PAYSWIFF TECHNOLOGIES PRIVATE LIMITED

ANNUAL REPORT
2021 - 2022

Payswiff Technologies Private Limited

Board of Directors

Mr. Ravindra Kumar Kundu (DIN: 07337155)
Mr. D Arulselvan (DIN: 00010065)
Mr. Arun Venkatachalam (DIN: 09511997)
Mr. Prabhuram Radhakrishnan (DIN: 01673968)
Mr. Abhay Deshpande Raosaheb (DIN: 00427314)

Corporate Identity Number

U74900TG2013PTC089686

Registered Office

10th Floor, Vaishnavi's Cynosure, Opp: RTTC, Gachibowli, Hyderabad - 500032

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PAYSWIFF TECHNOLOGIES PRIVATE LIMITED
Regd. Office: 2-48/5/6, Vaishnavi's Cynosure, 10th floor Opp. RTTC, Telecom Nagar Extn, Gachibowli
Hyderabad Rangareddi TG 500032 | Phone No: +91-22-4947 1111
CIN: U74900TG2013PTC089686
Email Id: accounts@payswiff.com | Website: www.payswiff.com

Notice to Members

NOTICE is hereby given that the Ninth annual general meeting (AGM) of the members of Payswiff Technologies Private Limited will be held at 02.00 p.m. on Tuesday, the 20th September 2022 at the Registered Office of the company at 2-48/5/6, Vaishnavi's Cynosure, 10th floor Opp. RTTC, Telecom Nagar Extn, Gachibowli Hyderabad Rangareddi, Telangana- 500032 to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and if deemed fit, to pass the following as an **ORDINARY RESOLUTION:**

RESOLVED THAT the board's report, the statement of profit & loss, the cash flow statement for the year ended 31 March, 2022 and the balance sheet as at that date, including the consolidated financial statements, together with the independent auditors' report thereon be and are hereby considered, approved and adopted.

2. To consider and if deemed fit, to pass the following as an **ORDINARY RESOLUTION**:

RESOLVED THAT Mr. Prabhuram Radhakrishnan (DIN: 01673968), who retires by rotation and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a director of the company liable to retire by rotation.

3. To consider and if deemed fit, to pass the following as an **ORDINARY RESOLUTION**:

RESOLVED THAT pursuant to Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendations of the Board of Directors of the Company, Sundaram & Srinivasan, Chartered Accountants bearing Firm Registration Number 004207S be and are hereby appointed as the Statutory Auditors of the Company for a period of five (5) years from the conclusion of ninth annual general meeting till the conclusion of the fourteenth annual general meeting at a remuneration not exceeding Rs. 10 Lakhs (Rupees Ten lakhs only) for the financial year 2022-23 including the actual traveling and out of pocket expenses incurred in connection with the audit in addition to taxes as applicable.

Payswiff Technologies Private Limited
Hyderabad

RESOLVED FURTHER THAT the board of directors of the company be and is hereby authorised to fix the remuneration payable to the statutory auditors of the company, from time to time in addition to the actual travelling and out of pocket expenses incurred in connection with the audit and taxes as applicable, during the appointed period.

On behalf of the Board

Place: Chennai
Date: 06 July 2022

Prabhuram Radhakrishnan
Managing Director

Payswiff Technologies Private Limited Hyderabad

NOTES:

1. *A member entitled to attend and vote at the annual general meeting (AGM) may appoint one or more proxies to attend and vote instead of him. The proxy need not be a member of the company. Proxy to be valid shall be deposited at the registered office of the company at least forty-eight hours before the time for holding the meeting. A person shall not act as a proxy for more than fifty members and holding in the aggregate not more than 10% (ten percent) of the total share capital of the company carrying voting rights. A person holding more than 10% (ten percent) of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.*

2. *Corporate Members intending to send their authorized representative to attend the Meeting are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.*

3. *The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or Arrangements in which the Directors are interested will be available for inspection by the members during the AGM. All documents referred to in the Notice will also be available for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM.*

4. *Members are requested to inform immediately any change in their address to the registered office of the company.*

5. *Route map of the venue is attached herewith.*

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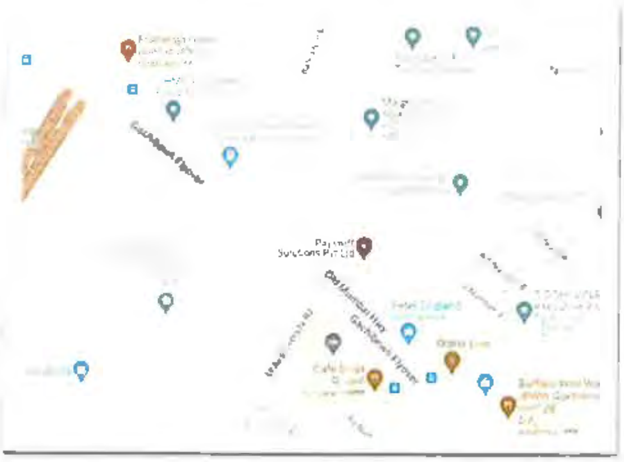
Route Map to the venue of the AGM



DISCLOSURE REQUIREMENTS UNDER SECRETARIAL STANDARDS ON GENERAL MEETINGS

Name of the Director	Mr. Prabhuram Radhakrishnan
DIN	01673968
Date of Birth	14 July 1978
Date of Appointment (Initial appointment)	15/04/2015
Qualification	Graduate
Expertise in specific functional area	Over 18 years of professional experience in fin-tech industry
Number of meetings of the board attended during the year	5 meetings
Directorships in other companies	1. Payswiff Solutions Private Limited 2. Payswiff Services Private Limited
Membership in board committees of other Companies	Nil
No of shares held in the company	4,84,944 Shares
Inter-se relationship with any other directors or KMP of the Company	NA
Details of remuneration sought to be paid	Rs. 4 Lakhs per month
Details of remuneration last drawn	Rs. 4 Lakhs per month

Payswiff Technologies Private Limited
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BOARD'S REPORT

Your directors have pleasure in presenting the Ninth annual report together with the audited accounts of the company for the year ended 31st March 2022.

FINANCIAL RESULTS

(Rs.)

Particulars	2021-22	2020-21
Gross Income	6,96,61,605	1,67,35,952
Loss	(39,22,95,884)	(15,31,15,605)

STATE OF COMPANY'S AFFAIRS

Your Company is engaged in the business of enabling online payment gateway services for ecommerce businesses and provides e-commerce solutions. The company is an omni-channel payment transaction solution that lets business owners accept payments from their customers in-store, at home deliveries, online, and on-the-go using mPOS and POS solutions.

Your Company had executed the Shareholders Agreement and Share Purchase Agreement on 17th January 2022 by and amongst the Company, Cholamandalam Investment and Finance Company Limited (CIFCL) and others. Pursuant to the above and on completion of various conditions precedent by the Company and Founders, the investment by CIFCL was made on 8th February 2022. Consequent to investment, the Company has become a subsidiary of CIFCL and is falling within the definition of a public limited company as per Section 2(71)(b) of Companies Act, 2013 ("the Act") and all the provisions under the Act applicable to public limited companies are applicable to the Company.

TRANSFER TO RESERVES

The company has not transferred any amount to the reserves during the year under review.

DIVIDEND

Your directors have not recommended any dividend for the year under review.

SHARE CAPITAL

The authorised share capital of the Company as on the date of Balance sheet is was Rs. 5,00,00,000/- [Rupees Five Crores only] divided into 50,00,000 [Fifty lakhs] equity shares of Rs. 10/- [Rupees Ten] each. The paid-up share capital of the Company was Rs. 3,75,65,680 (Rupees Three Crores Seventy-Five Lacs Sixty-Five Thousand Six Hundred Eighty only). During the year, there was an increase in the paid-up capital by Rs. 44.60 Lakhs, consequent to allotment of shares upon exercise of stock options by employees under the company's employee stock option scheme, private placement and on conversion of share warrant into equity.

Payswiff Technologies Private Limited Hyderabad

OPERATIONS

During the year, the company achieved an income of Rs. 284.60 crores as against Rs. 210.62 crores of previous year and incurred a loss of Rs. 33.78 crores as against Rs. 11.54 crores in FY 21.

OUTLOOK

The Company will continue to focus on e-commerce business.

DIRECTORS

Appointment/Re-appointment:

As of 31st March 2022, Mr. D Arulselvan, Mr. Abhay Deshpande Raosaheb, Mr. Prabhuram Radhakrishnan, Mr. Ravindra Kumar Kundu, Mr. Arun Venkatachalam are the directors of the company. During the financial year under review:

- *Mr. Prabhuram Radhakrishnan (DIN: 01673968) was appointed as a Managing Director with effect from 15th March 2022 for a period of 3 years;*
- *Mr. Ravindra Kumar Kundu (DIN: 07337155) was appointed as an additional director at the board meeting held on 11th March 2022 and subsequently appointed as non-executive director at an extraordinary general meeting held on 15th March 2022. Mr. Ravindra Kumar Kundu was appointed as the Chairman of the Company;*
- *Mr. D. Arulselvan (DIN: 00010065) was appointed as an additional director at the board meeting held on 11th March 2022 and subsequently appointed as non-executive director at an extraordinary general meeting held on 15th March 2022;*
- *Mr. Arun Venkatachalam (DIN: 09511997) was appointed as an additional director at the board meeting held on 11th March 2022 and subsequently appointed as non-executive director at an extra-ordinary general meeting held on 15th March 2022;*

Mr. Prabhuram Radhakrishnan, Managing Director (DIN: 01673968), retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

Resignation:

During the financial year, Mr. Mitesh Majithia (DIN: 01957915), Mrs. Priti Maulik Shah (DIN: 06654231) and Mr. Ravi Kiran Pedarla (DIN: 06654269) resigned from the directorship of the company with effect from 11th March 2022. The Board places on record its deep appreciation for the guidance and co-operation provided by the Directors during their tenure of office.

Payswiff Technologies Private Limited
Hyderabad

DECLARATION FROM INDEPENDENT DIRECTOR

Appointment of independent directors for the Company for the financial year 2021-22 did not apply and therefore a statement on declaration by Independent Directors under Section 149(6) of the Act is not applicable.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of section 203 of the Act read with the rules made there under Mr. Prabhuram Radhakrishnan (DIN: 01673968), Managing Director, is the whole-time key managerial personnel of the company during FY 2021-22.

COMMITTEES OF THE BOARD

The Company was not required to constitute any committee during the financial year 2021-22.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors' responsibility statement as required under section 134(3)(c) of the Act, reporting the compliance with accounting standards is attached and forms part of the board's report.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant material orders passed by the regulators / courts / tribunals which would impact the going concern status of the company and its future operations.

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, Statutory Auditor M/s. Walker Chandiok & Co LLP, Chartered Accountants (ICAI Firm Registration No. 001076N/ N500013) were appointed Statutory Auditor of the Company at the 4th **AGM** held on 29th September 2017 to hold office from the conclusion of the said meeting till the conclusion of the 9th AGM to be held in the year 2022. The term of office of M/s. Walker Chandiok & Co LLP, as Statutory Auditors of the Company is expiring at the forthcoming annual general meeting of the company. The Board of directors at its meeting held on 6th July 2022 have recommended the appointment of M/s. Sundaram & Srinivasan, Chartered Accountants as the statutory auditors of the Company for a period of 5 years from the conclusion of 9th AGM till the conclusion of 14th AGM, subject to the approval of shareholders at the forthcoming AGM.

Payswiff Technologies Private Limited Hyderabad

ANNUAL RETURN

In accordance with section 134(3)(a) and 92(3) of the Act, the annual return in Form MGT-7 is placed on the website of the Company and is available on the weblink: www.payswiff.com.

BOARD MEETINGS

During the year, the board met five times on 09 June 2021, 24 August 2021, 25 September 2021, 06 January 2022 and 11 March 2022 The gap between the two consecutive Board meetings did not exceed the maximum number of days as specified in the Companies Act, 2013.

REMUNERATION POLICY, CRITERIA FOR BOARD NOMINATION & SENIOR MANAGEMENT APPOINTMENTs

The Company was not required to formulate any remuneration policy, criteria for board nomination during the financial year 2021-22.

FORMAL ANNUAL EVALUATION

The annual performance evaluation of the board and of individual directors were not applicable to the Company during the financial year 2021-22.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans and guarantees given and investments made during the financial year are provided in Notes to Financial Statement forming a part of this annual report.

RELATED PARTY TRANSACTIONS

All transactions with related parties that were entered into during the financial year were in the ordinary course of business and were on an arm's length basis. There are no materially significant related party transactions made by the company with promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the company at large. There are no contracts or arrangements entered into with related parties during the year to be disclosed under sections 188(1) and 134(h) of the Act in form AOC-2.

None of the directors has any pecuniary relationship or transaction vis-à-vis the company.

Payswiff Technologies Private Limited Hyderabad

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CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has no activity relating to the consumption of energy or technology absorption. During the year, the company has not incurred any foreign outflow / foreign inflow.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal control frameworks are established in the organization. These are reviewed periodically at all levels.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The company has established whistle-blower mechanism to provide an avenue to raise concerns.

POLICY ON PREVENTION OF SEXUAL HARASSMENT

The company has in place a policy on prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An internal complaints committee (ICC) has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy. During the calendar year 31st December 2021, there were no referrals received by ICC.

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has two subsidiaries viz., Payswiff Services Private Limited (PSEPL) and Payswiff Solutions Private Limited. (PSOPL). PSEPL recorded a gross income of Rs.65.77 Lakhs for the year ended 31st March, 2022 and made a Profit of Rs. 60.52 Lakhs. PSOPL recorded a gross income of Rs. 284.90 Crores and incurred a loss of Rs. 9.94 crores for the year ended 31st March 2022.

The statement containing the salient feature of the financial statement of a company's subsidiaries, under the first proviso to sub-section (3) of section 129 in Form AOC-1 is enclosed as Annexure A.

PARTICULARS OF EMPLOYEES

During the year under review, the Company had no employees whose remuneration exceeded the limit prescribed pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DEPOSITS

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and as such no principal or interest was subsisting as on date. As on 31 March 2022, the Company does not have any outstanding deposit.

Payswiff Technologies Private Limited Hyderabad

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EQUITY SHARES WITH DIFFERENTIAL RIGHTS

During the year under review, the company has not issued any equity share with differential voting rights under the provisions of the Companies Act, 2013.

ISSUE OF SWEAT EQUITY SHARES

During the year under review, the company has not issued any sweat equity shares to directors / employees under the provisions of the Companies Act, 2013.

ISSUE OF EMPLOYEE STOCK OPTIONS ("ESOP")

Pursuant to the approval accorded by the shareholders on 05th December 2016, the board has formulated an employee stock option scheme (ESOP). During the year, the company has allotted 88,973 equity shares of Rs. 10 each pursuant to exercise of ESOP under Paynear Technologies Employees Stock Option Scheme – Scheme A. The shareholders at an extra-ordinary general meeting held on 24th January 2022 have approved the extension of exercise period on the eligible options from existing 2 years to 4 years from the date of resignation of the employee in the Company.

CORPORATE SOCIAL RESPONSIBILITY

The provisions relating to corporate social responsibility under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules do not apply to the Company.

CHANGE IN NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of the Company.

COST AUDIT AND MAINTENANCE OF COST RECORDS

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND SIGNING OF THE BALANCE SHEET DATE

There were no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year and date of this report.

Payswiff Technologies Private Limited Hyderabad

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

The Company has complied with all the provisions of secretarial standards issued by the Institute of Company Secretaries of India in respect of meetings of the board of directors and general meetings held during the year.

ACKNOWLEDGEMENT

Your directors wish to thank the customers bankers and other business partners. The directors also thank the employees of the company for their contribution to the company's operations during the year under review.

For and on behalf of the **Board of Directors of**

PAYSWIFF TECHNOLOGIES PRIVATE LIMITED

PRABHU RAM RADHAKRISHNAN
Managing Director
DIN: 01673968

RAVINDRA KUMAR KUNDU
Chairman
DIN: 07337155

Paysiff Technologies Private Limited Hyderabad

Date: 06th July 2022
Place: Chennai

DIRECTORS' RESPONSIBILITY STATEMENT

(Annexure to the Board's Report)

The board of directors have put in place a framework of internal financial controls and compliance systems, which is reviewed by the management and board and independently reviewed by the internal, statutory and secretarial auditors. Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, confirm that:

i. *in the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures therefrom;*

ii. *they have, in the selection of the accounting policies, consulted the statutory auditors and have applied their recommendations consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31 March, 2022 and of the profit of the company for the year ended on that date;*

iii. *they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;*

iv. *they have prepared the annual accounts on a going concern basis; and*

v. *they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively during the year ended 31 March, 2022; and*

vi. *proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the year ended 31 March, 2022.*

On behalf of the Board

RAVINDRA KUMAR KUNDU
Chairman
DIN: **07337155**

PRABHURAM RADHAKRISHNAN
Managing Director
DIN: 01673968

Payswiff Technologies Private Limited
Hyderabad

Place: Chennai
Date: 06th July 2022

(7)

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries

Particulars	Subsidiary Companies	
Sr. No	**1**	**2**
Name of the Subsidiary	Payswiff Services Private Limited	Payswiff Solutions Private Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 March 2022	31 March 2022
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA	NA
Share capital	100	35472
Reserves & surplus	(34)	79796
Total assets	197	759366
Total Liabilities	131	644098
Investments	-	-
Turnover	431	2813720
Profit before taxation	6096	(134017)
Provision for taxation	-	2310
Profit after taxation	6096	(136327)
Proposed Dividend	-	-
% of shareholding	100%	100%

Additional Information:

1. Names of subsidiaries which are yet to commence operations: Nil
2. Names of subsidiaries which have been liquidated or sold during the year:

Note: *During the financial year 2021-22, the Company have sold one of its subsidiary i.e. Payswiff Pte Ltd, Singapore by way of transfer of shares held in it.*

For and on behalf of the **Board of Directors of PAYSWIFF TECHNOLOGIES PRIVATE LIMITED**

Date: 06th July 2022
Place: Chennai

PRABHURAM RADHAKRISHNAN
Managing Director
DIN: 01673968

RAVINDRA KUMAR KUNDU
Chairman
DIN: 07337155

Payswiff Technologies Private Limited Hyderabad

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Independent Auditor's Report

To the Members of Payswiff Technologies Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Payswiff Technologies Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

4. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

Walker Chandiok & Co. LLP
Hyderabad
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Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

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

6. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

8. As part of an audit in accordance with Standards on Auditing, specified under Section 143(10) of the Act 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. Under Section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

Walker Chandiok & Co. LLP Hyderabad Chartered Accountants

- Conclude on the appropriateness of Board 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; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

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

Other matter

10. The Company had prepared separate sets of statutory financial statements for the year ended 31 March 2021 and 31 March 2020 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued auditor's reports to the members of the Company dated 25 September 2021 and 26 December 2020 respectively. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, As required by Section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

13. Further to our comments in Annexure A, as required by Section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The standalone financial statements dealt with by this report are in agreement with the books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act;

    f) In respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

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g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us.

i. The Company does not have any pending litigation which would impact its financial position as at 31 March 2022.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022.

iii. There were no amounts which were require to be transferred to the Investor Education and Protection Fund by the company during the year ended 31 March 2022.

iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 33(i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 33(ii) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2022.

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

Walker Chandiok & Co. LLP Hyderabad

Nikhil Vaid

Nikhil Vaid
Partner
Membership No.: 213356
UDIN: 22213356AQSSMM2332

Place: Hyderabad
Date: 6 July 2022

Annexure A referred to in Paragraph 11 of the Independent Auditor's Report of even date to the members of Payswiff Technologies Private Limited on the standalone financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right to use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment under which the assets are physically verified once in every three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, no property, plant and equipment were required to be verified during the year.

(c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The Company does not hold any inventory. Accordingly, reporting under this clause 3 (ii)(a) of the order is not applicable to the company.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) The Company has provided loans or advances in the nature of loans to subsidiaries during the year as per details given below:

(Amount in ₹ thousands)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted during the year: - Subsidiaries	-	-	240,000	-
Balance outstanding as at balance sheet date in respect of above cases: - Subsidiaries	-	-	147,972	-

(b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.

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(c) In respect of loans and advances in the nature of loans granted by the Company, to one of the subsidiaries, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular. In respect of loans and advances in the nature of loans granted by the Company, to its other subsidiaries, the schedule of repayment of principal has not been stipulated and accordingly, we are unable to comment as to whether the repayments of principal are regular. Further, no interest is receivable on such loans and advances in the nature of loans.

(d) There is no overdue amount in respect of loans or advances in the nature of loans granted to one of the subsidiaries. In respect of loans granted to other subsidiaries, owing to absence of stipulated schedule of repayment of principal in respect of loans or advances in the nature of loans, we are unable to comment as to whether there is any amount which is overdue for more than 90 days. Reasonable steps have been taken by the Company for recovery of such principal amounts.

(e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan that existed as at the beginning of the year. In respect of interest free loans granted which are repayable on demand, according to the information and explanation given to us, such loans have not been demanded for repayment as on date.

(f) The Company has granted loans which are repayable on demand as per details

(Amount in ₹ thousands)

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans - Repayable on demand (A) - Agreement does not specify any terms or period of repayment (B)	 11,290 - -	 - -	 11,290 -
Total (A+B)	**11,290**	**-**	**11,290**
Percentage of loans to the total loans	8%	-	8%

(iv) In our opinion, and according to the information and explanations given to us, the Company has not complied with the provisions of section 186 of the Act. The details of the non-compliances are given below:

(Amount in ₹ thousands)

Particulars	Name of the Company	Amount involved during the year	Balance as on 31 March 2022
Interest free loans given to subsidiaries	Payswiff Services Private Limited	-	11,290

The Company has not entered into any transaction covered under Sections 185 of the Act.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

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Hyderabad

(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, sales-tax, service tax, , duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though income-tax and Goods and services Tax have not generally been regularly deposited with the appropriate authorities and there have been significant delays in a large number of cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings to any lender or in the payment of interest thereon, except for the below:

(Amount in ₹ thousands)

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay	Remarks, if any
Unsecured loans	NavBharat Potteries Private Limited	₹42,500	Repayment of principal	20	
		₹4,621	Interest payable for the quarter ended June 2021, September 2021 and December 2021.	9 – 21	
	Jaya Leasing & Finance Private Limited	₹21,083	Principal and interest payable	57 – 61	
	Loans availed from shareholders of the Company	₹67,500	Repayment of principal	20	
		₹7,340	Interest payable for the quarter ended June 2021, September 2021 and December 2021	9 – 21	

(b) According to the information and explanations given to us including representation received from the management of the Company and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

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(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has made private placement of shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of Section 42 and Section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised have been utilized by the Company for the purposes for which these funds were raised.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under Section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with Section 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under Section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under Section 177 of the Act.

(xiv) According to the information and explanations given to us, the Company is not required to have an internal audit system under Section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(xvii) The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to ₹233,572 thousands and ₹121,683 thousands respectively.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

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(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not fulfill the criteria as specified under Section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

Nikhil Vaid

Nikhil Vaid
Partner
Membership No.: 213356
UDIN: 22213356AQSSMM2332

Walker Chandiok & Co. LLP Hyderabad

Place: Hyderabad
Date: 6 July 2022

Annexure B to the Independent Auditor's Report of even date to the members of Payswiff Technologies Private Limited on the standalone financial statements for the year ended 31 March 2022

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

1. In conjunction with our audit of the standalone financial statements of Payswiff Technologies Private Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

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

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

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

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Walker Chandiok & Co. LLP
Hyderabad

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

Walker Chandiok & Co. LLP
Hyderabad

Nikhil Vaid

Nikhil Vaid
Partner
Membership No.: 213356
UDIN: 22213356AQSSMM2332

Place: Hyderabad
Date: 6 July 2022

Payswiff Technologies Private Limited
Balance Sheet as at 31 March 2022
(All amounts in ₹ thousands, except for share data or as otherwise stated)

	Notes	As at		
		31 March 2022	31 March 2021	1 April 2020
Assets				
Non-current assets				
Property, plant and equipment	4	2,760	9,261	15,886
Right-of-use assets	6	-	4,647	10,224
Other intangible assets	5	-	38	3,688
Financial assets				
i. Investments	7	624,325	817,036	621,808
ii. Loans	8	-	2,991	2,576
iii. Other financial assets	9	-	-	2,234
Non-current tax assets		4,868	444	3,258
		631,953	834,417	659,674
Current assets				
Financial assets				
i. Trade receivables	10	1,409	414	486
ii. Cash and cash equivalents	11	10,276	14,871	15,142
iii. Loans	8	136,672	-	-
iv. Other financial assets	9	-	2,569	-
Contract assets	12	-	7,449	-
Other current assets	13	11,799	5,574	5,026
Total current assets		160,156	30,877	20,654
Total Assets		792,109	865,294	680,328
Equity and liabilities				
Equity				
Equity share capital	14	37,566	33,106	31,674
Other equity	15	705,385	529,211	470,188
Total equity		742,951	562,317	501,862
Liabilities				
Non-current liabilities				
Financial liabilities				
i. Lease liabilities	6	-	-	4,024
Provisions	16	5,020	3,704	1,501
Total non-current liabilities		5,020	3,704	5,525
Current liabilities				
Financial Liabilities				
i. Borrowings	19	-	138,740	134,523
ii. Lease liabilities	6	-	4,671	5,480
iii. Trade payables				
(a) total outstanding dues of micro enterprises and small enterprises	20	64	41	25
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		21,258	2,653	2,846
iv. Other financial liabilities	17	16,115	148,758	22,536
Provisions	16	4,496	3,103	1,959
Other current liabilities	18	2,205	1,307	5,572
Total current liabilities		44,138	299,273	172,941
Total liabilities		49,158	302,977	178,466
Total equity and liabilities		792,109	865,294	680,328

The accompanying notes are an integral part of these standalone financial statements

This is the Balance Sheet referred to in our report of even date
For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nikhil Vaid
Nikhil Vaid
Partner
Membership No: 213356

Place: Hyderabad
Date: 06 July 2022

For and on behalf of the Board of Directors of
Payswiff Technologies Private Limited

Prabhuram Radhakrishnan
Managing Director
DIN:1673968

Ravindra K Kundu
Director
DIN:7337155

Place: Hyderabad
Date: 06 July 2022

Payswiff Technologies Private Limited
Statement of Profit and Loss for the year ended 31 March 2022
(All amounts in ₹ thousands, except for share data or as otherwise stated)

	Notes	For the year ended	
		31 March 2022	31 March 2021
Income			
Revenue from operations	21	67,031	13,349
Other income	22	15,528	4,137
Total income		**82,559**	**17,486**
Expenses			
Employee benefit expense	23	202,099	90,661
Finance costs	24	34,297	39,573
Depreciation and amortisation expense	25	11,186	15,852
Other expenses	26	65,107	6,156
Total expenses		**312,689**	**152,242**
Loss before exceptional items and tax		**(230,130)**	**(134,756)**
Exceptional items	27	(219,236)	-
Loss before tax		**(449,366)**	**(134,756)**
Tax expense		-	-
Loss for the year		**(449,366)**	**(134,756)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		(719)	(941)
Changes in fair value of FVTOCI instruments		-	(14,003)
Income tax relating to these items		-	-
Other comprehensive loss for the year, net of tax		**(719)**	**(14,944)**
Total comprehensive income / (loss) for the year		**(450,085)**	**(149,700)**
Earnings per equity share [EPES] (in absolute ₹ terms)	28		
Par value per share		10	10
Basic and diluted EPS		(134.22)	(42.12)

The accompanying notes are an integral part of these standalone financial statements

This is the Statement of Profit and Loss referred to in our report of even date.

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

Nikhil Vaid

Nikhil Vaid
Partner
Membership No: 213356

Place: Hyderabad
Date: 06 July 2022

For and on behalf of the Board of Directors of
Payswiff Technologies Private Limited

Prabhuram Radhakrishnan
Managing Director
DIN:1673968

Ravindra K Kundu
Director
DIN:7337155

Place: Hyderabad
Date: 06 July 2022

Payswiff Technologies Private Limited
Cash Flow Statement for the year ended 31 March 2022
(All amounts in ₹ thousands, except for share data or as otherwise stated)

		For the year ended	
		31 March 2022	**31 March 2021**
Cash flow from operating activities			
Loss before tax		(449,366)	(134,756)
Adjustments for:			
Depreciation and amortisation expense		11,186	15,852
Employee stock compensation expense		96,834	13,029
Finance costs		34,297	39,573
Payables no longer required written back		(14,628)	(3,000)
Loss on sale of investments		219,236	-
Provision for doubtful advances		-	221
Interest income		(800)	(1,137)
Operating loss before working capital changes		**(103,241)**	**(70,218)**
Changes in operating assets and liabilities			
Changes in trade receivables		(995)	72
Changes in other financial assets		2,954	-
Changes in other assets		1,224	(7,997)
Changes in provisions		1,990	2,406
Changes in trade payables		18,629	2,823
Changes in other financial liabilities		(136,237)	148,314
Changes in other current liabilities		418	(4,265)
Cash generated from / (used in) operating activities		**(215,258)**	**71,135**
Income taxes refund / (paid)		(4,424)	2,814
Net cash generated from / (used in) operating activities	**A**	**(219,682)**	**73,949**
Cash flows from investing activities			
Investments in subsidiaries		(2,937)	(226,995)
Loans to subsidiaries		(136,672)	(221)
Proceeds from sale of non-current investments		8,154	-
Interest received		-	387
Net cash used in investing activities	**B**	**(131,455)**	**(226,829)**
Cash flows from financing activities			
Proceeds from issuance of share capital		506,028	178,357
Proceeds / (repayment) from short-term borrowings, net		(138,740)	4,217
Interest paid		(15,812)	(24,103)
Lease rentals paid		(4,934)	(5,862)
Net cash generated from financing activities	**C**	**346,542**	**152,609**
Net change in cash and cash equivalents	**(A+B+C)**	**(4,595)**	**(271)**
Cash and cash equivalents at the beginning of the financial year		14,871	15,142
Cash and cash equivalents at end of the year (Refer note 11)		**10,276**	**14,871**

This is the Cash Flow Statement referred to in our report of even date
For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Nikhil Vaid
Partner
Membership No: 213356

Place: Hyderabad
Date: 06 July 2022

Walker Chandiok & Co. LLP Hyderabad

For and on behalf of the Board of Directors of
Payswiff Technologies Private Limited

Prabhuram Radhakrishnan
Managing Director
DIN:1673968

Ravindra K Kundu
Director
DIN:7337155

Payswiff Technologies Private Limited Hyderabad

Place: Hyderabad
Date: 06 July 2022

Payswiff Technologies Private Limited
Statement of changes in equity for the year ended 31 March 2022
(All amounts in ₹ thousands, except for share data or as otherwise stated)

A. Equity Share Capital

	No. of shares	Amount
As at April 1, 2020	**3,167,370**	**31,674**
Changes in equity share capital	143,190	1,432
As at March 31, 2021	**3,310,560**	**33,106**
Changes in equity share capital	446,008	4,460
As at March 31, 2022	**3,756,568**	**37,566**

B. Other equity

	Reserves and Surplus			Other comprehensive income (OCI)	Total
	Securities premium	Share compensation reserve	Retained earnings	Fair value through OCI (FVTOCI) - equity instruments	
Balance as at 1 April 2020	**876,468**	**53,850**	**(460,130)**	**-**	**470,188**
Premium on shares issued during the year	176,925	-	-	-	176,925
Stock compensation cost for the year	-	31,798	-	-	31,798
Loss for the year	-	-	(134,756)	-	(134,756)
Other comprehensive income	-	-	(941)	(14,003)	(14,944)
Balance as at 31 March 2021	**1,053,393**	**85,648**	**(595,827)**	**(14,003)**	**529,211**
Premium on shares issued during the year	594,906	-	-	-	594,906
Stock compensation cost for the year	-	124,691	-	-	124,691
Loss for the year	-	-	(449,366)	-	(449,366)
Other comprehensive income	-	-	(719)	-	(719)
Transfer on allotment of equity shares pursuant to ESOP scheme	-	(93,338)	-	-	(93,338)
Transfer on de-recognition of equity instrument	-	-	(14,003)	14,003	-
Balance as at 31 March 2022	**1,648,299**	**117,001**	**(1,059,915)**	**-**	**705,385**

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

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

Nikhil Vaid

Nikhil Vaid
Partner
Membership No: 213356

Walker Chandiok & Co. LLP Hyderabad

Place: Hyderabad
Date: 06 July 2022

For and on behalf of the Board of Directors of
Payswiff Technologies Private Limited

Prabhuram Radhakrishnan
Managing Director
DIN:1673968

Ravindra K Kundu
Director
DIN:7337155

Payswiff Technologies Private Limited Hyderabad

Place: Hyderabad
Date: 06 July 2022

(All amounts in INR thousands, unless otherwise stated)

1. Corporate information

Payswiff Technologies Private Limited (the "Company") is a company domiciled in India and incorporated under the provisions of the erstwhile Companies Act, 1956. The Company is head quartered in Hyderabad, India. The Company is engaged in the business of providing software support services.

The standalone financial statements are approved for issue by the Company's Board of Directors on 6 July 2022.

2. Significant accounting policies

2.1 Basis of preparation

a) Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the "Act"), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time including accounting principles generally accepted in India and presentation requirement of Division II of Schedule III to the Act, including the amendments to Schedule III notified by the Ministry of Corporate Affairs ("MCA") vide its notification dated 24 March 2021.

For all the periods up to and including the year ended 31 March 2021, the Company has prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). These financial statements for the year ended 31 March 2022 are the first, which the Company has prepared in accordance with Ind AS (refer note 39 for the explanation of transition to Ind AS). For the purpose of comparatives, financial statements for the year ended 31 March 2021 are also prepared under Ind AS. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

These financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date 31 March 2022.

b) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

c) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Net defined benefit liability	Present value of defined benefit obligations
Financial assets and liabilities	Amortised Cost

d) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2022 is included in the following notes:

- Measurement of defined benefit obligations: key actuarial assumptions;
- Useful lives and residual value of property, plant and equipment.

2.2.1 Current and non-current classification

All assets and liabilities of the Company are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized or intended to sold or consumed in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is expected to be realized within twelve months after the reporting period, or
- it is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

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

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

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

Operating cycle:

Based on the nature of activities and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle within 12 months for the purpose of current /non-current classification of its assets and liabilities.

2.2.2 Leases

Company as a Lessee:

Right-of-use assets:
The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities:
At the commencement of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement

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date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

2.2.3 Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable excluding taxes or duties collected on behalf of the government and reduced by any rebates and trade discount allowed.

Revenue from software development services

Revenue from software development services is recognised when related services are rendered and billed as per the terms of the agreement entered.

Consultancy services

Revenue from consultancy services is recognised on the basis of actual work performed, in line with the relevant consultancy agreement.

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

2.2.4 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management. Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All repair and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

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

Depreciation on property, plant and equipment is provided using the straight-line method over the useful lives of the related assets as prescribed under Schedule II to the Companies Act, 2013.

2.2.5 Other intangible assets

Acquired intangible assets, such as software are measured initially at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets with finite useful lives are amortized on straight line basis over an estimated useful life of three years. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

2.2.6 Financial instruments

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

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The Company recognizes a financial asset or a financial liability in the Balance Sheet when, and only when, the Company becomes party to the contractual provisions of the instrument

Recognition and initial measurement
Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Company's trade receivables do not contain any significant financing component and hence are measured at the transaction price measured under Ind AS 115.

A financial asset, other than trade receivables or financial liability is initially measured at fair value and, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue are also adjusted.

Subsequent measurement

Financial assets
On initial recognition, a financial asset is classified as measured at (i) amortised cost, (ii) fair value through profit or loss or (iii) fair value through other comprehensive income, on the basis of:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial asset

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

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

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets measured at fair value
Financial assets are measured at fair value through other comprehensive income (FVOCI) if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. Further, the Company has elected to recognise its investments in equity instruments in subsidiaries and associates at cost the financial statements in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

De-recognition of financial assets
A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement
Financial liabilities are initially measured at fair value. A financial liability is classified as at FVTPL if it is classified as held- for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL

are measured at fair value and net gains and losses are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss. Any gain or loss on derecognition is also recognised in statement of profit or loss.

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

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.2.7 Impairment of assets

Non-financial assets
At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use or its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial assets
In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL impairment loss allowance (or reversal) recognised during the period is recorded as expense/ income in the Statement of Profit and Loss.

2.2.8 Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the entity. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

2.2.9 Employee benefits

Employee benefits are all forms of consideration given by the company in exchange for service rendered by employees. Employee benefits include short-term employee benefits and post-employment benefits.

Short-term employee benefits

When an employee has rendered service to the company during an accounting period, the Company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as a liability (accrued expense), after deducting any amount already paid and as an expense. Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Post-employment benefits

Post-employment benefits are employee benefits which are payable after the completion of employment. Post-employment benefits consist of defined contribution plans and defined benefit plans.

Defined contribution plans

Defined contribution plans are plans under which the Company pays fixed contributions into a fund and will have no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

All the employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future Provident Fund benefits other than its annual contribution and recognises such contributions as an expense in the year it is incurred.

Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

The Company provides for gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated year mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date. Actuarial gain / losses are recognised in Other Comprehensive Income.

Share-based payments

The stock options of the Company granted to the employees are measured at the fair value of the options at the grant date. The amount recognised as expense is based on the estimate of the number of options for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised is based on the number of options that do meet the related service and non-market vesting conditions at the vesting date. The fair value of the options is treated as discount and accounted as employee compensation cost / investment in group companies over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as an expense in respect of such grant is transferred to the general reserve within other equity, which is a free reserve in nature.

2.2.10 Foreign currencies

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currency at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rate at the date of the transaction.

Exchange difference on restatement/ settlement of all monetary items are recognized in the Statement of Profit and Loss. Foreign currency gains and losses are reported on a net basis in the Statement of Profit and Loss.

2.2.11 Income taxes

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

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

Deferred tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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2.2.12 Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The Board of Directors of the Company has been identified as the CODM.

2.2.13 Earnings per share

Basic earnings/ (loss) per share is calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity shares outstanding during the period, except where the results would be anti-dilutive.

2.2.14 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks.

2.2.15 Cash flow statements

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing, and financing activities of the Company are segregated.

3. Standards and recent pronouncements issued but not yet effective

MCA vide its notification dated 23 March 2022 has notified Companies (Indian Accounting Standards) Amendment Rules, 2022 to further amend the Companies (Indian Accounting Standards) Rules, 2015, which are effective from 1 April 2022. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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4 Property, plant and equipment

	Office equipment	Computers	Furniture and fittings	Leasehold improvements	Total
Deemed carrying amount					
Balance as at 1 April 2020	3,422	554	151	11,759	15,886
Additions	-	-	-	-	-
Balance as at 31 March 2021	**3,422**	**554**	**151**	**11,759**	**15,886**
Additions	-	-	-	-	-
Balance as at 31 March 2022	**3,422**	**554**	**151**	**11,759**	**15,886**
Depreciation					
Balance as at 31 March 2020	-	-	-	-	-
Charge for the year	1,176	338	19	5,092	6,625
Balance as at 31 March 2021	**1,176**	**338**	**19**	**5,092**	**6,625**
Charge for the year	1,392	-	17	5,092	6,501
Balance as at 31 March 2022	**2,568**	**338**	**36**	**10,184**	**13,126**
Net block					
As at 1 April 2020	3,422	554	151	11,759	**15,886**
As at 31 March 2021	2,246	216	132	6,667	**9,261**
As at 31 March 2022	854	216	115	1,575	**2,760**
Deemed cost as on 1 April 2020					
Gross block as on 1 April 2020	6,601	4,313	208	26,762	**37,884**
Less:Accumulated depreciation till April 2020	(3,179)	(3,759)	(57)	(15,003)	**(21,998)**
Net block considered as deemed cost upon transition	**3,422**	**554**	**151**	**11,759**	**15,886**

5 Other intangible assets

	Software	Total
Deemed carrying amount		
Balance as at 1 April 2020	**3,688**	**3,688**
Additions	-	-
Balance as at 31 March 2021	**3,688**	**3,688**
Additions	-	-
Balance as at 31 March 2022	**3,688**	**3,688**
Amortisation		
Balance as at 31 March 2020	-	-
Charge for the year	3,650	3,650
Balance as at 31 March 2021	**3,650**	**3,650**
Charge for the year	38	38
Balance as at 31 March 2022	**3,688**	**3,688**
Net block		
As at 1 April 2020	**3,688**	**3,688**
As at 31 March 2021	**38**	**38**
As at 31 March 2022	-	-
Deemed cost as on 1 April 2020		
Gross block as on 1 April 2020	27,922	27,922
Less:Accumulated amortisation till April 2020	(24,234)	(24,234)
Net block considered as deemed cost upon transition	**3,688**	**3,688**

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6 Right-of-use assets

	As at		
	31 March 2022	31 March 2021	1 April 2020
Buildings	-	4,647	10,224
	-	4,647	10,224
Lease liabilities			
Non-current	-	-	4,024
Current	-	4,671	5,480
	-	4,671	9,504

(a) **Breakup of the ROU Asset on the date of transition is as follows:**

Particulars	Amount
ROU Asset on 1 April 2020	10,224
Depreciation for the year	5,577
ROU Asset on 31 March 2021	4,647
Depreciation for the year	4,647
ROU Asset on 31 March 2022	-

(b) **Breakup of the lease liability on the date of transition is as follows:**

Particulars	Amount
Lease liability on 1 April 2020	9,504
Interest expense for the year	1,029
Lease payment during the year	(5,862)
Lease liability on 31 March 2021	4,671
Interest expense for the year	263
Lease payment during the year	(4,934)
Lease liability on 31 March 2022	-

(c) **The following are the amounts recognised in statement of profit and loss:**

	For the year ended	
	31 March 2022	31 March 2021
Depreciation charge of right-of-use assets	4,647	5,577
Interest expense (included in finance costs)	263	1,029

(d) **Details of the contractual maturities of lease liabilities on an undiscounted basis is as follows:**

	As at		
	31 March 2022	31 March 2021	1 April 2020
Less than one year	-	4,934	5,862
One to three years	-	-	4,934
More than three years	-	-	-
	-	4,934	10,796

7 Non-current investments

	As at		
	31 March 2022	31 March 2021	1 April 2020
Investment in equity shares, unquoted			
Investments in subsidiaries (measured at cost)			
3,547,214 (31 March 2021: 3,547,214; 1 April 2020: 3,316,433) equity shares of ₹10 each fully paid-up in Payswiff Solutions Private Limited	624,225	596,369	396,954
10,000 (31 March 2021: 10,000; 1 April 2020: 10,000) equity shares of ₹10 each fully paid-up in Payswiff Services Private Limited	100	100	100
Nil (31 March 2021: Nil; 1 April 2020: 10,000) equity shares of ₹10 each fully paid-up in Paynear E Paymnets Private Limited (net of impairment of ₹100 thousands as at 1 April 2020).	-	-	-
Nil (31 March 2021: Nil; 1 April 2020: 135,681) equity shares of ₹10 each fully paid-up in Localbell Infolabs Private Limited (net of impairment of ₹3,501 thousands as at 1 April 2020).	-	-	-
Nil (31 March 2021: 3,495,000; 1 April 2020: 3,330,000) equity shares of Singapore Dollar 1 each fully paid-up in Payswiff Pte Ltd., Singapore	-	220,067	210,251
	624,325	816,536	607,305
Others (measured at fair value through other comprehensive income)			
Nil (31 March 2021: 19,339; 1 April 2020: 19,339) equity shares of ₹10 each fully paid up in Hita Informatics Private Limited	-	500	14,503
Aggregate amount of unquoted investments	624,325	817,036	621,808
Aggregate book value of unquoted investments	624,325	817,036	625,409
Aggregate amount of impairment in the value of investments	-	-	3,601

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7 Non-current investments (continued)

Details of proportion of ownership and voting rights

Name of the entity	Country of incorporation	As at		
		31 March 2022	31 March 2021	1 April 2020
Payswiff Solutions Private Limited	India	100.00%	100.00%	100.00%
Payswiff Services Private Limited	India	100.00%	100.00%	100.00%
Paynear E Payments Private Limited	India	-	NA*	100.00%
Localbells Infolabs Private Limited	India	-	NA*	100.00%
Payswiff Pte Ltd.#	Singapore	-	100.00%	100.00%

* Pursuant to an application filed in accordance with Section 248 of the Companies Act, 2013 and approval received from the Office of the Registrar of Companies ("ROC") dated 30 March 2021 and 08 April 2021, the names of Paynear E Payments Private Limited and Localbells Infolabs Private Limited, respectively, has been struck-off from the records of the ROC and accordingly these subsidiaries stand disssolved.

The Company has disposed of its stake in Payswiff Pte Ltd, Singapore during the year ended 31 March 2022

8 Loans

	As at		
	31 March 2022	31 March 2021	1 April 2020
Non-current			
Loans to subsidiaries (Unsecured, considered good)	-	2,991	2,576
	-	2,991	2,576
Current			
Loans to subsidiaries (Unsecured)			
Considered good	136,672	-	-
Credit impaired	11,290	11,290	11,070
	147,962	11,290	11,070
Less: allowance for bad and doubtful loans	(11,290)	(11,290)	(11,070)
	136,672	-	-

Break up of loans to related parties:

	As at		
	31 March 2022	31 March 2021	1 April 2020
Payswiff PTE Limited	-	2,991	2,576
Payswiff Services Private Limited	11,290	11,290	11,070
Payswiff Solutions Private Limited	136,672	-	-

Note:
Details of outstanding loans granted to related parties (as defined under the Act) that are repayable on demand are as under:

	As at		
	31 March 2022	31 March 2021	1 April 2020
Outstanding balance	11,290	14,281	13,646
Percentage to the total gross loan portfolio	8%	100%	100%

9 Other financial assets

	As at		
	31 March 2022	31 March 2021	1 April 2020
Non-current			
Security deposits	-	-	2,234
	-	-	2,234
Current			
Security deposits	-	2,569	-
	-	2,569	-

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Payswiff Technologies Private Limited
Notes to the standalone financial statements for the year ended 31 March 2022
(All amounts in ₹ thousands, except for share data or as otherwise stated)

10 Trade receivables

	As at		
	31 March 2022	31 March 2021	1 April 2020
Unsecured receivables, considered good	1,409	414	486
Unsecured receivables, with significant increase in credit risk	-	-	-
	1,409	**414**	**486**

Trade receivables ageing schedule:

	As at		
	31 March 2022	31 March 2021	1 April 2020
Undisputed receivables, considered good			
Outstanding for following periods from the due date of payment			
Less than 6 months	497	414	486
6 months - 1 year	498	-	-
1 - 2 years	414	-	-
2 - 3 years	-	-	-
	1,409	**414**	**486**

Notes:

(i) There are no undisputed receivables outstanding which are credit impaired or with significant increase in credit risk as at the reporting periods.

(ii) There are no disputed receivables outstanding as at the reporting periods.

11 Cash and cash equivalents

	As at		
	31 March 2022	31 March 2021	1 April 2020
Balances with banks			
- in current accounts	10,276	14,871	15,142
Cash on hand	-	-	-
	10,276	**14,871**	**15,142**

12 Contract assets

	As at		
	31 March 2022	31 March 2021	1 April 2020
Current	-	7,449	-
	-	7,449	-

13 Other current assets

	As at		
	31 March 2022	31 March 2021	1 April 2020
Balances with government authorities	11,799	5,574	5,026
	11,799	**5,574**	**5,026**

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14 Equity share capital

	As at		
	31 March 2022	31 March 2021	1 April 2020
Authorised equity share capital			
50,00,000 (31 March 2021: 50,00,000, 1 April 2020: 50,00,000) equity shares of ₹10 each	50,000	50,000	50,000
Issued, subscribed and fully paid up share capital			
37,56,568 (31 March 2021: 33,10,560, 1 April 2020: 31,67,370) equity shares of ₹10 each	37,566	33,106	31,674

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period

Name of the share holder	As at					
	31 March 2022		31 March 2021		1 April 2020	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	3,310,560	33,106	3,167,370	31,674	2,893,947	28,940
Add: Shares issued during the year	446,008	4,460	143,190	1,432	273,423	2,734
Outstanding at the end of the year	**3,756,568**	**37,566**	**3,310,560**	**33,106**	**3,167,370**	**31,674**

(b) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, equity share holders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of share holders holding more than 5% of the aggregate shares in the Company

Name of the share holder	As at					
	31 March 2022		31 March 2021		1 April 2020	
	Number	% of holding	Number	% of holding	Number	% of holding
Equity share of ₹10 each						
Cholamandalam Investment and Finance Company Limited ("CIFL")	2,773,227	73.82%	-	-	-	-
Prabhuram Radhakrishnan	484,944	12.91%	744,209	22.48%	749,913	23.68%
Ramesh Chandra Majitha	-	-	465,466	14.06%	465,466	14.70%
Tirupati Sugars Limited	-	-	295,234	8.92%	295,234	9.32%
Priti Maulik Shah	-	-	184,612	5.58%	184,612	5.83%
Sashi Reddi Investment Advisors Private Limited	-	-	182,447	5.51%	-	0.00%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(d) Details of shareholding of promoters

Name of the promoter	As at 31 March 2022			As at 31 March 2021			As at 1 April 2020		
	Number	% of holding	% of change	Number	% of holding	% of change	Number	% of holding	% of change
V Anil Bharadwaj	89,605	2.39%	-26.10%	121,252	3.66%	0.62%	120,510	3.80%	-6.13%
Maulik Bipin Shah	91,289	2.43%	-26.10%	123,530	3.73%	0.00%	123,530	3.90%	-5.61%
Priti Shah	138,293	3.68%	-25.09%	184,612	5.58%	0.00%	184,612	5.83%	-4.09%
Ravi Kiran	89,605	2.39%	-26.10%	121,252	3.66%	0.62%	120,510	3.80%	-6.13%
Krishna Kishore	89,605	2.39%	-26.10%	121,252	3.66%	0.62%	120,510	3.80%	-6.13%
Prabhuram Radhakrishnan	484,944	12.91%	-34.84%	744,209	22.48%	-0.76%	749,913	23.68%	-7.32%

(e) Shares reserved for issues under warrants and contracts

(i) Share warrants

Pursuant to the terms of the Share Warrant Agreement ("the Agreement") dated 27 May 2020, the Company has issued warrants to Sashi Reddi Investment Advisors Private Limited (the "Investor") representing the right to subscribe to 110,526 equity shares of ₹10 each at a price of ₹950 per equity share of the Company. Warrants could be exercised by the Investor earlier of (i) three years from the date of the issue or (ii) date of occurence of the qualified financing or (iii) date of occurance of change of control event as defined in the Agreement. During the year ended 31 March 2022, the warrants have been exercised and accordingly 110,526 equity shares of ₹10 each at a price of ₹950 per equity share has been alloted / issued by the Company.

(ii) Employee Stock Option Plan(ESOP)

The Company has instituted Employee Stock Option Plan 2018 (the "Scheme") for all the eligible employees of the Company and its subsidiaries. Under the Scheme, the Board of Directors has been authorized to grant share-based stock options to eligible employees of the Company and its subsidiaries. These stock options will generally vest between a minimum of one to a maximum of four years from the grant date subject to continuance of employment. Pursuant to the terms of the Scheme, employees will have an option to exercise the vested option within three years from the date of vesting at ₹10 per equity share of ₹10 each, being its exercise price.

(a) The following table summarizes the options granted under the Scheme to the eligible employees of the Company and its subsidiaries:

Particulars	Grant I	Grant II	Grant III	Grant IV
Date of grant	1-Jan-18	Various dates	30-Sep-20	1-Apr-21
Number of options granted	25,133	107,267	5,399	71,780
Fair value of options	914.45	914.45 - 1483.02	1,483.02	1,301.09
Method of settlement	Equity	Equity	Equity	Equity
Graded vesting period				
Day following the expiry of 12 months from grant	62.5%	25.0%	100.0%	100.0%
Day following the expiry of 24 months from grant	12.5%	25.0%	NA	NA
Day following the expiry of 36 months from grant	12.5%	25.0%	NA	NA
Day following the expiry of 48 months from grant	12.5%	25.0%	NA	NA
Weighted average of remaining contractual life in years	2.75	2.65	2.50	3.00

	No. of options	
	31 March 2022	31 March 2021
Options outstanding at the beginning of the year	102,117	77,700
Granted during the year	71,780	39,776
Forfeited during the year	(6,107)	(15,359)
Exercised during the year	(88,973)	-
Options outstanding at the end of the year	**78,817**	**102,117**
Options exercisable at the end of the year	-	50,066

Fair value of options was estimated at the date of grant using Black and Scholes options pricing model with the following assumptions:

	31 March 2022	31 March 2021
Risk free (%)	7.22%	6.21%
Expected volatility (%)	20.00%	20.00%

(b) Expense recognized for employee services received during the year are as below:

	31 March 2022	31 March 2021
Expense arising from equity-settled share-based payment transactions	96,834	13,029
Investment (ESOP issned to employees of subsidiary companies)	27,857	18,769
Total expense arising from share-based payment transactions	**124,691**	**31,798**

15 Other equity

	As at		
	31 March 2022	31 March 2021	1 April 2020
Reserve and surplus			
Securities premium	1,648,299	1,053,393	876,468
Share options outstanding reserve	117,001	85,648	53,850
Retained earnings	(1,059,915)	(595,827)	(460,130)
	705,385	543,214	470,188
Other comprehensive income			
FVTOCI - equity instruments	-	(14,003)	-
	705,385	529,211	470,188

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Share options outstanding reserve

Shares options outstanding reserve is in the nature of share based payment reserve used to recognise the grant date fair value of options issued by the Company to the employees of the Company.

FVTOCI instruments

The Company has elected to recognise the change in fair value of certain investments in other comprehensive income. These changes are accumulated within the FVTOCI instruments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant instruments are derecognised.

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16 Employee benefit obligations

	As at		
	31 March 2022	31 March 2021	1 April 2020
Non-current			
Gratuity	5,020	3,704	1,501
	5,020	**3,704**	**1,501**
Current			
Gratuity	1,026	554	734
Leave encashment	3,470	2,549	1,225
	4,496	**3,103**	**1,959**

Gratuity:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a unfunded plan.

Amonnts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	As at	
	31 March 2022	31 March 2021
a) **Defined benefit cost recognized in P&L and OCI**		
Current service cost	1,136	931
Interest expense	281	152
Defined benefit cost included in P & L	**1,417**	**1,083**
Remeasurement recognised in OCI		
Acturial (gain)/loss on defined benefit obligation	719	941
	719	**941**
Total defined benefit cost recognized in P&L and OCI	**2,136**	**2,024**
b) **Net defined benefit liability reconciliation**		
Net Defined Benefit Liability at the beginning	4,258	2,235
Defined Benefit Cost included in P & L	1,417	1,083
Total Remeasurements included in OCI	719	941
Employer Direct Benefit Payments	(348)	-
Net Defined Benefit Liability / (Asset) at the end	**6,046**	**4,258**
c) **Net (asset) / liability**		
Present value of defined benefit obligation	6,046	4,258
Fair value of plan assets	-	-
Net defined benefit liability/(asset) recognized in balance sheet	**6,046**	**4,258**
d) **Classification**		
Current	1,026	554
Non current	5,020	3,704
	6,046	**4,258**

e) **Significant estimates: actuarial assumptions**

The significant actuarial assumptions were as follows:	31 March 2022	31 March 2021
Discount rate	7.40%	6.89%
Salary escalation rate	0% to 4%	0% to 4%
Withdrawal rate	16.56%	16.56%

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f) **Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the principal assumptions are as under:

	31 March 2022	31 March 2021
Change in assumptions		
Salary escalation - up by 1% - Impact	340	256
Salary escalation - down by 1% - Impact	(313)	(235)
Withdrawal rates - up by 1% - Impact	40	13
Withdrawal rates - down by 1% - Impact	(44)	(16)
Discount rates - up by 1% - Impact	(268)	(205)
Discount rates - down by 1% - Impact	295	226

Sensitivity analysis for each significant actuarial assumptions namely discount rate, withdrawal rates and salary assumptions have been shown in the table above at the end of the reporting period, showing how the defined benefit obligation would have been affected by the changes. The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except the parameters to be stressed. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

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

	31 March 2022	31 March 2021
Expected future cash flows (undiscounted)		
Year 1	1,026	554
Year 2	990	651
Year 3	880	649
Year 4	785	578
Year 5	703	509
Year 6 to 10	2,519	1,759
Total	**6,903**	**4,700**

The weighted average duration of the defined benefit obligation is 7.35 years.

17 Other current financial liabilities

	As at		
	31 March 2022	31 March 2021	1 April 2020
Employee related liabilities	16,115	16,980	15,516
Security deposits from customers	-	131,732	-
Interest accrued but not due on borrowings	-	46	3,873
Others	-	-	3,147
	16,115	**148,758**	**22,536**

18 Other current liabilities

	As at		
	31 March 2022	31 March 2021	1 April 2020
Statutory dues	2,205	1,307	5,572
	2,205	**1,307**	**5,572**

19 Current borrowings

	As at		
	31 March 2022	31 March 2021	1 April 2020
Unsecured			
*Repayable on demand, from**			
Directors	-	-	15,250
Members	-	8,000	10,566
Others	-	21,755	2,800
*Other loans, from**			
Members	-	67,500	67,500
Others	-	41,485	38,407
	-	138,740	134,523

Notes:

Other loans are repayable within 12 months of drawdown. Further, out of the total borrowings, loans aggregating to ₹Nil (31 March 2021: ₹130,000 thousands; 1 April 2020: ₹112,566 thousands) carry an interest of 15% p.a. payable on a quarterly basis and loans aggregating to ₹Nil (31 March 2021: ₹9,755 thousauds; 1 April 2020: ₹26,050 thousauds) are interest free.

*Out of the above, Prabhuram Radhakrishnan, Managing Director and Ramesh Chandra Majitha, Member and relative of a Director, have pledged a portion of their holding in the Company in connection with the loans availed by the Company aggregating to ₹Nil (31 March 2021: ₹130,000,000; 1 April 2020: ₹Nil).

Net Debt reconciliation:

	Current borrowings	Non-current borrowings	Interest accrued
Net debt as at 1 April 2020	134,523	-	-
Cash flows (net)	4,217	-	-
Interest accrued during year	-	-	20,276
Interest paid during the period	-	-	(20,276)
Net debt as at 31 March 2021	138,740	-	-
Cash flows (net)	(138,740)	-	
Interest accrued during year	-	-	15,766
Interest paid during the period	-	-	(15,766)
Net debt as at 31 March 2022	-	-	-

20 Trade payables

	As at		
	31 March 2022	31 March 2021	1 April 2020
Total outstanding dues of micro enterprises and small enterprises	64	41	25
Total outstanding dues of creditors other than micro enterprises and small enterprises	21,258	2,653	2,846
	21,322	2,694	2,871

Ageing of trade payables

	Undisputed		Disputed	
	MSME	Others	MSME	Others
As at 31 March 2022				
Less than 1 Year	30	21,258	-	-
1-2 years	34	-	-	-
2-3 years	-	-	-	-
More thau 3 years	-	-	-	-
	64	21,258	-	-
As at 31 March 2021				
Less than 1 Year	41	2,653	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
	41	2,653	-	-
As at 1 April 2020				
Less than 1 Year	25	2,846	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
	25	2,846	-	-

21 Revenue from contracts with customers

	For the year ended	
	31 March 2022	31 March 2021
Sale of services	67,031	13,349
	67,031	**13,349**

(a) **Changes in contract asset are as follows:**

	For the year ended	
	31 March 2022	31 March 2021
Balance at the beginning of the year	7,449	-
Invoices raised that were included in the contract assets balance at the beginning of the year	(7,449)	-
Increase due to revenue recognised during the year, excluding amounts billed during the year	-	7,449
Balance at the end of the year	-	7,449

22 Other income

	For the year ended	
	31 March 2022	31 March 2021
Interest income on financials assets measured at amortised cost	800	750
Payables no longer required,written back	14,628	3,000
Others	100	387
	15,528	**4,137**

23 Employee benefit expense

	For the year ended	
	31 March 2022	31 March 2021
Salaries, wages and bonus	101,926	74,658
Contribution to provident fund	1,878	1,752
Employee share options expense	96,834	13,029
Gratuity	1,417	1,083
Staff welfare expenses	44	139
	202,099	**90,661**

24 Finance costs

	For the year ended	
	31 March 2022	31 March 2021
Interest on borrowings	15,766	20,276
Interest on lease liabilities	263	1,029
Interest on financial liabilities	18,268	18,268
	34,297	**39,573**

25 Depreciation and amortisation expense

	For the year ended	
	31 March 2022	31 March 2021
Depreciation of property, plant and equipment	6,501	6,625
Depreciation of right-of-use assets	4,647	5,577
Amortisation of intangible assets	38	3,650
	11,186	**15,852**

26 Other expenses

	For the year ended	
	31 March 2022	31 March 2021
Power and fuel	1,361	1,482
Rates and taxes	709	303
Communication	549	861
Legal and professional charges	61,098	878
Software expenses	295	277
Printing and stationary	59	18
Provision for doubtful advances	-	221
Payments to auditors		
- towards statutory audit	620	620
- towards certification fee	-	300
- towards out of pocket expenses	-	15
Bank charges	96	90
Miscellaoeous expenses	320	1,091
	65,107	**6,156**

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27 Exceptional items

Exceptional item represents loss on account of sale of investment held in Payswiff PTE Limited, including recovery of receivable balances, pursuant to the Share Transfer Agreement dated 2 February 2022 entered between the Company and Chola Business Services Limited and Prabhuram Radhakrishnan.

28 Earnings per equity share (EPES)

	For the year ended	
	31 March 2022	**31 March 2021**
Loss attributable to the equity holders	(449,366)	(134,756)
Weighted average number of equity shares for the calculation of basic EPES	3,347,886	3,199,364
Add: Effect of potential dilutive equity shares*	-	-
Weighted average number of shares considered for computation of Diluted EPES	**3,347,886**	**3,199,364**
Earnings per equity share (in absolute ₹)		
- Basic and diluted EPS	(134.22)	(42.12)

*the effect of potential equity shares are not considered in the computation of Diluted EPES as they are anti dilutive.

29 Segment reporting

In accordance with Ind AS 108, Operating Segments, segment information has been given in the consolidated financial statements of Payswiff Technologies Private Limited and therefore no separate disclosure on segment information is given in these financial statements.

30 There are no contingent liabilities outstanding as at 31 March 2022, 31 March 2021 and 1 April 2020.

31 The Micro and Small Enterprises have been identified on the basis of information available with the Company. This has been relied upon by the auditors. Details of dues to such parties are given below:

	As at		
	31 March 2022	**31 March 2021**	**1 April 2020**
a) The principal amount remaining unpaid as at the end of the year	64	41	25
b) The amount of interest accrued and remaining unpaid at the end of the year	-	-	-
c) Amount of interest paid by the company in terms of Section 16, of (MSMED Act 2006) along with the amounts of payments made beyond the appointed date during the year.	-	-	-
d) Amount of interest due and payable for the period of delay in making payment without the interest specified under the (MSMED Act 2006)	-	-	-
e) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the (MSMED Act 2006)	-	-	-

32 Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Hence, the Company may adjust any dividend payments, return capital to shareholders or issue new shares or sell assets to reduce debt. Total capital is the equity as shown in the statement of financial position. Currently, the Company primarily monitors its capital structure on the basis of the following gearing ratio. Management is continuously evolving strategies to optimize the returns and reduce the risks. It includes plans to optimize the financial leverage of the Company.

	As at		
	31 March 2022	**31 March 2021**	**1 April 2020**
Total borrowings	-	143,411	144,027
Less: Cash and cash equivalents	(10,276)	(14,871)	(15,142)
Net Debt	-	128,540	128,885
Total equity	742,951	562,317	501,862
Net debt to equity ratio	**0.00%**	**22.86%**	**25.68%**

33 Disclosure pursuant to requirements of Rule 11(e) (i) & (ii) of the Companies (Audit and Auditors) Rules

(i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

(ii) Details of funds received by the Company from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries are as under:

Name of the Funding Party	Amount received	Date of receipt	Name of the Beneficiary	Amount remitted	Date of remittance
Cholamandalam Investments and Finance Company Limited	400,000	30 March 2022	Payswiff Solutions Private Limited	240,000	31 March 2022

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34 Related party disclosures

(a) Name of related parties and nature of relationship

Name of the related party	Nature of relationship
Cholamandalam Investments and Finance Company Limited ("CIFCL") (w.e.f 17 January 2022)	Holding company
Payswiff Solutions Private Limited ("PSPL") Payswiff Services Private Limited Payswiff PTE Ltd, Singapore (till 2 February 2022)	Subsidiaries
Prabhuram Radhakrishnan Maulik Bipin Shah (till 17 January 2022) Priti Maulik Shah Mitesh Majithia (till 17 January 2022) Ravi Kiran Pedarla (till 17 January 2022) Anil Bharadwaj Vedam (till 17 January 2022)	Key Managerial Personnel ("KMP")
Ramesh Chandra Majithia (till 17 January 2022)	Relative of KMP

(b) **Transactions with related parties**

	For the year ended	
	31 March 2022	**31 March 2021**
Payswiff Solutions Private Limited		
Consultancy services	66,131	12,430
Loans advanced	240,000	276,216
Issuance of equity shares	-	217,926
Security deposit received	-	150,000
Payswiff Services Private Limited		
Interest free loan advanced	-	1,871
Payswiff PTE Ltd		
Investment in equity shares of subsidiary	2,937	9,069
CIFCL		
Investment in equity shares of the Company	400,000	-
Prabhuram Radhakrishnan		
Investment in equity shares of the Company	105,000	-
Sale of investment held in Payswiff PTE Ltd	2,283	-
Interest free loan availed	-	5,000
Remuneration		
Prabhuram Radhakrishnan	4,700	2,851
Maulik Bipin Shah	3,600	2,851
Ravi Kiran Pedarla	3,500	2,851

(c) **Balances receivable / (payable)**

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Payswiff Services Private Limited	11,290	11,290	11,070
Payswiff PTE Limited	-	3,406	3,406
Payswiff Solutions Private Limited	136,672	(142,570)	-
Prabhuram Radhakrishnan	-	(229)	(5,177)
Anil Bharadwaj Vedam	-	-	(300)
Ramesh Chandra Majitha	-	(8,000)	(8,000)
Maulik Bipin Shah	-	(265)	(2,204)
Priti Maulik Shah	-	-	(8,950)

Notes:

(i) During the year ended 31 March 2021, the Company had extended corporate guarantee amounting to ₹92,300 thousands (1 April 2020: ₹82,060 thousands), in connection with the credit facility availed by PSPL, which has been prepaid during the year ended 31 March 2022.

(ii) Prabhuram Radhakrishnan and Ramesh Chandra Majitha had pledged a portion of their holding in the Company in connection with the loans availed by the Company (Refer Note: 19).

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35 Analytical Ratios

	As at / For the year ended		Variance	Remarks
	31 March 2022	31 March 2021	%	
Current assets (a)	160,156	30,877		Note A
Current liabilities (b)	44,138	299,273		
Current ratio (a/b)	3.63	0.10	3416.92%	
Total debt (c)	-	143,411		Note B
Shareholder's equity (d)	742,951	562,317		
Debt equity ratio (c/d)	-	0.26	-100.00%	
Total debt = Long term borrowings + Short term borrowings+Lease liabilities				
Earnings available for debt Service (e)	(184,647)	(79,331)		Note C
Debt service (f)	15,766	163,733		
Debt service coverage ratio (e/f)	(11.71)	(0.48)	2317.21%	
Earnings available for debt service = Net profit after tax + Depreciation and amortization expense + Finance costs + other non operating adjustments.				
Debt service = Short term borrowings (including lease liabilties) + Interest accrued				
Net profit after taxes (g)	(449,366)	(134,756)		Note D
Average shareholder's equity (h)	652,634	532,090		
Return on equity ratio / Return on investment ratio (g/h)	(0.69)	(0.25)	171.87%	
Average shareholder's equity = (Opening + Closing / 2)				
Net credit sales (k)	67,031	13,349		Note E
Average accounts receivable (l)	912	450		
Trade receivables turnover ratio (k/l)	73.50	29.66	147.77%	
Net credit sales = Revenue from operations				
Average accounts receivable = (Opening + Closing / 2)				
Net sales (o)	67,031	13,349		Note A
Working capital (p)	116,018	(268,396)		
Net capital turnover ratio (o/p)	0.58	(0.05)	-1261.66%	
Net sales = Total income				
Working capital = Current assets - Current liabilities				
Net profit (q)	(449,366)	(134,756)		Note D
Net sales (r)	67,031	13,349		
Net profit ratio (q/r)	(6.70)	(10.09)	-33.59%	
Net profit = Net profit after tax				
Earnings before interest and taxes (s)	(415,069)	(95,183)		Note D
Capital employed (t)	747,971	566,021		
Return on capital employed (s/t)	(0.55)	(0.17)	230.00%	
Capital employed = Total assets - Current liabilities				

Note: Reasons for change in % by more than 25% is as under:

Note A: Principal reason for change in the current ratio / net capital turnover ratio is attributed to decrease in short-term borrowings and other financial liabilites during the year ended 31 March 2022, resulting in overall decrease in current liabilities as at 31 March 2022.

Note B: Principal reason for change in the debt equity ratio is attributed to decrease in borrowings on account of repayments and increase in equity from issue of equity shares during the year ended 31 March 2022, net of losses reported.

Note C: Principal reason for change in the debt service coverage ratio is attributed to decrease in borrowings on account of repayments and increase in the loss reported by the Company during the year ended 31 March 2022.

Note D: Principal reason for change in the return on equity ratio / return on investment ratio / net profit ratio / return on capital employed is attributed to the higher loss reported by the Company during the year ended 31 March 2022 as compared to loss reported during the year ended 31 March 2021.

Note E: Principal reason for change in the trade receivables turnover ratio is attributable to the significant increase in the turnover compared to that of the 31 March 2021.

Analytical ratios *

	As at / For the year ended		Variance	Remarks
	31 March 2021	31 March 2020	%	
Current assets (a)	30,877	20,654		
Current liabilities (b)	299,273	172,941		
Current ratio (a/b)	0.10	0.12	-13.61%	
Total debt (c)	143,411	144,027		
Shareholder's equity (d)	562,317	501,862		
Debt equity ratio (c/d)	0.26	0.29	-11.13%	
Total debt = Long term borrowings + Short term borrowings+ Lease liabilities				

* *Ratios for the comparitive period, are disclosed only for balance sheet items*

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36 Fair value measurements

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measnrement, as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(ii) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

	31 March 2022		31 March 2021		1 April 2020	
	FVTOCI	Amortised cost	FVTOCI	Amortised cost	FVTOCI	Amortised cost
Financial assets						
Investments	-	-	500	-	14,503	-
Trade receivables	-	1,409	-	414	-	486
Cash and cash equivalents	-	10,276	-	14,871	-	15,142
Loans	-	136,672	-	2,991	-	2,576
Other financial assets	-	-	-	2,569	-	2,234
	-	148,357	500	20,845	14,503	20,438
Financial liabilities						
Borrowings	-	-	-	138,740	-	134,523
Lease liabilities	-	-	-	4,671	-	9,504
Trade payables	-	21,322	-	2,694	-	2,871
Other financial liabilities	-	16,115	-	148,758	-	22,536
	-	37,437	-	294,863	-	169,434

The Company's principal financial liabilities, comprise borrowings, lease liability, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks. The Company's Board of Directors is supported by the senior management that advises on financial risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance to the Company's Board of Directors that the Company's financial risk activities are governed hy appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

(iii) The following table shows the Levels within the hierarchy of financial assets measured at fair value as at reporting period:

	31 March 2021			1 April 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Invesments	-	-	500	-	-	14,503

(iv) Financial instruments risk management

The Company is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk. The Company's risk management policies are established to identify and analyse the risks faced by the Company and seek to, where appropriate, minimize potential impact of the risk and to control and monitor such risks. There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks or the manner in which it manages and measures the risks.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company, leading to a financial loss. The Company is mainly exposed to the risk of its balances with the banks and other receivables. None of the Company's cash equivalents, other bank balances, loans and security deposits were past due or impaired as at the reporting period, except to the extent disclosed in note 8.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Basis the management assesment, it believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

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(B) Liquidity risk

Liquidity risk is that the Company might be unable to meet its obligations. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The tables below provide details regarding the contractual maturities of significant financial liabilities as at the reporting period.

As at 31 March 2022

	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Trade payables	21,322	-	-	21,322
Other financial liabilities	16,115	-	-	16,115

As at 31 March 2021

	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Borrowings	138,740	-	-	138,740
Lease liabilities	4,934	-	-	4,934
Trade payables	2,694	-	-	2,694
Other financial liabilities	148,758	-	-	148,758

As at 1 April 2020

	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Borrowings	134,523	-	-	134,523
Lease liabilities	5,862	4,024	-	9,886
Trade payables	2,871	-	-	2,871
Other financial liabilities	22,536	-	-	22,536

37 The Company has suffered losses in the current financial year amounting to ₹449,366 thousands and as of that date has accumulated losses of ₹1,059,786 thousands, raising doubts abont the Company's ability to continue as a going concern.

During the year, CIFCL, has acquired controlling stake in the entity and has infused equity of ₹400,000 thousands (in addition to ₹105,000 thousands infused by the Promoters) in the Group. Subsequently, the management has realigned its strategies to achieve growth at the Group level by increasing the volume of its operations and improve operational performance and liquidity, including infusion of capital. Additionally, subsequent to the balance sheet date, the Group has been sanctioned term loan and working capital facility aggregating to ₹1,000,000 thousands, snfficient to meet its planned expansion of operations and for meeting its working capital requirements.

Based on the foregoing developments and assessment of other qualitative factors, management believes that the Company will be able to realize the assets and discharge its liabilities as recorded in these financial statements in the normal course of operations. Accordingly, the accompanying financial statements of the Company have been prepared considering going concern basis of acconnting.

38 Additional disclosures

(i) There are no immovable properties whose title deeds are not held in the name of the Company

(ii) The Company has not revalued its Property, Plant and Equipment (including right-of use assets), intangible assets based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(iii) No charges or satisfaction yet to be registered with ROC beyond the statutory period.

(iv) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(v) The Company has not taken borrowings from banks or financial institutions on the basis of security of current assets.

(vi) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(vii) No transactions are carried out with companies struck off under section 248 of the Act or section 560 of Companies Act, 1956

(viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

(ix) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(x) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year

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39 First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies, as set out in Note 2 have been applied in preparing the financial statements for the year ended 31 March 2022. For the purpose of transition from previous GAAP to Ind AS, the Company has followed the guidance prescribed under Ind AS 101 – First time adoption of Indian Accounting Standards ("Ind AS 101"), with effect from 1 April 2020 ("transition date").

In preparing its Ind AS Balance Sheet as at 1 April 2020 and in presenting the comparative information for the year ended 31 March 2021, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains how the transition from previous GAAP to Ind AS has affected the Company's balance sheet and financial performance.

a) Optional exemptions availed and mandatory exceptions applied

Set out below are the applicable Ind AS101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Deemed cost for property, plant and equipment and intangible assets

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as at 1 April 2020 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets.

Leases

Appendix C to Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The Company has elected to apply this exemption for such contracts / arrangements.

De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition of Ind AS 109 prospectively from the date of transition to Ind AS.

Share based payments

Ind AS 102 Share based payments requires an entity to record the options on their fair value instead of intrinsic value. Ind AS 101 permits a first time adopter to ignore such requirement for the options already vested as on transition date (i.e., 1 April 2020). The Company has elected to apply this exemptions for such vested options.

Investment in subsidiaries

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its investments in subsidiaries, joint ventures and associate as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure its investment in subsidiaries at their previous GAAP carrying value.

Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. The Company's estimates under Ind AS are consistent with the above requirement.

Classification and measurement of financial assets and liabilities

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

b) Reconciliations

Reconciliation of total equity

	31 March 2021	1 April 2020
Total equity as per previous GAAP	534,299	471,270
Add / (less) : Adjustments for GAAP differences		
Unwinding of discount on security deposit	332	-
Finance liabilities measured at amortized cost	(16,967)	3,964
Adjustments related to recognition of right to use asset and lease liabilities under Ind-AS 116	(744)	-
Reversal of employee stock option expense in respect of options granted to employees of subsidiaries	45,397	26,628
Equity as per Ind-AS	**562,317**	**501,862**

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Reconciliation of total comprehensive income

	31 March 2021
Net loss under IGAAP	(153,116)
Add:-	
Interest income recognized on unwinding of discount on financial assets	750
Impact due to accounting of employee stock option plan using fair valuation model	5,988
Reversal of employee stock option expense in respect of options granted to employees of subsidiaries	18,769
Finance liabilities measured at amortized cost	(21,347)
Reclassification of gains on re-measurement of defined benefit obligation reclassified to OCI	941
Reversal of loss on investments measured at FVTOCI	14,003
Adjustments related to recognition of right to use asset and lease liabiliites under Ind-AS 116	(744)
Loss after tax as per Ind AS	**(134,756)**
Other comprehensive income	(14,944)
Total comprehensive income as per Ind AS	**(149,700)**

c) **Notes to the reconciliations**

Security deposits

Under previous GAAP, security deposits were initially recognised at transaction price. Subsequently, finance income was recognised based on contractual terms, if any. Under Ind AS, (i) the security deposits are to be recognised at fair value, (ii) interest income on such security deposits are to be recognised through effective interest method and (iii) lease expense to be amortised over the period of lease on a straight line basis. Accordingly, the Company has recognised the security deposit at present value using the market rate of interest and the differential deposit amount is recognised over the period of lease.

Leases

Under Ind AS, each lease arrangement with the exception of short-term leases and leases of low-value underlying assets, is reflected on the balance sheet as a right-of-use asset and a lease liability. Accordingly the Company has used the modified retrospective method to all lease contracts existing as at 1 April 2020. This has resulted in recognising a right-of-use asset and a corresponding lease liability. In the Statement of Profit and Loss, operating lease expenses which were recognised as rental expenses is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability.

Employee stock options

Under previous GAAP, the Company had recorded the ESOP Cost using instrinic value per option. However, under Ind AS, the Company has recorded the ESOP cost using fair valuation model. Further the Company has instituted Employee Stock Option Plan 2018 (the "Scheme") for all the eligible employees of the Company and its subsidaries. Under Ind AS 102, all such share based payment transactions among group entities are required to be recognised by the entity receiving the goods or services. Accordingly, employee stock option expenses pertaining to options granted to the employees of the subsidiaries were derecognised with a corresponding increase in the investment value.

FVTOCI financial assets

Under Indian GAAP, the Company accounted for long-term investments at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTOCI. Ind AS requires FVTOCI investments to be measured at fair value. At the date of transition to Ind AS, difference between the instruments fair value and Indian GAAP carrying amount has been recognised as a separate component of equity, in the retained earnings, net of related deferred taxes.

Remeasurement of post-employment benefit obligations

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to statement of profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

Retained earnings

Retained earnings as at 1 April 2020 has been adjusted consequent to the above Ind AS transition adjustments.

Statement of cash flows

The transition from Indian GAAP to Ind AS had no material impact on the statement of cash flows

40 The Board of Directors of the Company in their meeting held on 11 March 2022, has approved, subject to regulatory approvals, the Scheme of Arrangement for amalgamation of it's subsidiaries, Payswiff Solutions Private Limited and Payswiff Services Private Limited with Payswiff Technologies Private Limited (the "Scheme") with an appointed date of 1 April 2022. The Company is in the process of obtaining necessary approvals under applicable laws/regulations to give effect to the above Scheme. Pending necessary approvals, the standalone financial statements as at and for the year ended 31 March 2022 have been prepared without giving effect to the above proposed Scheme.

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

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

Nikhil Vaid

Nikhil Vaid
Partner
Membership No: 213356

Place: Hyderabad
Date: 06 July 2022

Walker Chandiok & Co. LLP
Hyderabad

For and on behalf of the Board of Directors of
Payswiff Technologies Private Limited

Prabhuram Radhakrishnan
Managing Director
DIN:1673968

Place: Hyderabad
Date: 06 July 2022

Payswiff Technologies Private Limited
Hyderabad

Ravindra K Kundu
Director
DIN:7337155

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Independent Auditor's Report

To the Members of Payswiff Technologies Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Payswiff Technologies Private limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure A, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2022, and their consolidated loss (including other comprehensive loss), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

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

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

Responsibilities of Management for the Consolidated Financial Statements

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

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

8. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing an opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of Board 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 ability of the Group 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 Group to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Other Matters

10. We did not audit the financial information of two subsidiaries, whose financial information reflects total assets of ₹197 thousands and net assets of ₹66 thousands as at 31 March 2022, total revenues of ₹17,389 thousands and net cash outflows amounting to ₹1,006 thousands for the year ended on that date, as considered in the consolidated financial statements. These financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiaries and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial information are not material to the Group.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

11. The Group had prepared separate sets of statutory financial statements for the year ended 31 March 2021 and 31 March 2020 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued auditor's reports to the members of the Holding Company dated 25 September 2021 and 26 December 2020 respectively. These financial statements have been adjusted for the differences in the accounting principles adopted by the Group on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

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Hyderabad

Report on Other Legal and Regulatory Requirements

12. As required by section 197(16) of the Act based on our audit, we report that the Holding Company and a subsidiary company covered under the Act has paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, as stated in paragraph 10, financial statements of a subsidiary company, covered under the Act are unaudited and have been furnished to us by the management, and as certified by the management, such subsidiary has not paid or provided for any managerial remuneration during the year, accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary.

13. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us, of companies included in the consolidated financial statements for the year ended 31 March 2022 and covered under the Act we report that:

A) Following are the qualifications/adverse remarks reported by us in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2022 for which such Order reports have been issued till date:

S No	Name	CIN	Holding Company / Subsidiary	Clause number of the CARO report which is qualified or adverse
1	Payswiff Technologies Private Limited	U74900TG2013PTC089686	Holding Company	(iv), (vii) (a) and (ix) (a)
2	Payswiff Solutions Private Limited	U74120TG2012PTC084551	Subsidiary	(vii) (a) and (ix) (a)

B) Following are the companies included in the consolidated financial statements for the year ended 31 March 2022 audited by other auditors, for which the reports under section 143(11) of such companies have not yet been issued by the other auditors, as per information and explanation given to us by the management in this respect:

S No	Name	CIN	Subsidiary
1	Payswiff Services Private Limited	U74900TG2013PTC090267	Subsidiary

14. As required by section 143(3) of the Act, based on our audit of the Holding Company and a subsidiary incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) In our opinion, for all the companies covered under the Act, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

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d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the directors of the Holding Company, its subsidiary company and taken on record by the Board of Directors of the Holding Company and its subsidiary companies, covered under the Act, none of the directors are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us of the subsidiaries incorporated in India whose financial statements have been audited under the Act:

i. There were no pending litigations as at 31 March 2022 which would impact the consolidated financial position of the Group.

ii. The Holding Company, its subsidiary company, did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company covered under the Act, during the year ended 31 March 2022.

iv. a) The respective managements of the Holding Company, its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in note 37(i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary company, to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the note 37(ii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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c) Based on such audit procedures performed by us as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Holding Company, its subsidiary company, have not declared or paid any dividend during the year ended 31 March 2022

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

Nikhil Vaid

Nikhil Vaid
Partner
Membership No.: 213356
UDIN: 22213356AQSSTL2411

Walker Chandiok & Co. LLP ★ Hyderabad ★

Place: Hyderabad
Date: 6 July 2022

Annexure A

List of subsidiaries included in the Consolidated Financial Statements

Subsidiaries
1. Payswiff Solutions Private Limited, India
2. Payswiff Services Private Limited, India
3. Payswiff Pte Ltd., Singapore (ceased to be a subsidiary w.e.f. 2 February 2022)

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Hyderabad

Annexure B

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

1. In conjunction with our audit of the consolidated financial statements of Payswiff Technologies Private Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management for Internal Financial Controls

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

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

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with

Walker Chandiok & Co LLP Chartered Accountants Hyderabad generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion the Holding Company, its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to the financial statements criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to a subsidiary, which is a company covered under the Act, whose financial information reflect total assets of ₹197 thousands and net assets of ₹66 thousands as at 31 March 2022, total revenues of ₹11,841 thousands and net cash outflows amounting to ₹7 thousands for the year ended on that date. The internal financial controls with reference to financial statements of this subsidiary company, which is a company covered under the Act, are unaudited and our opinion under Section 143(3)(i) of the Act on adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to the aforesaid subsidiary, which is a company covered under the Act, is solely based on the corresponding internal financial controls with reference to financial statements report certified by the management of such company. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Group. Our opinion is not modified in respect of the above matter with respect to our reliance on the internal financial controls with reference to financial statements report certified by the management.

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

Nikhil Vaid
Partner
Membership No.: 213356
UDIN: 22213356AQSSTL2411

Walker Chandiok & Co. LLP Hyderabad

Place: Hyderabad
Date: 6 July 2022

Payswiff Technologies Private Limited
Consolidated Balance Sheet as at 31 March 2022
(All amounts in ₹ thousands, except for share data or as otherwise stated)

	Notes	As at		
		31 March 2022	31 March 2021	1 April 2020
Assets				
Non-current assets				
Property, plant and equipment	4	232,738	148,535	165,939
Right-of-use assets	6	19,711	14,392	25,535
Capital work-in-progress	4A	53,800	-	-
Goodwill		114,183	153,023	153,023
Other intangible assets	5	35,514	1,434	5,172
Intangible assets under development	4B	-	20,281	-
Financial assets				
i. Investments	7	-	500	23,366
ii. Other financial assets	13	5,822	1,500	2,233
Non-current tax assets		26,368	15,453	17,354
Other non-current assets	8	31,971	11,972	7,122
Total non-current assets		**520,107**	**367,090**	**399,744**
Current assets				
Inventories	9	12,246	-	-
Financial assets				
i. Trade receivables	10	100,384	89,543	38,217
ii. Cash and cash equivalents	11	180,106	97,710	41,126
iii. Bank balances other than ii above	12	9,469	9,171	9,673
iv. Other financial assets	13	8,793	7,559	7,673
Contract assets		37,534	4,693	12,370
Other current assets	8	36,582	41,911	60,886
Total current assets		**385,114**	**250,587**	**169,945**
Total assets		**905,221**	**617,677**	**569,689**
Equity and liabilities				
Equity				
Equity share capital	14	37,566	33,106	31,674
Other equity	15	311,519	111,196	26,842
Total equity		**349,085**	**144,302**	**58,516**
Liabilities				
Non-current liabilities				
Financial Liabilities				
i. Borrowings	16	-	9,459	9,395
ii. Lease liabilities	6	11,942	2,909	11,049
Provisions	20	9,250	7,332	4,201
Total non-current liabilities		**21,192**	**19,700**	**24,645**
Current liabilities				
Financial liabilities				
i. Borrowings	16	-	155,735	203,059
ii. Lease liabilities	6	7,433	12,865	14,354
iii. Trade payables	17			
(a) total outstanding dues of micro and small enterprises		32,928	6,050	515
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		138,664	93,428	123,963
iv. Other financial liabilities	18	293,022	158,678	91,685
Contract liabilities		44,013	-	-
Provisions	20	10,589	8,151	4,582
Other current liabilities	19	8,295	18,768	48,370
Total current liabilities		**534,944**	**453,675**	**486,528**
Total liabilities		**556,136**	**473,375**	**511,173**
Total equity and liabilities		**905,221**	**617,677**	**569,689**

The accompanying notes are an integral part of these consolidated financial statements

This is the Consolidated Balance Sheet referred to in our report of even date

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

Nikhil Vaid

Nikhil Vaid
Partner
Membership No: 213356

Place: Hyderabad
Date: 06 July 2022

For and on behalf of the Board of Directors of
Payswiff Technologies Private Limited

Prabhuram Radhakrishnan
Managing Director
DIN:1673968

Ravindra K Kundu
Director
DIN:7337155

Place: Hyderabad
Date: 06 July 2022

Payswiff Technologies Private Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2022
(All amounts in ₹ thousands, except for share data or as otherwise stated)

	Notes	For the year ended	
		31 March 2022	31 March 2021
Revenue from operations	21	2,820,605	2,080,209
Other income	22	37,832	26,088
Total income		2,858,437	2,106,297
Expenses			
Purchases of stock-in-trade		552,643	574,102
Changes in inventories of stock-in-trade	23	(12,246)	-
Employee benefit expense	24	427,072	242,249
Finance costs	25	33,597	38,118
Depreciation and amortisation expense	26	124,414	118,610
Other expenses	27	2,105,100	1,241,297
Total expenses		3,230,580	2,214,376
Loss before exceptional items and tax		(372,143)	(108,079)
Exceptional items	36	(50,639)	-
Loss before tax		(422,782)	(108,079)
Income tax expense			
- Current tax		-	-
- Prior period tax		2,310	-
- Deferred tax		-	-
Total tax expense		2,310	-
Loss for the year		(425,092)	(108,079)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		-	(461)
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		(1,677)	(1,826)
Changes in fair value of FVTOCI instruments		-	(14,003)
Income tax relating to these items		-	-
Other comprehensive income for the year, net of tax		(1,677)	(16,290)
Total comprehensive income for the year		(426,769)	(124,369)
Earnings per equity share [EPES] (in absolute ₹ terms)	28		
Par value per share		10	10
Basic and diluted EPES		(126.97)	(33.78)

The accompanying notes form an integral part of these consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

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

Nikhil Vaid

Nikhil Vaid
Partner
Membership No: 213356

Place: Hyderabad
Date: 06 July 2022

Walker Chandiok & Co. LLP ★ Hyderabad ★

For and on behalf of the Board of Directors of
Payswiff Technologies Private Limited

Prabhuram Radhakrishnan
Managing Director
DIN:1673968

Ravindra K Kundu
Director
DIN:7337155

Payswiff Technologies Private Limited ★ Hyderabad

Place: Hyderabad
Date: 06 July 2022

Payswiff Technologies Private Limited
Consolidated Cash Flow Statement for the year ended 31 March 2022
(All amounts in ₹ thousands, except for share data or as otherwise stated)

		For the year ended	
		31 March 2022	31 March 2021
Cash flow from operating activities			
Loss before tax		**(422,782)**	**(108,079)**
Adjustments for:			
Depreciation and amortisation expense		124,414	118,610
Employee stock compensation expense		124,691	31,798
Finance costs		33,597	38,118
Interest income		(1,956)	(1,953)
Loss on sale of investments		50,639	8,863
Payables no longer required written back		(22,451)	(14,291)
Operating profit / (loss) before working capital changes		**(113,848)**	**73,066**
Change in operating assets and liabilities			
Changes in inventory		(12,246)	-
Changes in trade receivables		(19,152)	(51,326)
Changes in other financial assets		(3,820)	3,576
Changes in contract assets			
Changes in other assets		(56,799)	26,652
Changes in provisions		2,679	4,874
Changes in trade payables		94,565	(25,000)
Changes in other financial liabilities		29,841	41,876
Changes in contract liabilities			-
Changes in other current liabilities		33,540	(29,602)
Cash generated from / (used in) operations		**(45,240)**	**44,116**
Income taxes paid		(13,225)	1,901
Net cash inflow from / (used in) operating activities	**(A)**	**(58,465)**	**46,017**
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		(159,357)	(66,505)
Proceeds from sale of investments		8,654	-
Movement in other bank balances		(4,620)	(998)
Interest received		3,437	1,109
Net cash used in investing activities	**(B)**	**(151,886)**	**(66,394)**
Cash flows from financing activities			
Proceeds from issue of share capital		506,028	178,357
Proceeds from long-term borrowings		-	12,300
Repayment of long-term borrowings		(26,344)	(50,394)
Proceeds / (repayment) from short-term borrowings, net		(138,850)	(9,167)
Lease payment		(15,593)	(15,069)
Interest payment		(32,133)	(39,066)
Net cash generated from financing activities	**(C)**	**293,108**	**76,961**
Net change in cash and cash equivalents	**(A+B+C)**	**82,757**	**56,584**
Cash and cash equivalents at the beginning of the financial year		97,710	41,126
Less: Adjustment on account of loss of control in a subsidiary		(361)	-
Cash and cash equivalents at the end of the year		**180,106**	**97,710**

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

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

Nikhil Vaid

Nikhil Vaid
Partner
Membership No: 213356

Place: Hyderabad
Date: 06 July 2022

For and on behalf of the Board of Directors of
Payswiff Technologies Private Limited

Prabhuram Radhakrishnan
Managing Director
DIN:1673968

Place: Hyderabad
Date: 06 July 2022

Ravindra K Kundu
Director
DIN:7337155

Payswiff Technologies Private Limited
Consolidated Statement of Changes in Equity for the year ended 31 March 2022
(All amounts in ₹ thousands, except for share data or as otherwise stated)

A. Equtiy Share Capital

	No. of shares	Amount
As at April 1, 2020	**3,167,370**	**31,674**
Changes in equity share capital	143,190	1,432
As at March 31, 2021	**3,310,560**	**33,106**
Changes in equity share capital	446,008	4,460
As at March 31, 2022	**3,756,568**	**37,566**

B. Other equity

	Reserves and Surplus			Other comprehensive income (OCI)		Total
	Securities Premium	Share compensation reserve	Retained earnings	Foreign currency translation reserve	Fair value through OCI (FVTOCI) - equity instruments	
Balance as at April 1, 2020	876,468	53,850	(903,104)	(372)	-	26,842
Premium on shares issued during the year	176,925	-		-	-	176,925
Stock compensation cost for the year	-	31,798	-	-	-	31,798
Loss for the year	-	-	(108,079)	-	-	(108,079)
Other comprehensive income	-	-	(1,826)	(461)	(14,003)	(16,290)
Balance as at 31 March 2021	**1,053,393**	**85,648**	**(1,013,009)**	**(833)**	**(14,003)**	**111,196**
Premium on shares issued during the year	594,906	-		-	-	594,906
Stock compensation cost for the year	-	124,691		-	-	124,691
Loss for the year	-	-	(425,092)	833	-	(424,259)
Transfer on allotment of equity shares pursuant to ESOP scheme	-	(93,338)	-	-	-	(93,338)
Other comprehensive income	-	-	(1,677)	-	-	(1,677)
Transfer on de-recognition of equity instrument	-	-	(14,003)	-	14,003	-
Balance as at 31 March 2022	**1,648,299**	**117,001**	**(1,453,781)**	**-**	**-**	**311,519**

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

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

Nikhil Vaid

Nikhil Vaid
Partner
Membership No: 213356

Place: Hyderabad
Date: 06 July 2022

Walker Chandiok & Co. LLP ★ Hyderabad ★

For and on behalf of the Board of Directors of
Payswiff Technologies Private Limited

Prabhuram Radhakrishnan
Managing Director
DIN:1673968

Place: Hyderabad
Date: 06 July 2022

Ravindra K Kundu
Director
DIN:7337155

Payswiff Technologies Private Limited ★ Hyderabad

1. Corporate information

Payswiff Technologies Private Limited ("Holding Company" or "Parent Company" or "Company") is a company domiciled in India and registered under the provisions of the erstwhile Companies Act, 1956. The Holding Company along with its subsidiaries (collectively referred as "the Group") is headquartered at Hyderabad. The Group is engaged in the business of providing omni-channel payment transactions processing services offering a wide range of innovative and reliable solutions, streamlining the transaction experience on a secured platform.

The consolidated financial statements are approved for issue by the Holding Company's Board of Directors on 6 July 2022.

2. Significant accounting policies

2.1 Basis of preparation

a) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the "Act"), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time including accounting principles generally accepted in India and presentation requirement of Division II of Schedule III to the Act, including the amendments to Schedule III notified by the Ministry of Corporate Affairs ("MCA") vide its notification dated 24 March 2021.

For all the periods up to and including the year ended 31 March 2021, the Holding Company has prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). These financial statements for the year ended 31 March 2022 are the first, which the Group has prepared in accordance with Ind AS (refer note 41 for the explanation of transition to Ind AS). For the purpose of comparatives, financial statements for the year ended 31 March 2021 are also prepared under Ind AS. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

These financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Holding Company's annual reporting date 31 March 2022.

b) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency. All amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

c) Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and all its subsidiaries (from the date control is gained), being the entities that it controls. Control is evidenced where the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statements of subsidiaries are prepared for the same reporting year as the parent company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Parent Company.

The Holding Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Holding Company gains control until the date the Company ceases to control the subsidiary. The Consolidated financial statements include results of the following subsidiaries of the Holding Company), consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'.

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(All amounts in INR thousands, unless otherwise stated)

Name of the consolidated entity	Country of incorporation	Nature of interest	% of interest 31 March 2022	% of interest 31 March 2021
Payswiff Solutions Private Limited	India	Subsidiary	100%	100%
Payswiff Services Private Limited	India	Subsidiary	100%	100%
Payswiff Pte Ltd *	Singapore	Subsidiary	NA	100%

** The Group has disposed of its stake in the associates during the year ended 31 March 2022.*

d) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Net defined benefit liability	Present value of defined benefit obligations
Financial assets and liabilities	Amortised Cost

e) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2022 is included in the following notes:

- Measurement of defined benefit obligations: key actuarial assumptions;
- Useful lives and residual value of property, plant and equipment.

2.2.1 Current and non-current classification

All assets and liabilities of the Company are classified into current and non-current.

<u>Assets</u>

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized or intended to sold or consumed in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is expected to be realized within twelve months after the reporting period, or
- it is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

<u>Liabilities</u>

A liability is classified as current when it satisfies any of the following criteria:

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

Current liabilities include the current portion of non-current financial liabilities.

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All other liabilities are classified as non-current.

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

Operating cycle:

Based on the nature of activities and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle within 12 months for the purpose of current /non-current classification of its assets and liabilities.

2.2.2 Leases

Company as a Lessee:

Right-of-use assets:
The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities:
At the commencement of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

2.2.3 Revenue recognition
Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable excluding taxes or duties collected on behalf of the government and reduced by any rebates and trade discount allowed.

Revenue from sale of goods is recognized on satisfaction of performance obligation upon transfer of control of promised products to customers for an amount that reflects the consideration the Company expects to receive in exchange for those products. The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not require to adjust any of the transaction prices for the time value of money.

Revenue from services is recognized when the control in services is transferred as per the terms of the agreement with customer i.e. as and when services are rendered. Revenues are disclosed net of the goods and services tax charged on such services. In terms of the contract, excess of revenue over the billed at the year-end is carried in the balance sheet as trade receivables where the amount is recoverable from the customer without any future performance obligation and the Company has unconditional right over such consideration (i.e. if only the passage of time is required before payment of such consideration is due). Cash received before the services are delivered is recognised as a contract liability. Contract assets are in the nature of unbilled receivables, which arises when Company satisfies a performance obligation but does not have an unconditional right to consideration

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Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

2.2.4 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management. Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All repair and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

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

Depreciation on property, plant and equipment is provided using the straight-line method over the useful lives of the related assets as prescribed under Schedule II to the Companies Act, 2013.

2.2.5 Goodwill and Other intangible assets

Goodwill represents the excess of consideration transferred, together with the amount of non-controlling interest in the acquiree, over the fair value of the Company's share of identifiable net assets acquired. Goodwill is measured at cost less accumulated impairment losses. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and any impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying value of the equity accounted investee.

Acquired intangible assets, such as software are measured initially at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets with finite useful lives are amortized on straight line basis over an estimated useful life of three years. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

2.2.6 Financial instruments

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

The Company recognizes a financial asset or a financial liability in the Balance Sheet when, and only when, the Company becomes party to the contractual provisions of the instrument

Recognition and initial measurement

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Company's trade receivables do not contain any significant financing component and hence are measured at the transaction price measured under Ind AS 115.

A financial asset, other than trade receivables or financial liability is initially measured at fair value and, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue are also adjusted.

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Subsequent measurement

Financial assets
On initial recognition, a financial asset is classified as measured at (i) amortised cost, (ii) fair value through profit or loss or (iii) fair value through other comprehensive income, on the basis of:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial asset

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

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

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets measured at fair value
Financial assets are measured at fair value through other comprehensive income (FVOCI) if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

De-recognition of financial assets
A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement
Financial liabilities are initially measured at fair value. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss. Any gain or loss on derecognition is also recognised in statement of profit or loss.

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

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Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.2.7 Impairment of assets

Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use or its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL impairment loss allowance (or reversal) recognised during the period is recorded as expense/ income in the Statement of Profit and Loss.

2.2.8 Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

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Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the entity. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

2.2.9 Employee benefits

Employee benefits are all forms of consideration given by the company in exchange for service rendered by employees. Employee benefits include short-term employee benefits and post-employment benefits.

Short-term employee benefits

When an employee has rendered service to the company during an accounting period, the Company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as a liability (accrued expense), after deducting any amount already paid and as an expense. Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Post-employment benefits

Post-employment benefits are employee benefits which are payable after the completion of employment. Post-employment benefits consist of defined contribution plans and defined benefit plans.

Defined contribution plans

Defined contribution plans are plans under which the Company pays fixed contributions into a fund and will have no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

All the employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future Provident Fund benefits other than its annual contribution and recognises such contributions as an expense in the year it is incurred.

Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

The Company provides for gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated year mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date. Actuarial gain / losses are recognised in Other Comprehensive Income.

Share-based payments

The stock options of the Company granted to the employees are measured at the fair value of the options at the grant date. The amount recognised as expense is based on the estimate of the number of options for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised is based on the number of options that do meet the related service and non-market vesting conditions at the vesting date. The fair value of the options is treated as discount and accounted as employee compensation cost / investment in group companies over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as an expense in respect of such grant is transferred to the general reserve within other equity, which is a free reserve in nature.

2.2.10 Foreign currencies

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currency at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rate at the date of the transaction.

Exchange difference on restatement/ settlement of all monetary items are recognized in the Statement of Profit and Loss. Foreign currency gains and losses are reported on a net basis in the Statement of Profit and Loss.

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

Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

Deferred tax
Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.2.12 Operating segment
Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The Board of Directors of the Company has been identified as the CODM.

2.2.13 Earnings per share
Basic earnings/ (loss) per share is calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity shares outstanding during the period, except where the results would be anti-dilutive.

2.2.14 Cash and cash equivalents
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks.

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Payswiff Technologies Private Limited
Summary of significant accounting policies and other explanatory information
(All amounts in INR thousands, unless otherwise stated)

2.2.15 Cash flow statements
Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing, and financing activities of the Company are segregated.

3. Standards and recent pronouncements issued but not yet effective
MCA vide its notification dated 23 March 2022 has notified Companies (Indian Accounting Standards) Amendment Rules, 2022 to further amend the Companies (Indian Accounting Standards) Rules, 2015, which are effective from 1 April 2022. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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4 Property, plant and equipment

	Office equipment	Computers and data processing units	Vehicles	Furniture and fittings	Total
Deemed carrying amount					
Balance as at 1 April 2020	10,604	131,592	5,996	17,747	165,939
Additions	5,875	76,140	-	-	82,015
Exchange difference	15	30	3	67	115
Balance as at 31 March 2021	16,494	207,762	5,999	17,814	248,069
Additions	848	193,161	-	-	194,009
Disinvestment of a subsidiary	(268)	(299)	-	(1,386)	(1,953)
Balance as at 31 March 2022	17,074	400,624	5,999	16,428	440,125
Depreciation					
Balance as at 31 March 2020	-	-	-	-	-
Charge for the year	4,361	87,251	1,257	6,605	99,474
Exchange difference	8	23	1	28	60
Balance as at 31 March 2021	4,369	87,274	1,258	6,633	99,534
Charge for the year	5,036	95,845	1,237	7,047	109,165
Disinvestment of a subsidiary	(113)	(236)	-	(963)	(1,312)
Balance as at 31 March 2022	9,292	182,883	2,495	12,717	207,387
Net block					
As at 31 March 2020	10,604	131,592	5,996	17,747	165,939
As at 31 March 2021	12,125	120,488	4,741	11,181	148,535
As at 31 March 2022	7,782	217,741	3,504	3,711	232,738
Deemed cost as on 1 April 2020					
Gross block as on 1 April 2020	26,015	356,897	10,055	39,497	432,464
Less:Accumulated depreciation till April 2020	(15,411)	(225,305)	(4,059)	(21,750)	(266,525)
Net block considered as deemed cost upon transition	10,604	131,592	5,996	17,747	165,939

4A Capital Work-in-Progress

	As at		
	31 March 2022	31 March 2021	1 April 2020
(i) Ageing schedule of capital work-in-progress (CWIP)			
Projects in progress			
< 1 Year	53,800	-	-
1-2 Years	-	-	-
2-3 Years	-	-	-
> 3 Years	-	-	-
Projects in progress (total)	53,800	-	-
Projects temporarily suspended	-	-	-

(ii) The Group does not have any material CWIP which is overdue or has exceeded its cost compared to its original plan and hence the disclosure of CWIP completion schedule is not applicable.

4B Intangible assets under development

	As at		
	31 March 2022	31 March 2021	1 April 2020
(i) Ageing schedule of intangible assets under development (IAUD)			
Projects in progress			
< 1 Year	-	20,281	-
1-2 Years	-	-	-
2-3 Years	-	-	-
> 3 Years	-	-	-
Projects in progress (total)	-	20,281	-
Projects temporarily suspended	-	-	-

(ii) The Company does not have any material IAUD which is overdue or has exceeded its cost compared to its original plan and hence disclosure of IAUD completion schedule is not applicable.

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5 Other intangible assets

	Software	Total
Deemed carrying amount		
Balance as at 1 April 2020	**5,172**	**5,172**
Additions	960	960
Foreign exchange adjustment	80	80
Balance as at 31 March 2021	**6,212**	**6,212**
Additions	35,859	35,859
Disinvestment of a subsidiary	(2,794)	(2,794)
Balance as at 31 March 2022	**39,277**	**39,277**
Amortisation		
Balance as at 31 March 2020	-	-
Charge for the year	4,710	4,710
Foreign exchange adjustment	68	68
Balance as at 31 March 2021	**4,778**	**4,778**
Charge for the year	1,779	1,779
Disinvestment of a subsidiary	(2,794)	(2,794)
Balance as at 31 March 2022	**3,763**	**3,763**
Net block		
As at 31 March 2020	5,172	**5,172**
As at 31 March 2021	1,434	**1,434**
As at 31 March 2022	**35,514**	**35,514**
Deemed cost as on 1 April 2020		
Gross block as on 1 April 2020	7,482	7,482
Less:Accumulated amortisation till April 2020	(2,310)	(2,310)
Net block considered as deemed cost upon transition	**5,172**	**5,172**

6 Right-of-use assets

	As at		
	31 March 2022	31 March 2021	1 April 2020
Buildings	19,711	14,392	25,535
	19,711	**14,392**	**25,535**
Lease liabilities			
Non-current	11,942	2,909	11,049
Current	7,433	12,865	14,354
	19,375	**15,774**	**25,403**

The breakup of the ROU Asset on the date of transition is as follows:

Particulars	Amount
ROU Asset on 1 April 2020	25,535
Additions	3,283
Depreciation on ROU Asset	(14,426)
ROU Asset on 31 March 2021	**14,392**
Additions	18,789
Depreciation on ROU Asset	(13,470)
ROU Asset on 31 March 2022	**19,711**

The breakup of the Lease liability on the date of transition is as follows:

Particulars	Amount
Lease liability on 1 April 2020	**25,403**
Additions	3,156
Interest accrued	2,284
Lease payment	(15,069)
Lease liability on 31 March 2021	**15,774**
Additions	17,684
Interest accrued	1,510
Lease payment	(15,593)
Lease liability on 31 March 2022	19,375

(c) **The following are the amounts recognised in statement of profit and loss:**

	For the year ended	
	31 March 2022	31 March 2021
Depreciation charge of right-of-use assets	13,470	14,426
Interest expense (included in finance costs)	1,510	2,284
Expense relating to short-term leases (included in other expenses)	1,129	7,117

(d) **Details of the contractual maturities of lease liabilities on an undiscounted basis is as follows:**

	As at		
	31 March 2022	31 March 2021	1 April 2020
Less than one year	9,724	14,006	14,358
One to three years	13,452	3,035	13,738
More than three years	-	-	98
	23,175	17,041	28,194

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7 Non-current investments

	As at		
	31 March 2022	**31 March 2021**	**1 April 2020**
Investment in equity shares, unquoted			
Investment in associates (measured at cost)			
Nil (31 March 2021: Nil; 1 April 2020: 2,000) shares of Rp1,000,000 each in PT Unity Payswiff Indonesia	-	-	8,154
Nil (31 March 2021: Nil; 1 April 2020: 85,000) shares of TK 10 each in Payswiff Solutions Limited, Bangladesh	-	-	709
Others (measured at fair value through other comprehensive income)			
Nil (31 March 2021: 19,339; 1 April 2020: 19,339) equity shares of ₹10 each fully paid up in Hita Informatics Private Limited	-	500	14,503
Aggregate amount of unquoted investments	**-**	**500**	**23,366**
Aggregate book value of unquoted investments	-	500	23,366
Aggregate amount of impairment in the value of investments	-	-	-

8 Other assets

	As at		
	31 March 2022	**31 March 2021**	**1 April 2020**
Non-current			
Capital advances	31,971	11,972	7,122
	31,971	**11,972**	**7,122**
Current			
Balances with government authorities	31,894	5,574	16,057
Prepaid expenses	4,004	2,389	2,305
Advance for services	108	5,221	-
Advances to employees	454	662	176
Others	122	28,065	42,348
	36,582	**41,911**	**60,886**

9 Inventories

	As at		
	31 March 2022	**31 March 2021**	**1 April 2020**
Traded goods	12,246	-	-
	12,246	**-**	**-**

10 Trade receivables

	As at		
	31 March 2022	**31 March 2021**	**1 April 2020**
Unsecured receivables, considered good	100,384	89,543	38,217
Unsecured receivables, with significant increase in credit risk	-	-	-
	100,384	**89,543**	**38,217**

Ageing of trade receivables

	As at		
	31 March 2022	**31 March 2021**	**1 April 2020**
Undisputed receivables, considered good			
Outstanding for following periods from the due date of payment			
Less than 6 months	94,187	88,563	28,903
6 months - 1 year	2,880	980	8,019
1 - 2 years	3,317	-	1,295
2 - 3 years	-	-	-
More than 3 years	-	-	-
	100,384	**89,543**	**38,217**

Notes:

(i) There are no undisputed receivables outstanding which are credit impaired or with significant increase in credit risk as at the reporting periods.
(ii) There are no disputed receivables outstanding as at the reporting periods.

11 Cash and cash equivalents

	As at		
	31 March 2022	**31 March 2021**	**1 April 2020**
Balances with banks			
- in current accounts	180,071	97,678	41,105
Cash on hand	35	32	21
	180,106	**97,710**	**41,126**

12 Bank balances othe than above

	As at		
	31 March 2022	**31 March 2021**	**1 April 2020**
Margin money deposits	9,469	9,171	9,673
	9,469	**9,171**	**9,673**

13 Other financial assets

	As at		
	31 March 2022	**31 March 2021**	**1 April 2020**
Non-current			
Security deposits	-	-	2,233
Deposits held with banks as margin money	5,822	1,500	-
	5,822	**1,500**	**2,233**
Current			
Security deposits	7,698	5,480	6,362
Interest accrued	-	2,079	1,311
Others	1,095	-	-
	8,793	**7,559**	**7,673**

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14 Equity share capital

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Authorised equity share capital			
50,00,000 (31 March 2021: 50,00,000, 1 April 2020: 50,00,000) equity shares of ₹10 each	50,000	50,000	50,000
Issued, subscribed and fully paid up share capital			
37,56,568 (31 March 2021: 33,10,560, 1 April 2020: 31,67,370) equity shares of ₹10 each	37,566	33,106	31,674

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period

	31 March 2022 Number of shares	31 March 2022 Amount	31 March 2021 Number of shares	31 March 2021 Amount	1 April 2020 Number of shares	1 April 2020 Amount
Outstanding at the beginning of the year	3,310,560	33,106	3,167,370	31,674	2,893,947	28,940
Add: Shares issued during the year	446,008	4,460	143,190	1,432	273,423	2,734
Outstanding at the end of the year	3,756,568	37,566	3,310,560	33,106	3,167,370	31,674

(b) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, equity share holders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of share holders holding more than 5% of the aggregate shares in the Company

	As at 31 March 2022 No. of Shares	As at 31 March 2022 % of holding	As at 31 March 2021 No. of Shares	As at 31 March 2021 % of holding	As at 1 April 2020 No. of Shares	As at 1 April 2020 % of holding
Equity share of ₹10 each						
Cholamandalam Investment and Finance Company Limited	2,773,227	73.82%	-	-	-	-
Prabhuram Radhakrishnan	484,944	12.91%	744,209	22.48%	749,913	23.68%
Ramesh Chandra Majitha	-	-	465,466	14.06%	465,466	14.70%
Tirupati Sugars Limited	-	-	295,234	8.92%	295,234	9.32%
Priti Maulik Shah	-	-	184,612	5.58%	184,612	5.83%
Sashi Reddi Investment Advisors Private Limited	-	-	182,447	5.51%	-	-

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(d) Details of shareholding of promoters:

Name of the promoter	31 Mar 2022 No of shares	31 Mar 2022 % of holding	31 Mar 2022 % of change	31 Mar 2021 No of shares	31 Mar 2021 % of holding	31 Mar 2021 % of change	1 Apr 2020 No of shares	1 Apr 2020 % of holding	1 Apr 2020 % of change
V Anil Bharadwaj	89,605	2.39%	-26.10%	121,252	3.66%	0.62%	120,510	3.80%	-6.13%
Maulik Bipin Shah	91,289	2.43%	-26.10%	123,530	3.73%	0.00%	123,530	3.90%	-5.61%
Priti Shah	138,293	3.68%	-25.09%	184,612	5.58%	0.00%	184,612	5.83%	-4.09%
Ravi Kiran	89,605	2.39%	-26.10%	121,252	3.66%	0.62%	120,510	3.80%	-6.13%
Krishna Kishore	89,605	2.39%	-26.10%	121,252	3.66%	0.62%	120,510	3.80%	-6.13%
Prabhuram Radhakrishnan	484,944	12.91%	-34.84%	744,209	22.48%	-0.76%	749,913	23.68%	-7.32%

(e) Shares reserved for issues under warrants and contracts

(i) Share warrants

Pursuant to the terms of the Share Warrant Agreement ("the Agreement") dated 27 May 2020, the Company has issued warrants to Sashi Reddi Investment Advisors Private Limited (the "Investor") representing the right to subscribe to 110,526 equity shares of ₹10 each at a price of ₹950 per equity share of the Holding Company. Warrants could be exercised by the Investor earlier of (i) three years from the date of the issue or (ii) date of occurence of the qualified financing or (iii) date of occurance of change of control event as defined in the Agreement. During the year ended 31 March 2022, the warrants have been exercised and accordingly 110,526 equity shares of ₹10 each at a price of ₹950 per equity share has been alloted / issued by the Holding Company.

(ii) Employee Stock Option Plan(ESOP)

The Holding Company has instituted Employee Stock Option Plan 2018 (the "Scheme") for all the eligible employees of the Group. Under the Scheme, the Board of Directors has been authorized to grant share-based stock options to eligible employees of the Group. These stock options will generally vest between a minimum of one to a maximum of four years from the grant date subject to continuance of employment. Pursuant to the terms of the Scheme, employees will have an option to exercise the vested option within three years from the date of vesting at ₹10 per equity share of ₹10 each, being its exercise price.

(a) The following table summarizes the options granted under the Scheme to the eligible employees of the Company and its subsidiaries:

Particulars	Grant I	Grant II	Grant III	Grant IV
Date of grant	1-Jan-18	Various dates	30-Sep-20	1-Apr-21
Number of options granted	25,133	107,267	5,399	75,830
Fair value of options	914.45	914.45 - 1483.02	1,483.02	1,301.09
Method of settlement	Equity	Equity	Equity	Equity
Graded Vesting Period				
Day following the expiry of 12 months from grant	62.5%	25.0%	100.0%	100.0%
Day following the expiry of 24 months from grant	12.5%	25.0%	NA	NA
Day following the expiry of 36 months from grant	12.5%	25.0%	NA	NA
Day following the expiry of 48 months from grant	12.5%	25.0%	NA	NA
Weighted average of remaining contractual life in years	2.75	2.65	2.50	3.00

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(ii) **Employee Stock Option Plan(ESOP) (continued)**

	No. of options	
	31 March 2022	31 March 2021
Options outstanding at the beginning of the year	102,117	77,700
Granted during the year	71,780	39,776
Forfeited during the year	(6,107)	(15,359)
Exercised during the year	(88,973)	-
Options outstanding at the end of the year	**78,817**	**102,117**
Options exercisable at the end of the year	-	50,066

Fair value of options was estimated at the date of grant using Black and Scholes options pricing model with the following assumptions:

	31 March 2022	31 March 2021
Risk free (%)	7.22%	6.21%
Expected volatility (%)	20.00%	20.00%

(b) Expense recognized for employee services received during the year are as below:

	31 March 2022	31 March 2021
Towards options issued to the employees of		
- Holding Company	96,834	13,029
- Subsidiaries	27,857	18,769
	124,691	31,798

15 Other equity

	As at		
	31 March 2022	31 March 2021	1 April 2020
Reserve and surplus			
Securities premium	1,648,299	1,053,393	876,468
Share options outstanding reserve	117,001	85,648	53,850
Retained earnings	(1,453,781)	(1,013,009)	(903,104)
	311,519	**126,032**	**27,214**
Other comprehensive income			
Foreign currency translation reserve	-	(833)	(372)
Fair value through OCI (FVTOCI) - equity instruments	-	(14,003)	-
	-	**(14,836)**	**(372)**
	311,519	**111,196**	**26,842**

Securities premium
Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Share options outstanding reserve
Shares options outstanding reserve is in the nature of share based payment reserve used to recognise the grant date fair value of options issued by the Holding Company to the employees of the Group.

Foreign currency translation reserve
Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

FVTOCI instruments
The Group has elected to recognise the change in fair value of certain investments in other comprehensive income. These changes are accumulated within the FVTOCI instruments reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant instruments are derecognised.

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16 Borrowings

	As at		
	31 March 2022	31 March 2021	1 April 2020
Non-current			
Secured			
Loan from financial institutions	-	25,452	62,477
Vehicle loans from			
Banks	-	201	457
Others	-	691	1,503
	-	26,344	64,437
Less: Current maturities of long-term borrowings	-	(16,885)	(55,042)
	-	9,459	9,395
Current			
Secured			
Current maturities of long-term loans	-	16,885	55,042
Unsecured			
*Repayable on demand, from**			
Directors	-	110	15,360
Members	-	8,000	10,566
Others	-	21,755	16,184
*Other loans, from**			
Members	-	67,500	67,500
Others	-	41,485	38,407
	-	155,735	203,059

Notes:

(i) Loan from financial institution carried an interest rate of 14.40% per annum and is secured by way of first charge over the identified property, plant and equipment and fixed deposits held with banks towards debt service reserve account and exclusive mortgage on identified properties of Mr. Prabhuram Radhakrishnan, Managing Director (MD) and a relative of one of the Key Managerial Personnel (KMP). The loan is further secured by an unconditional and irrevocable personal guarantee of MD, relative of one of the KMP to the extent of ₹57,000 thousands. During the year ended 31 March 2022, the Group has entirely prepaid the outstanding borrowing.

(ii) Vehicle loans are fully secured by way of hypothecation of specific vehicles against which the loan is availed. These loans are repayable in 36 to 60 monthly equated instalments with rate of interest ranging from 9.36% to 9.50% per annum.

(iii) Other loans are repayable within 12 months of drawdown. Further, out of the total borrowings, loans aggregating to ₹Nil (31 March 2021: ₹130,000 thousands; 1 April 2020: ₹112,566 thousands) carry an interest of 15% p.a. payable on a quarterly basis and loans aggregating to ₹Nil (31 March 2021: ₹9,755 thousands; 1 April 2020: ₹26,050 thousands) are interest free.

*Out of the above, Prabhuram Radhakrishnan, Managing Director and Ramesh Chandra Majitha, Member and relative of a Director, have pledged a portion of their holding in the Holding Company in connection with the loans availed by the Company aggregating to ₹Nil (31 March 2021: ₹130,000 thousands; 1 April 2020: ₹Nil).

(iv) Unsecured loans from others aggregating to ₹Nil (31 March 2021: ₹Nil; 1 April 2020: ₹13,384 thousands), also includes bill discounting facilities availed to meet the day to day cash outflow requirement to fulfil the merchant obligations of settling the payment in advance as per the arrangement with the respective merchants. These loans carry an interest rate of (31 March 2021: 16.00% , 1 April 2020: 16.50% - 18.25% per annum).

(v) **Net Debt reconciliation:**

	Current borrowings	Non-current borrowings	Interest accrued
Net debt as at 1 April 2020	148,017	64,437	3,873
Cash flows (net)	(9,167)	(38,093)	-
Interest expense	-	-	35,239
Interest paid during the year	-	-	(39,066)
Net debt as at 31 March 2021	138,850	26,344	46
Cash flows (net)	(138,850)	(26,344)	-
Interest expense	-	-	32,087
Interest paid during the year	-	-	(32,133)
Net debt as at 31 March 2022	-	-	-

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Notes to the consolidated financial statements for the year ended 31 March 2022
(All amounts in ₹ thousands, except for share data or as otherwise stated)

17 Trade payables

	As at		
	31 March 2022	31 March 2021	1 April 2020
Current			
Total outstanding dues of micro enterprises and small enterprises	32,928	6,050	515
Total outstanding dues of creditors other than micro enterprises and small enterprises	138,664	93,428	123,963
	171,592	99,478	124,478

Ageing of trade payables

	Undisputed		Disputed	
	MSME	Others	MSME	Others
As at 31 March 2022				
Less than 1 Year	32,894	110,670	-	-
1-2 years	34	27,994	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
	32,928	138,664	-	-
As at 31 March 2021				
Less than 1 Year	6,050	82,319	-	-
1-2 years	-	11,109	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
	6,050	93,428	-	-
As at 1 April 2020				
Less than 1 Year	515	99,187	-	-
1-2 years	-	24,776	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
	515	123,963	-	-

18 Other current financial liabilities

	As at		
	31 March 2022	31 March 2021	1 April 2020
Employee related liabilities	49,147	29,886	34,375
Dues to merchants	56,454	70,198	33,236
Capital creditors	182,577	58,548	17,054
Interest accrued but not due on borrowngs	-	46	3,873
Others	4,844	-	3,147
	293,022	158,678	91,685

19 Other current liabilities

	As at		
	31 March 2022	31 March 2021	1 April 2020
Statutory dues	8,295	18,768	13,873
Others	-	-	34,497
	8,295	18,768	48,370

20 Employee benefit obligations

	As at		
	31 March 2022	31 March 2021	1 April 2020
Non-current			
Gratuity	9,250	7,332	4,201
	9,250	7,332	4,201
Current			
Gratuity	2,783	2,169	1,308
Leave encashment	7,806	5,982	3,274
	10,589	8,151	4,582

Gratuity

The Holding Company and its subsidiaries, incorporated in India, provides for gratuity to its employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a unfunded plan.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

		31 March 2022	31 March 2021
a)	**Defined benefit cost recognized in P&L and OCI**		
	Current service cost	2,399	2,044
	Interest expense	588	365
	Defined benefit cost included in P & L	2,987	2,409
	Remeasurement recognised in OCI		
	Acturial (gain)/loss on defined benefit obligation	1,679	1,826
	Total defined benefit cost recognized in P&L and OCI	4,666	4,235

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Gratuity (continued)

		31 March 2022	31 March 2021
b)	**Net defined benefit liability reconciliation**		
	Net Defined Benefit Liability at the beginning	9,501	5,509
	Defined Benefit Cost included in P & L	2,987	2,409
	Total Remeasurements included in OCI	1,677	1,826
	Employer Direct Benefit Payments	(2,132)	(242)
	Net Defined Benefit Liability / (Asset) at the end	**12,033**	**9,501**
c)	**Net (asset) / liability**		
	Present value of defined benefit obligation	12,033	9,501
	Fair value of plan assets	-	-
	Net defined benefit liability/(asset) recognized in balance sheet	**12,033**	**9,501**
d)	**Classification**		
	Current	2,783	2,169
	Non current	9,250	7,332
		12,033	**9,501**
e)	**Significant actuarial assumptions**		
	Discount rate	7.40%	6.89%
	Salary escalation rate	0% to 4%	0% to 4%
	Withdrawal rate	16.56%	16.56%

f) **Sensitivity analysis**
The sensitivity of the defined benefit obligation to changes in the principal assumptions are as under:

	31 March 2022	31 March 2021
Change in assumptions		
Salary escalation - up by 1% - Impact	523	414
Salary escalation - down by 1% - Impact	(491)	(388)
Withdrawal rates - up by 1% - Impact	27	(1)
Withdrawal rates - down by 1% - Impact	(32)	(2)
Discount rates - up by 1% - Impact	(398)	(319)
Discount rates - down by 1% - Impact	433	348

Sensitivity analysis for each significant actuarial assumptions namely discount rate, withdrawal rates and salary assumptions have been shown in the table above at

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

	31 March 2022	31 March 2021
Expected future cash flows (undiscounted)		
Year 1	2,983	2,169
Year 2	2,552	1,915
Year 3	2,077	1,666
Year 4	1,676	1,346
Year 5	1,330	1,051
Year 6 to 10	3,612	2,706
Total	14,230	10,854

21 Revenue from contracts with customers

	For the year ended	
	31 March 2022	31 March 2021
Sale of devices	579,462	657,398
Sale of services		
- Device set-up and activation fee	35,212	60,390
- Commission and maintenance charges	2,198,149	1,359,980
- Software snpport fee	6,446	-
- Others	1,336	2,441
	2,820,605	2,080,209

Changes in contract assets are as follows:

	For the year ended	
	31 March 2022	31 March 2021
Balance at the beginning of the year	4,693	12,370
Invoices raised that were included in the contract assets balance at the beginning of the year	(4,693)	(12,370)
Increase due to revenue recognised during the year, excluding amounts billed during the year	37,534	4,693
Balance at the end of the year	37,534	4,693

Changes in unearned and deferred revenue are as follows:

	For the year ended	
	31 March 2022	31 March 2021
Balance at the beginning of the year	-	-
Revenue recognised that was included in the contract liability balance at the beginning of the year	-	-
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	44,013	-
	44,013	-

22 Other income

	For the year ended	
	31 March 2022	31 March 2021
Interest income on financials assets measured at amortised cost		
(i) Fixed deposits with banks	708	767
(ii) Interest on income tax refund	650	725
(iii) Other financial assets	598	461
Payables no longer required,written back	22,451	14,291
Foreign exchange fluctuation gain, net	1,921	6,644
Others	11,504	3,200
	37,832	26,088

23 Changes in inventories of stock-in-trade

	For the year ended	
	31 March 2022	31 March 2021
Inventories at the beginning of the year	-	-
Inventories at the end of the year	12,246	-
	(12,246)	-

24 Employee benefit expense

	For the year ended	
	31 March 2022	31 March 2021
Salaries, wages and bonus	283,874	195,159
Contribution to provident fund	8,522	7,905
Employee stock option expense	124,691	31,798
Gratuity	2,987	2,409
Leave compensation	3,616	3,289
Staff welfare expenses	3,382	1,689
	427,072	242,249

25 Finance costs

	For the year ended	
	31 March 2022	31 March 2021
Interest on lease liabilities	1,510	2,284
Interest on borrowings	32,087	35,239
Others	-	595
	33,597	38,118

26 Depreciation and amortisation expense

	For the year ended	
	31 March 2022	31 March 2021
Depreciation of property, plant and equipment	109,165	99,474
Depreciation of right-of-use assets	13,470	14,426
Amortisation of intangible assets	1,779	4,710
	124,414	118,610

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27 Other expenses

	For the year ended	
	31 March 2022	31 March 2021
(i) Operating expenses		
Transaction commission expenses	1,804,965	1,088,831
(ii) General expenses		
Power and fuel	1,953	2,775
Rent	1,129	7,117
Repairs and maintenance	809	1,177
Insurance	5,936	2,115
Rates and taxes	12,078	6,410
Travelling and conveyance	5,645	3,989
Communication	71,038	26,514
Legal and professional charges	96,778	18,632
Software expenses	53,378	22,170
Printing and stationary	1,876	909
Security services	1,428	1,089
Selling and marketing expenses	13,789	20,517
Office administrative expenses	3,162	12,599
Courier & franking charges	16,192	10,334
Bad debts written off	1,434	1,922
Loss on account of disposal of investment	-	8,863
Payments to auditors		
- towards statutory audit	1,420	1,400
- towards certification fee	-	300
- towards out of pocket expenses	16	51
Bank charges	5,602	2,261
Miscellaneous expenses	6,472	1,322
	2,105,100	**1,241,297**

28 Earnings per equity share (EPES)

	For the year ended	
	31 March 2022	31 March 2021
Loss attributable to the equity holders	(425,092)	(108,079)
Weighted average number of equity shares for the calculation of basic EPES	3,347,886	3,199,364
Add: Effect of potential dilutive equity shares*	-	-
Weighted average number of shares considered for computation of Diluted EPES	**3,347,886**	**3,199,364**
Earnings per equity share (in absolute ₹)		
- Basic and diluted EPS	(126.97)	(33.78)

*the effect of potential equity shares are not considered in the computation of Diluted EPES as they are anti dilutive.

29 Segment reporting

Based on the Group's operations, deploying of point of sale terminals for electronic payments processing and other value added services have been considered as the only reportable segment. Further, all the services are rendered only in India and all the fixed assets are located in India as at the reporting period. Hence no separate financial disclosures have been provided for segment reporting.

30 There are no contingent liabilities outstanding as at 31 March 2022, 31 March 2021 and 1 April 2020.

31 Capital risk management

The Group's objective when managing capital is to safeguard the its ability to continue as a going concern in order to provide returns for shareholders and benefits for stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Hence, the Company may adjust any dividend payments, return capital to shareholders or issue new shares or sell assets to reduce debt. Total capital is the equity as shown in the statement of financial position. Currently, the Group primarily monitors its capital structure on the basis of the following gearing ratio. Management is continuously evolving strategies to optimize the returns and reduce the risks. It includes plans to optimize the financial leverage of the Group.

	As at		
	31 March 2022	31 March 2021	1 April 2020
Total borrowings	-	165,194	212,454
Less: Cash and cash equivalents	(180,106)	(97,710)	(41,126)
Net Debt	-	67,484	171,328
Total equity	349,085	144,302	58,516
Net debt to equity ratio	0.00%	46.77%	292.79%

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32 The Micro and Small Enterprises have been identified on the basis of information available with the Company. This has been relied upon by the auditors. Details of dues to such parties are given below:

	As at		
	31 March 2022	31 March 2021	1 April 2020
a) The principal amount remaining unpaid as at the end of the year	32,928	6,050	515
b) The amount of interest accrued and remaining unpaid at the end of the year	-	-	-
c) Amount of interest paid by the company in terms of Section 16, of (MSMED Act 2006) along with the amounts of payments made beyond the appointed date during the year.	-	-	-
d) Amount of interest due and payable for the period of delay in making payment without the interest specified under the (MSMED Act 2006)	-	-	-
e) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the (MSMED Act 2006)	-	-	-

33 Fair value measurements

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(ii) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

	31 March 2022		31 March 2021		1 April 2020	
	FVTOCI	Amortised cost	FVTOCI	Amortised cost	FVTOCI	Amortised cost
Financial assets						
Investments	-	-	500	-	23,366	-
Trade receivables	-	100,384	-	89,543	-	38,217
Cash and cash equivalents	-	180,106	-	97,710	-	41,126
Other bank balances	-	9,469	-	9,171	-	9,673
Other financial assets	-	14,615	-	9,059	-	9,906
	-	304,574	500	205,483	23,366	98,922
Financial liabilities						
Borrowings	-	-	-	165,194	-	212,454
Lease liabilities	-	19,375	-	15,774	-	25,403
Trade payables	-	171,592	-	99,478	-	124,478
Other financial liabilities	-	293,022	-	158,678	-	91,685
	-	483,989	-	439,124	-	454,020

The Group's principal financial liabilities comprise of borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Holding Company's Board of Directors oversees the management of these risks. The Board of Directors is supported by the senior management that advises on financial risks and the appropriate financial risk governance framework for the Group. The senior management provides assurance to the Holding Company's Board of Directors that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with its policies and risk objectives.

(iii) The following table shows the Levels within the hierarchy of financial assets measured at fair value as at reporting period:

	31 March 2021			1 April 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investments	-	-	500	-	-	23,366

(iv) Financial instruments risk management

The Group is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Group.

(A) **Market risk**
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk

(a) **Foreign currency risk**
Foreign currency risk is the risk that the fair value or future cash flows of an exposure shall fluctuate because of change in foreign exchange rates. The Group's exposure to the risk of change in foreign exchange rates relates primarily to its operating activities (when revenue or expense is denominated in foreign currency). The Company is exposed to exchange rate risk that arises from its foreign exchange expenses and capital purchases, primarily denominated in USD.

Significant unhedged foreign currency risk exposure relating to financial assets and financial liabilities expressed in ₹ terms are as follows:

	31 March 2022		31 March 2021		1 April 2020	
	Foreign curreny	₹	Foreign curreny	₹	Foreign curreny	₹
Financial liability						
- USD	1,995	150,606	792	58,548	225	17,054

Foreign currency sensitivity:
The following table demonstrates the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material.

	31 March 2022	31 March 2021
Impact on the profit after tax for the year ended		
₹/USD - Increase by 5%	7,530	2,927
₹/USD - Decrease by 5%	(7,530)	(2,927)

(b) **Interest rate risk**
The Group's borrowings are primarily fixed rate interest bearing loans. Hence, the company is not significantly exposed to interest rate risk.

(B) **Credit risk**
Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets.

None of the Company's cash equivalents, other bank balances, loans and security deposits were past due or impaired and the Company exposure to customers is diversified. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Basis the management assesment, it believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

(C) **Liquidity risk**
Liquidity risk refers to the risk that the company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

31 March 2022

	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Borrowings	-	-	-	-
Lease liabilities	9,724	13,452	-	23,175
Trade payables	171,592	-	-	171,592
Other financial liabilities	293,022	-	-	293,022

31 March 2021

	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Borrowings	155,735	9,459	-	165,194
Lease liabilities	14,006	3,035	-	17,041
Trade payables	99,478	-	-	99,478
Other financial liabilities	158,678	-	-	158,678

1 April 2020

	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Borrowings	203,059	9,395	-	212,454
Lease liabilities	14,358	13,738	98	28,194
Trade payables	124,478	-	-	124,478
Other financial liabilities	91,685	-	-	91,685

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34 **Related party disclosures**

(a) **Name of related parties and nature of relationship**

Name of the related party	Nature of relationship
Cholamandalam Investments and Finance Company Limited ("CIFCL") (w.e.f 17 January 2022)	Holding company
Prabhuram Radhakrishnan Maulik Bipin Shah (till 17 January 2022) Priti Maulik Shah Mitesh Majithia (till 17 January 2022) Ravi Kiran Pedarla (till 17 January 2022) Krishna Kishore Vinnakotta (till 17 January 2022) Anil Bharadwaj Vedam (till 17 January 2022)	Key Managerial Personnel ("KMP")
Ramesh Chandra Majithia (till 17 January 2022)	Relative of KMP

(b) **Transactions with related parties**

	For the year ended	
	31 March 2022	31 March 2021
CIFCL		
Loan availed	273,000	-
Finance cost	2,890	-
Investment in equity shares of the Holding Company	400,000	-
Prabhuram Radhakrishnan		
Investment in equity shares of the Company	105,000	-
Sale of investment held in Payswiff PTE Ltd	2,283	-
Interest free loan availed	-	5,000
Remuneration		
Prabhuram Radhakrishnan	4,700	2,851
Maulik Bipin Shah	3,600	2,851
Ravi Kiran Pedarla	3,500	2,851
Priti Shah Maulik	4,600	2,851
Anil Bharadwaj Vedam	3,500	2,851
Krishna Kishore Vinnakotta	3,500	2,851

(c) **Balances receivable/(payable)**

	As at		
	31 March 2022	31 March 2021	1 April 2020
Priti Maulik Shah	-	(296)	(10,848)
Krishna Kishore Vinnakota	-	(296)	(1,761)
Anil Bhardwaj Vedam	-	(230)	(2,209)
Ramesh Chandra Majitha	-	(8,000)	(8,000)
Maulik Bipin Shah	-	(265)	(2,204)
Prabhuram Radhakrishnan	-	(229)	(5,177)

Note:

(i) Ramesh Chandra Majithia, relative of KMP, had extended personal guarantee aggregating to ₹57,000 thousands and had mortgaged his personal identified property in connection with the loans availed by the Group. The Group has repaid the outstanding borrowings during the financial year ended 31 March 2022. (Refer note 16(i)).

(ii) Prabhuram Radhakrishnan had extended personal guarantee and had mortgaged his personal identified property in connection with a loan availed by the Group. The Group has repaid the outstanding borrowings during the financial year ended 31 March 2022. (Refer note 16(i)).

(ii) Prabhuram Radhakrishnan and Ramesh Chandra Majitha had pledged a portion of their holding in the Holding Company in connection with the loans availed by the Group (Refer Note: 16(iii)).

35 The Group has suffered losses in the current financial year amounting to ₹424,296 thousands and as of 31 March 2022, its current liabilities exceeded its current assets by ₹149,034 thousands and has accumulated losses of ₹1,452,985 thousands, raising doubts about its ability to continue as a going concern.

During the year, CIFCL, has acquired controlling stake in the Group and has infused equity of ₹400,000 thousands (in addition to ₹105,000 thousands infused by the Promoters) in the Group. Subsequently, the management has realigned its strategies to achieve growth at the group level, by increasing the volume of its operations and improve operational performance and liquidity, including infusion of capital. Additionally, subsequent to the balance sheet date, the Group has been sanctioned term loan and working capital facility aggregating to INR 100 million, sufficient to meet its planned expansion of operations and for meeting its working capital requirements.

Based on the foregoing developments and assessment of other qualitative factors, management believes that the Group will be able to realize the assets and discharge its liabilities as recorded in these financial statements in the normal course of operations. Accordingly, the accompanying consolidated financial statements of the Group have been prepared considering going concern basis of accounting.

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36 Disposal of subsidiary

During the year, the group has entered into a sale agreement to dispose of its stake in Payswiff PTE. LTD., which carried out data processing, hosting and related services in Singapore. The disposal was effected in order to concentrate on the India operations of the Group. The disposal was completed on 2 Febrauary 2022 on which date control of Payswiff PTE. LTD passed to the acquirer.

Carrying amounts of net assets over which control was lost

Particulars		As at 1 February 2022
Non-current asset		
Property, plant and equipment		641
Current assets		
Trade receivables		8,311
Cash and cash equivalents		361
Other assets		29,287
		37,959
Current liabilities		
Other financial liabilities		(19,480)
Net assets	**A**	**19,120**
Others		
Attributable Goodwill		38,840
Accumulated foreign exchange reserve		833
	B	**39,673**
Total assets derecognized	**A+B**	**58,793**
Consideration received on disposal		8,154
Loss on disposal		**(50,639)**

37 Disclosure pursuant to requirements of Rule 11(e) (i) & (ii) of the Companies (Audit and Auditors) Rules

(i) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

38 Additional information

(a) The Group has not revalued its Property, Plant and Equipment (including Right-of Use Assets) and intangible assets based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(b) There are no investment property as on March 31, 2022.

(c) No proceeding has been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(d) There are no transactions which have not been recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.

(e) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

39 Disclosures of relationship with struck off companies

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding		Relationship, if any
		31 March 2022	31 March 2021	
VSM Logistics Private Limited	Trade payables	3,226	4,474	No relationship

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40 Additional disclosure as required under paragraph 2 of 'General Instructions for the preparation of Consolidated Financial Statements' of the Schedule III to the Act

(i) As at and for the year ended 31 March 2022:

Name of the entity	Net assets		Share in profit or loss		Share of OCI		Share of total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount
Parent Company								
Payswiff Technologies Private Limited	212.83%	742,951	105.71%	(449,366)	42.87%	(719)	105.46%	(450,085)
Subsidiaries								
Indian								
Payswiff Solutions Private Limited	33.02%	115,268	32.07%	(136,327)	57.19%	(959)	32.17%	(137,286)
Payswiff Services Private Limited	0.02%	66	-1.43%	6,095	0.00%	-	-1.43%	6,095
Foreign								
Payswiff PTE. Ltd. Singapore	0.00%	-	2.03%	(8,621)	0.00%	-	2.02%	(8,621)
	245.87%	858,285	138.37%	(588,218)	100.06%	(1,678)	138.22%	(589,896)
Consolidation adjustments	-145.87%	(509,200)	-38.37%	163,126	-0.06%	1	-38.22%	163,127
Net amount	100.00%	349,085	100.00%	(425,092)	100.00%	(1,677)	100.00%	(426,769)

(ii) As at and for the year ended 31 March 2021:

Name of the entity	Net assets		Share in profit or loss		Share of OCI		Share of total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount
Parent Company								
Payswiff Technologies Private Limited	389.68%	562,317	124.68%	(134,756)	91.74%	(14,944)	120.37%	(149,700)
Subsidiaries								
Indian								
Payswiff Solutions Private Limited	155.71%	224,697	-10.13%	10,947	5.43%	(885)	-8.09%	10,062
Payswiff Services Private Limited	-4.18%	(6,038)	0.34%	(363)	0.00%	-	0.29%	(363)
Foreign								
Payswiff PTE. Ltd. Singapore	9.61%	13,865	-17.29%	18,688	0.00%	-	-15.03%	18,688
	550.82%	794,841	97.60%	(105,484)	97.17%	(15,829)	97.54%	(121,313)
Consolidation adjustments	-450.82%	(650,539)	2.40%	(2,595)	2.83%	(461)	2.46%	(3,056)
Net amount	100.00%	144,302	100.00%	(108,079)	100.00%	(16,290)	100.00%	(124,369)

The disclosure as above represents separate information for each of the consolidated entities before elimination of inter–company transactions. The net impacts on elimination of inter–company transactions/profits or (losses)/consolidation adjustments have been disclosed separately. Based on the Group structure, the management is of the view that the above disclosure is appropriate under the requirements of the Act.

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41 **First time adoption of Ind AS**

These are the Group's first financial statements prepared in accordance with Ind AS. The accounting policies, as set out in Note 2, have been applied in preparing the financial statements for the year ended 31 March 2022. For the purpose of transition from previous GAAP to Ind AS, the Group has followed the guidance prescribed under Ind AS 101 – First time adoption of Indian Acconnting Standards ("Ind AS 101"), with effect from 1 April 2020 ("transition date").

In preparing its Ind AS Balance Sheet as at 1 April 2020 and in presenting the comparative informatinn for the year ended 31 March 2021, the Group has adjusted amounts reported previonsly in financial statements prepared in accordance with previous GAAP. This note explains how the transitinn from previous GAAP to Ind AS has affected the Gronp's balance sheet and financial performance.

a) **Optional exemptions availed and mandatory exceptions applied**

Set ont helow are the applicable Ind AS101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Deemed cost for property, plant and equipment and intangible assets

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as at 1 April 2020 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets.

Leases

Appendix C to Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 pmvides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The Company has elected to apply this exemption for such contracts / arrangements.

De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition of Ind AS 109 prospectively from the date of transition to Ind AS

Share based payments

Ind AS 102 Share based payments requires an entity to record the options on their fair value instead of intrinsic value. Iud AS 101 permits a first time adopter to ignore snch requirement for the options already vested as on transition date (i.e., 1 April 2020). The Company has elected to apply this exemptions for such vested options.

Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. The Company's estimates under Ind AS are consistent with the above requirement.

Classification and measurement of financial assets and liabilities

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measnrement of the financial assets acconnted at amortised cost has been done retrospectively except where the same is impracticable.

b) **Reconciliation between Previous GAAP and Ind AS**

Reconciliation of total equity

	31 March 2021	1 April 2020
Total equity as per previous GAAP	142,593	54,423
Add:-		
Unwinding of discount on security deposit	461	-
Finance liabilities measured at amortized cost	2,790	4,093
Adjustments related to recognition of right to nse asset and lease liabiliites under Ind-AS 116	(1,542)	-
Total equity as per Ind AS	**144,302**	**58,516**

Reconciliation of total comprehensive income

	31 March 2021
Total profit as per previous GAAP	(126,077)
Add:-	
Unwinding of discount on security deposit	461
Adjustment for recognition of right to use asset and lease liabiliites per Ind-AS 116	(1,542)
Reclassification of gains on re-measurement of defined benefit obligation reclassified to OCI	1,826
Reversal of loss on investments measured at FVTOCI	14,003
Finance liabilities measured at amortized cost	(2,738)
Impact due to accounting of employee stock option plan using fair valuation model	5,988
Loss after tax as per Ind AS	**(108,079)**
Other comprehensive income	(16,290)
Total comprehensive income as per Ind AS	**(124,369)**

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c) **Notes to the reconciliations**

Security deposits

Under previous GAAP, security deposits were initially recognised at transaction price. Subsequently, finance income was recognised based on contractual terms, if any. Under Ind AS, (i) the security deposits are to be recognised at fair value, (ii) interest income on such security deposits are to be recognised through effective interest method and (iii) lease expense to be amortised over the period of lease on a straight line basis. Accordingly, the Group has recognised the security deposit at present value using the market rate of interest and the differential deposit amount is recognised over the period of lease.

Leases

Under Ind AS, each lease arrangement with the exception of short-term leases and leases of low-value underlying assets, is reflected on the balance sheet as a right-of-use asset and a lease liability. Accordingly the Company has used the modified retrospective method to all lease contracts existing as at 1 April 2020. This has resulted in recognising a right-of-use asset and a corresponding lease liability. In the Statement of Profit and Loss, operating lease expenses which were recognised as rental expenses is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability.

Employee stock options

Under previous GAAP, the Company had recorded the ESOP Cost using instrinic value per option. However, under Ind AS, the Company has recorded the ESOP cost using fair valuation model. Further the Company has instituted Employee Stock Option Plan 2018 (the "Scheme") for all the eligible employees of the Company and its subsidiaries. Under Ind AS 102, all such share based payment transactions among group entities are required to be recognised by the entity receiving the goods or services. Accordingly, employee stock option expenses pertaining to options granted to the employees of the subsidiaries were derecognised with a corresponding increase in the investment value.

FVTOCI financial assets

Under Indian GAAP, the Company accounted for long-term investments at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTOCI. Ind AS requires FVTOCI investments to be measured at fair value. At the date of transition to Ind AS, difference between the instruments fair value and Indian GAAP carrying amount has been recognised as a separate component of equity, in the retained earnings, net of related deferred taxes.

Remeasurement of post-employment benefit obligations

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to statement of profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

Retained earnings

Retained earnings as at 1 April 2020 has been adjusted consequent to the above Ind AS transition adjustments.

Statement of cash flows

The transition from Indian GAAP to Ind AS had no material impact on the statement of cash flows

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

Nikhil Vaid

Nikhil Vaid
Partner
Membership No: 213356

Place: Hyderabad
Date: 06 July 2022

Walker Chandiok & Co. LLP Hyderabad

For and on behalf of the Board of Directors of
Payswiff Technologies Private Limited

Prabhuram Radhakrishnan
Managing Director
DIN:1673968

Place: Hyderabad
Date: 06 July 2022

Ravindra K Kundu
Director
DIN:7337155

Payswiff Technologies Private Limited Hyderabad