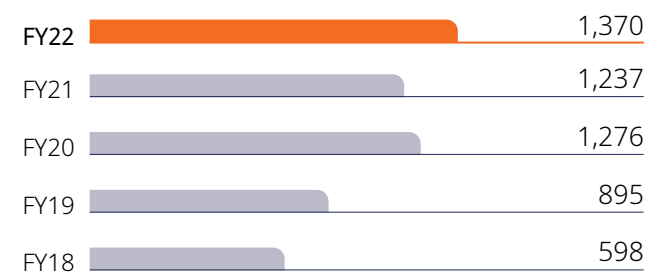
Debt (₹ in Million)



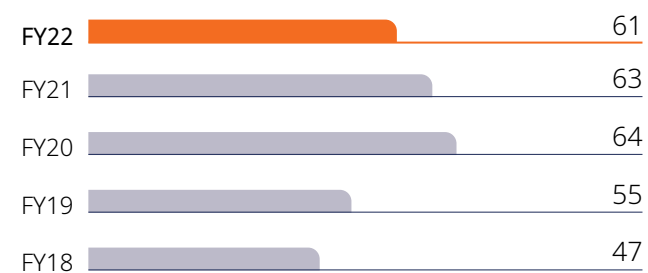
Cash from operating activities³ (₹ in Million)



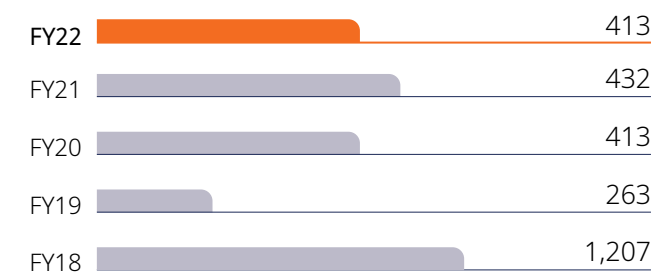
EBITDA (₹ in Million)



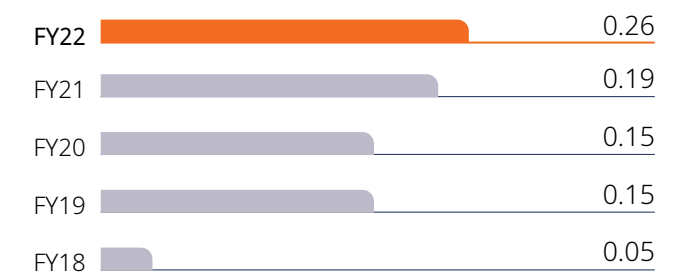
EBITDA margin on Net Revenue (%)



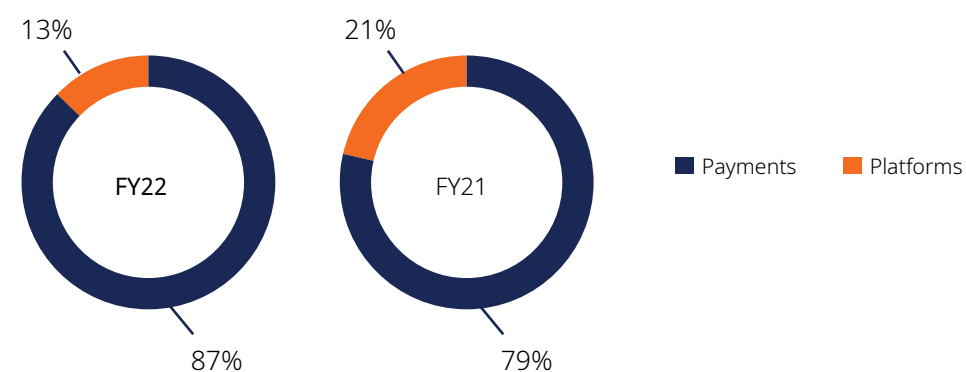
Capex (₹ in Million)



EPS (₹)



Gross Revenue Payments and Platforms (₹ in Million)



¹ Transaction Value includes (India Payments Value + GeM GMV)

² Net Revenue (Gross Profit) = Gross Revenue – Operating Expenses

³ Excludes merchants' settlement money

Note:

Standalone financials are comparable for the last five years. Consolidated Financials prior to FY20 are not comparable. Standalone comprises core Infibeam Avenues' India Payments and India Platforms businesses including GeM.

Key Drivers of the Business

The digital payments landscape in India has developed significantly over the past decade and digital payments market is expected to more than triple to US\$10 trillion by 2026, as per a report by BCG and PhonePe Pulse Analysis. India's P2M and B2B Digital Payments market is expected to grow from US\$1.3 trillion in 2021 to US\$4.5 trillion by 2026, at a compound annual growth rate (CAGR) of 28 percent. The report further says Digital merchant payments expected to be 65% by 2026 from 20% in 2021, a 7x growth, and 2 out of every 3 payment transactions would be digitized by 2026.

The phenomenal growth in the last two years in digital payments was made possible through the combined efforts of the Government, RBI, private and public sector banks, fintech companies like Infibeam Avenues as well as micro enterprises to large corporates equally embracing fintech for transactions, further aided by the pandemic that led to significant adoption of digital payments. The FinTech adoption in India is highest at 87% as compared to global average of 64%. RBI's digital payment index in March 2022 increased to 349.30 growing at a CAGR of 37% since March 2018.

Going forward, RBI's Payment Vision 2025 released in June, 2022 has the core theme of 4Es that envisages, e-payment for everyone, everywhere, everytime. It expects the digital payment transactions to triple and aims to establish India as a powerhouse of payments globally. This vision is expected to be achievable considering the mobile phone consumer base of 1170 million and 829 million internet users (TRAI, July 2022), but only about 300 million digital payment users and about 20-25 million digital payment merchants out of 100 million plus MSMEs and fringe vendors across India.



Fintech Adoption - Few Facts

MSMEs

MSME Ministry has set a target to enhance its contribution to GDP up to 50% by 2025 from current 30% as India becomes a \$5 trillion economy. India has over 65 million MSMEs which is expected to increase to 85-90 million over the next five to seven years, as per certain industry research.

Over 65 per cent of around 540 micro and small enterprises (MSEs) surveyed by Crisil recently said they had adopted or upgraded their use of digital channels for growth amid pandemic-led disruption last year.

65%

Digital adoption among MSMEs

E-RETAIL

According to Statista, India's consumer digital economy is expected to be a ₹ 54 trillion market in 2030, registering a 7x growth from 2020. E-commerce is expected to capture 19% of total Indian retail market by 2030. The Indian e-commerce market is expected to cater to 500 million shoppers by 2030, according to a joint report by Mobile Marketing Association and media agency GroupM India.

₹ 54 trillion

Size of Indian e-commerce market by 2030

INCREASE IN SMARTPHONES

Smartphones with internet are the key enabler in online retailing. Out of 1.2 billion mobile subscribers in July 2022, about 750 million are smartphone users. According to a study by Deloitte number of smartphone is expected to touch 1 billion by 2026.

1 Billion

Expected smartphone usage by 2026

GOVERNMENT / RBI INITIATIVES

Since the commencement of Digital India in 2014 the country has progressed leap and bounds in digital technology adoption across stakeholders.

RBI's Payment Vision 2025: After the RBI's Payments Vision 2021 achieving the desired outcomes i.e empowering a large number of Indians with access to a bouquet of e-payment options, the central bank has envisaged its vision for 2025 with the core theme of 4Es envisages e-payment for everyone, everywhere, every time.

Rural India: BharatNet has become the world's largest rural broadband programme with over 575,000 KMs of optical fibre laid to connect over 185,000 village panchayats. The coverage of Aadhaar and banking services has become near universal, allowing everyone to access online services and directly receive benefits in their bank account. Under the PM's Gramin Digital Saksharta Abhiyan 51.4 million people have been trained in digital literacy which in turn has resulted in significant expansion of demand for online services.

