PAYSWIFF TECHNOLOGIES PRIVATE LIMITED

ANNUAL REPORT
2022-23

PAYSWIFF TECHNOLOGIES PRIVATE LIMITED

Corporate Information

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)

Statutory Auditors

M/s. Sundaram & Srinivasan, Chartered Accountants
New No.04, Old No.23,
C.P Ramaswamy Road, Alwarpet,
Chennai - 600018

Registered Office

10th Floor, Vaishnavi's Cynosure,
Opp: RTTC, Gachibowli, Hyderabad - 500032
Tel: +91-22–4947 1111
Email: info@payswiff.com

Corporate Identity Number

U74900TG2013PTC089686

Registrar and Transfer Agent

KFin Technologies Limited
Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad - 500 032
Phone: 040 67162222 | Toll-free No.: 1800-309-4001
Fax: 040 23420814

CONTENTS

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 tenth annual general meeting (AGM) of the members of Payswiff Technologies Private Limited will be held at 4.30 P.M on Friday, the 28th July 2023 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, 2023 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. Abhay Deshpande Raosaheb (DIN: 00427314), 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.

On behalf of the Board

Place: Chennai
Date: 28th April 2023

Prabhuram Radhakrishnan
Managing Director

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.*

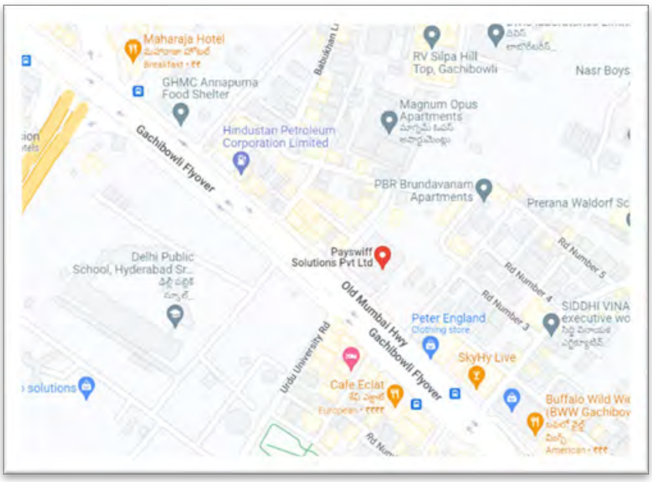
5. *Route map of the venue is attached herewith.*

On behalf of the Board

Prabhuram Radhakrishnan
Managing Director

Place: Chennai
Date: 28th April 2023

<u>Route Map to the venue of the AGM</u>



DISCLOSURE REQUIREMENTS UNDER SECRETARIAL STANDARDS ON GENERAL MEETINGS

Name of the Director	Mr. Abhay Deshpande Raosaheb
DIN	00427314
Date of Birth	18/08/1971
Date of Appointment (Initial appointment)	05/03/2017
Qualification	BE Graduate
Expertise in specific functional area	Over 24 years of professional experience in industry
Number of meetings of the board attended during the year	4 meetings
Directorships in other companies	1. Zaggle Prepaid Ocean Services Limited 2. Rapidue Technologies Private Limited 3. Anubhuti Welfare Foundation 4. Recykal Foundation 5. APR Reality LLP
Membership in board committees of other Companies	Nil
No of shares held in the company	Nil
Inter-se relationship with any other directors or KMP of the Company	No inter-se relationship with any other directors or KMP of the Company
Details of remuneration sought to be paid	Nil
Details of remuneration last drawn	Nil

BOARD'S REPORT

Your directors have pleasure in presenting the Tenth annual report together with the audited accounts of the company for the year ended 31st March 2023.

FINANCIAL RESULTS

(Rs. in lakhs)

Particulars	2022-23	2021-22
Gross Income	807.00	825.00
Profit / (Loss) Before Tax	(916.00)	(4494.00)
Profit / (Loss) After Tax	(916.00)	(4494.00)

DIVIDEND

The company has 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 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. 3,76,34,680/- (Rupees Three crores seventy-six lakhs thirty-four thousand six hundred and eighty only). During the year, there was an increase in the paid-up capital by Rs. 69,000/- [Rupees Sixty nine thousand only], consequent to allotment of shares upon exercise of stock options by employees under the company's employee stock option scheme.

OPERATIONS

The company is engaged in the business of enabling offline payment aggregator services and provides digital payment 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. During the year, the company achieved an income of Rs. 807 lakhs as against Rs. 825 lakhs in previous year and incurred a loss of Rs. 916 lakhs as against Rs. 4494 lakhs in previous year.

OUTLOOK

The Company will continue to focus on offline payment aggregator services.

TRANSFER TO RESERVES

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

DIRECTORS

Mr. Abhay Deshpande Raosaheb, Director (DIN: 00427314), who retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment and is recommended to the shareholders for re-appointment. During the year, there were no appointment/ resignation of the directors of the company.

As of 31st March 2023, Mr. Ravindra Kumar Kundu, Mr. D Arulselvan, Mr. Arun Venkatachalam, Mr. Prabhuram Radhakrishnan and Mr. Abhay Deshpande Raosaheb are the directors of the company.

DECLARATION FROM INDEPENDENT DIRECTOR

The Company being a joint venture under the applicable accounting standards, the requirement of appointing independent directors under Rule 4 of Companies (Appointment and Qualification of Directors) Rules,2014 does not apply. Consequently, the statement on declaration by Independent Directors under Section 149(6) of the Act is not applicable.

COMMITTEES OF THE BOARD

The Company was not required to constitute any committee during the financial year 2022-23.

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.

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

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s. Sundaram & Srinivasan, Chartered Accountants were appointed as Statutory Auditors of the Company in the 9th AGM held on 20th September, 2022 for a period of five years commencing from conclusion of 9th AGM till the conclusion of 14th AGM of the company. The statutory audit report is attached with financial statement and forms part of this report and does not contain any qualification, reservation or adverse remarks.

BOARD MEETINGS

During the year, the board met four times on 06 July 2022, 25 August 2022, 28 October 2022 and 08 February 2023. 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 2022-23.

FORMAL ANNUAL EVALUATION

The provisions relating to formal annual evaluation by the Board is not applicable to the company.

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, 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. All transactions with related party were placed before the board for approval at the beginning of the financial year. The transactions entered into pursuant to the approval so granted were placed before the Board for its review on a quarterly basis.

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 inflow or outflow.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal control frameworks are established and laid out in the organization. These are reviewed periodically at all levels. The risk and control matrices are reviewed and reported to board on a yearly basis.

RISK MANAGEMENT

The Enterprise Risk Management (ERM) team of the holding company, Cholamandalam Investment and Finance Company Limited oversees the risk management framework of the company.

VIGIL MECHANISM / WHISTLE BLOWER MECHANISM

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

INTERNAL COMPLAINTS COMMITTEE

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 2022, there were no referrals received by ICC.

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has two wholly-owned subsidiaries viz., Payswiff Services Private Limited (PSEPL) and Payswiff Solutions Private Limited. (PSOPL). PSEPL recorded a gross income of Rs. 1 lakh (including other income) for the year ended 31st March, 2023 and made a Profit of Rs. 1 lakh. PSOPL recorded a gross income of Rs. 23,026 lakhs and incurred a loss of Rs. 267 lakhs for the year ended 31st March 2023. 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.

During the year, the shareholders of the Company on 25th July 2022 had approved the scheme of amalgamation of Payswiff Services Private Limited and Payswiff Solutions Private Limited with Payswiff Technologies Private Limited and accordingly the company presented a scheme of amalgamation pursuant to section 233 of the Companies Act, 2013 and other applicable provisions to the Regional Director, south eastern region for approval. A final order in this regard is awaited from the concerned authorities.

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 during the financial year 2023.

EMPLOYEE STOCK OPTIONS (“ESOP”)

During the year, the company had allotted 6,900 equity shares of Rs. 10 each pursuant to exercise of ESOP under Paynear Technologies Employees Stock Option Scheme – Scheme A.

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.

OTHER DISCLOSURES

The company has not filed any application under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review and there are no pending proceedings as at the end of the financial year. During the year, the company had not made any one-time settlement with banks or financial institutions.

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

The 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	**RAVINDRA KUMAR KUNDU**
Managing Director	**Chairman**

Date: 28th April 2023
Place: Chennai

DIRECTORS' RESPONSIBILITY STATEMENT

(Annexure to the Board's Report)

The board of directors have instituted / 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, 2023 and of the loss 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, 2023; 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, 2023.*

On behalf of the Board

PRABHURAM RADHAKRISHNAN
Managing Director
DIN: 01673968

Place: Chennai
Date:28-04-2023

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 (Amount in lakhs)**	
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 2023	31 March 2023
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	1.00	355
Reserves & surplus	0.76	437
Total assets	1.97	12004
Total Liabilities	0.26	11212
Investments	Nil	Nil
Turnover	1.1	23,026
Profit before taxation	1.05	(267)
Provision for taxation	Nil	Nil
Profit after taxation	1.05	(267)
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: Nil

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

PRABHU RAM RADHAKRISHNAN
Managing Director
DIN: 01673968
Date: 28-04-2023
Place: Chennai

RAVINDRA KUMAR KUNDU
Chairman
DIN: 07337155
Date: 28-04-2023
Place: Chennai

SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS
Offices : Chennai - Bangaluru - Madurai

Ref. No.

New No.4, Old No.23,
C.P. Ramaswamy Road
Alwarpet, Chennai - 600 018

Telephone 2498 8762
2498 8463
4210 6952

E-Mail : sundaramandsrinivasan1948@gmail.com
yessendes@sundaramandsrinivasan.com
Website : www.sundaramandsrinivasan.com

Date ....

Independent Auditor's Report

To the Members of Payswiff Technologies Private Limited

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Payswiff Technologies Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, 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.

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 2023, 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

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

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

SUNDARAM & SRINIVASAN ★ CHARTERED ACCOUNTANTS ★ New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

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Date ....

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management for the Standalone Financial Statements

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 arefree from material misstatement, whether due to fraud or error.

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 concernbasis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or hasno realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance withStandards 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 influencethe economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, specified under Section 143(10) of the Act we exerciseprofessional 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates andrelated disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, basedon 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 auditevidence 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

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- 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 fairpresentation;

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

Report on Other Legal and Regulatory Requirements

1. 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.

2. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of Indiain 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.

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and beliefwere 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 appearsfrom 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 ofthe 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 2023 from being appointed as a director in terms of Section 164(2) of the Act;

SUNDARAM & SRINIVASAN New No:4, Old No:23, CPR ROAD, CHENNAI 600 018. CHARTERED ACCOUNTANTS

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f) In respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B; and

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

i. The Company does not have any pending litigation which would impact its financial position as at 31 March 2023.

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 2023.

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 2023.

iv. a) The management has represented that, to the best of its knowledge and belief, during the year ,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, , during the year ,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.

SUNDARAM & SRINIVASAN ★ CHARTERED ACCOUNTANTS ★ New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

vi. With respect to the reporting requirements as specified in Rule 11(g) of Companies (Audit & Auditors) Rules,2014, the reporting requirement to report on the said clause does not arise since the compliance requirement for the company (as per proviso to Rule 3 of Companies (Accounts) Rules,2014) becomes applicable only with effect from 1st April 2023.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

S. Usha
Partner
Membership Number: 211785
UDIN: 23211785BGWCWB7235

Place: Chennai
Date: 28th April 2023

SUNDARAM & SRINIVASAN ★ CHARTERED ACCOUNTANTS ★ New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS
Offices : Chennai - Bangaluru - Madurai

Ref. No.

New No.4, Old No.23,
C.P. Ramaswamy Road
Alwarpet, Chennai - 600 018

Telephone 2498 8762, 2498 8463, 4210 6952

E-Mail : sundaramandsrinivasan1948@gmail.com
yessendes@sundaramandsrinivasan.com
Website : www.sundaramandsrinivasan.com

Date ....

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

In terms of the information and explanations sought by us and given by the Company and the books of accounts 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 is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company is maintaining 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) As the company does not have any immovable property, reporting under this clause is not applicable.

(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.

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(iii) (a) The Company has not provided loans or advances in the nature of loans to subsidiaries during the year. However there were loans provided to a subsidiary during the previous financial year, the balance as at 31st March 2023 is mentioned below.

(Amount in ₹ Lakhs)

Particulars	**Guarantees**	**Security**	**Loans**	**Advances in nature of loans**
Aggregate amount granted during the year: - Subsidiaries	-	-	-	-
Balance outstanding as at balance sheet datein respect of above cases: - Subsidiaries	-	-	343 (Loans granted during the previous year)	-

(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.

(c) The Company has not provided loans or advances in the nature of loans to subsidiaries during the year. However in respect of loans repayable on demand granted during the previous year, to one of its 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.

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Date ....

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company at 31 March 2023, There are no amounts overdue over ninety days. We have however not considered loans that were fully provided in earlier years by the company.

(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 loans granted during the previous year to a subsidiary 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 to the extent of Rs. 343 Lakhs.

(f) The Company has not granted any loan that are repayable on demand during the current year. However such loans which are repayable on demand granted during the previous year are mentioned below.

(Amount in ₹ Lakhs)

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans - Repayable on demand (A)	343	-	343
- Agreement does not specify any terms or period ofrepayment (B)	-	-	-
Total (A+B)	**343**	**-**	**343**
Percentage of loans to the total loans	100	-	100

In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act. The Company has not entered into any transaction covered under Sections 185 of the Act.

(iv) The Company has not accepted any deposits within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder.

(v) The Central government has not specified the maintenance of cost records under section 148(1) of the Act. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

(vi) (a) The Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, cess and any other statutory dues applicable to it during the year with appropriate authorities. Minor delays with respect to payment of Income Tax and Goods and Service Tax were observed.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2023 that have not been deposited on account of a dispute is mentioned below.

Name of the statute	Nature of dues	Amount (in Rs.)	Financial year to which amounts relates	Forum where the dispute is pending
Income Tax Act,1961	Tax and interest	2,98,67,102	2019-20	CIT (Appeals)

(vii) 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.

(viii)(a) Based on our examination of the books of accounts and other records of the company, The Company did not have borrowings any time during the year, so the reporting under clause 3(ix)(a) is not applicable.

(b) Based on our examination of the Books of Accounts and other Records of the company and based on the information and explanation provided by the management, the company has not been declared as a willful defaulter by any bank, financial institution, or any other lender.

(c) The company has not availed any term loans during the year, so reporting under clause 3(ix)(c) is not applicable.

(d) Based on our examination of the Books of Accounts and other Records of the company, the Company did not have borrowings any time during the year, hence reporting under clause 3(ix)(d) is not applicable

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New No:4,
Old No:23,
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600 018.
CHARTERED ACCOUNTANTS

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, during the year 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 duringthe year on the pledge of securities held in its subsidiaries.

(ix) (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 theCompany.

(b) According to the information and explanations given to us, the Company has not made any preferential allotmentor private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(x) (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 coveredby 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.

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

(xii) In our opinion and according to the information and explanations given to us, all transactions entered into bythe 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 andexplanations given to us, the Company is not required to constitute an audit committee under Section 177 ofthe Act.

(xiii) 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.

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

(xiv) 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.

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

ii) The Group, as defined under Core Investment Companies (Reserve Bank) Directions 2016 has two Core Investment Companies.

(xvi) The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to Rs. 926 Lakhs and Rs. 2191 Lakhs respectively.

(xvii) 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.

(xviii) On the basis of our evaluation of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statement and our knowledge of Board of Directors and Management plans, we are of the opinion that, no material uncertainty exists as on the date of Audit Report that company is 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

(xix) 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.

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Date ....

(xx) 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 Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

S. Usha
Partner
Membership Number: 211785
UDIN: 23211785BGWCWB7235

Place: Chennai
Date: 28th April 2023

SUNDARAM & SRINIVASAN * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018. CHARTERED ACCOUNTANTS

Payswiff Technologies Private Limited
Balance Sheet as at 31 March 2023
(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	4	11	28
Other intangible assets	5	-	-
Financial assets			
i. Investments	6	6,151	6,243
ii. Loans	7	-	-
Non-current tax assets	8	145	49
		6,307	**6,320**
Current assets			
Financial assets			
i. Trade receivables	9	-	14
ii. Cash and cash equivalents	10	7	103
iii. Loans	7	343	1,367
Other current assets	11	68	118
Total current assets		**418**	**1,602**
Total Assets		**6,725**	**7,922**
Equity and liabilities			
Equity			
Equity share capital	12	376	376
Other equity	13	6,019	7,054
Total equity		**6,395**	**7,430**
Liabilities			
Non-current liabilities			
Provisions	14	109	78
Total non-current liabilities		**109**	**78**
Current liabilities			
Financial Liabilities			
i. Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	17	14	1
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		15	212
ii. Other financial liabilities	15	142	161
Provisions	14	31	17
Other current liabilities	16	19	23
Total current liabilities		**221**	**414**
Total liabilities		**330**	**492**
Total equity and liabilities		**6,725**	**7,922**

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 **Sundaram & Srinivasan**
Chartered Accountants
Firm's Registration No.: 004207S

S.Usha
Partner
Membership No: 211785

Place: Chennai
Date: 28 April 2023

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

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

Prabhuram Radhakrishnan
Managing Director
DIN:01673968

Ravindra Kumar Kundu
Chairman
DIN:07337155

Place: Chennai
Date: 28 April 2023

Payswiff Technologies Private Limited Hyderabad

Payswiff Technologies Private Limited
Statement of Profit and Loss for the period ended 31 March 2023
(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Revenue from operations	18	746	670
Other income	19	61	155
Total income		**807**	**825**
Expenses			
Employee benefit expense	20	1,153	2,021
Finance costs	21	-	344
Depreciation and amortisation expense	22	16	111
Other expenses	23	580	651
Total expenses		**1,749**	**3,127**
Loss before exceptional items and tax		**(942)**	**(2,302)**
Exceptional items	24	-	(2,192)
Loss before tax		**(942)**	**(4,494)**
Tax expense			
- Current tax		-	-
- Prior period taxes		-	-
- Deferred tax		-	-
Loss for the year		**(942)**	**(4,494)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		-	(7)
Income tax relating to these items		-	-
Other comprehensive loss for the year, net of tax		**-**	**(7)**
Total comprehensive income / (loss) for the year		**(942)**	**(4,501)**
Earnings per equity share [EPES] (in absolute ₹ terms)	25		
Par value per share		10	10
Basic and diluted EPS		(0.25)	(1.34)

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 **Sundaram & Srinivasan**
Chartered Accountants
Firm's Registration No.: 004207S

S.Usha
Partner
Membership No: 211785

Place: Chennai
Date: 28 April 2023

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

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

Prabhuram Radhakrishnan
Managing Director
DIN:01673968

Place: Chennai
Date: 28 April 2023

Ravindra Kumar Kundu
Chairman
DIN:07337155

Payswiff Technologies Private Limited * Hyderabad

Payswiff Technologies Private Limited
Cash Flow Statement for the period ended 31 March 2023
(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

		For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from operating activities			
Loss before tax		(942)	(4,494)
Adjustments for:			
Depreciation and amortisation expense		16	111
Employee stock compensation expense		-	968
Finance costs		-	344
Payables no longer required written back		-	(146)
Loss on sale of investments		-	2,192
Interest income		(61)	(8)
Operating loss before working capital changes		**(987)**	**(1,033)**
Changes in operating assets and liabilities			
Changes in trade receivables		14	(10)
Changes in other financial assets		-	30
Changes in other assets		50	12
Changes in provisions		45	20
Changes in trade payables		(184)	186
Changes in other financial liabilities		(19)	(1,362)
Changes in other current liabilities		(4)	4
Cash generated from / (used in) operating activities		**(1,086)**	**(2,153)**
Income taxes refund / (paid)		(96)	(44)
activities	**A**	**(1,182)**	**(2,197)**
Cash flows from investing activities			
Investments in subsidiaries		-	(29)
(Loans to) /Repayments from subsidiaries		1,024	(1,367)
Proceeds from sale of non-current investments		-	82
Interest received		61	-
Net cash used in investing activities	**B**	**1,085**	**(1,315)**
Cash flows from financing activities			
Proceeds from issuance of share capital		-	5,060
Proceeds / (repayment) from short-term borrowings, net		-	(1,387)
Interest paid		-	(158)
Lease rentals paid		-	(48)
Net cash generated from financing activities	**C**	**-**	**3,466**
Net change in cash and cash equivalents	**(A+B+C)**	**(96)**	**(46)**
Cash and cash equivalents at the beginning of the financial year		103	149
Cash and cash equivalents at end of the year		**7**	**103**

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

For **Sundaram & Srinivasan**
Chartered Accountants
Firm's Registration No.: 004207S

S.Usha
Partner
Membership No: 211785

Place: Chennai
Date: 28 April 2023

SUNDARAM & SRINIVASAN New No:4, Old No:23, CPR ROAD, CHENNAI 600 018. CHARTERED ACCOUNTANTS

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

Prabhuram Radhakrishnan
Managing Director
DIN:01673968

Place: Chennai
Date: 28 April 2023

Ravindra Kumar Kundu
Chairman
DIN:07337155

Payswiff Technologies Private Limited Hyderabad

Payswiff Technologies Private Limited
Statement of changes in equity for the period ended 31 March 2023
(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

A. Equity Share Capital

	No. of shares	Amount
As at March 31, 2021	**3,310,560**	**331**
Changes in equity share capital	446,008	45
As at March 31, 2022	**3,756,568**	**376**
Changes in equity share capital	**6,900**	1
As at March 31, 2023	**3,763,468**	**376**

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 31 March 2021	**10,534**	**856**	**(5,958)**	**(140)**	**5,292**
Premium on shares issued during the year	5,949	-	-	-	5,949
Stock compensation cost for the year (Net)	-	1,247	-	-	1,247
Loss for the year	-	-	(4,494)	-	(4,494)
Other comprehensive income	-	-	(7)	-	(7)
Transfer on allotment of equity shares pursuant to ESOP scheme	-	(933)	-	-	(933)
Transfer on de-recognition of equity instrument	-	-	(140)	140	-
Balance as at 31 March 2022	**16,483**	**1,170**	**(10,599)**	-	**7,054**
Premium on shares issued during the year	-	-	-	-	-
Stock compensation cost for the year (Net)	-	(93)	-	-	(93)
Loss for the year	-	-	(942)	-	(942)
Other comprehensive income	-	-	-	-	-
Transfer on allotment of equity shares pursuant to ESOP scheme	(933)	(72)	1,005	-	-
Balance as at 31 March 2023	**15,550**	**1,005**	**(10,536)**	-	**6,019**

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

For **Sundaram & Srinivasan**
Chartered Accountants
Firm's Registration No.: 004207S

S.Usha
Partner
Membership No: 211785

Place: Chennai
Date: 28 April 2023

SUNDARAM & SRINIVASAN
New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.
CHARTERED ACCOUNTANTS

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

Prabhuram Radhakrishnan
Managing Director
DIN:1673968

Ravindra Kumar Kundu
Director
DIN:7337155

Place: Chennai
Date: 28 April 2023

Payswiff Technologies Private Limited
Hyderabad

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.

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.

The figures for the previous period have been restated, regrouped, and reclassified wherever required to comply with the requirement of Ind AS.

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 2023.

b) Functional and presentation currency
These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are in lakhs, 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 2023 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 be 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

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No: 4, Old No: 23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited * Hyderabad

- 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 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.

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited * Hyderabad

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 capitalized 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 the 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 derecognized 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.

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

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

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 amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization 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 recognized in the statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit or loss. Any gain or loss on derecognition is also recognized in the statement of profit or loss.

RAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

De-recognition of financial liabilities
A financial liability is de-recognized 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 realize 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). Entire company is considered a CGU for the purpose of Impairment Assessment.

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 the company has devised a simplified approach based on days past due and categorised the receivables as buckets. A fixed percentage is applied on the outstanding balance at the relevant bucket to arrive at the impairment 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.

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS
New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited * Hyderabad

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. Any reversal of expenses already recognised on account of breach/employee termination prior to exercise are recognised on statement of profit or loss.

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.

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

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.

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.

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

3. Standards and recent pronouncements issued but not yet effective

The MCA vide its notification Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 has amended certain provisions of Ind AS. These amendments primarily consist of changes in certain definitions and additional disclosure requirements. Key amendments are as follows.

a) Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors:
Replacement of definition of "changes in Accounting Estimates" with "Accounting Estimates" including guidance on how to measure, disclose Accounting Estimates.

b) Ind AS 1 Presentation of Financial Statements: Presentation of "Significant Accounting Policies" replaced with "Material Accounting Policies" including directions on how this information needs to be disclosed. Consequentially, other standards have also been amended to cascade the reference to this amendment.

c) Ind AS 12 Income Taxes: This standard has been amended to clarify that in cases of transactions where equal amounts of assets and liabilities are recognized on initial recognition, the initial recognition exemption does not apply. A company shall, therefore, must recognize deferred tax assets and deferred tax liability in all such cases.

The company is evaluating the impact of such amendments, the impact of these amendments are likely to be immaterial based on initial evaluation.

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

4 Property, plant and equipment

	Office equipment	Computers	Furniture and fittings	Leasehold improvements	Total
Deemed carrying amount					
Balance as at 31 March 2021	**34**	**6**	**2**	**118**	**159**
Additions	-	-	-	-	-
Balance as at 31 March 2022	**34**	**6**	**2**	**118**	**159**
Additions	-	-	-	-	-
Balance as at 31 March 2023	**34**	**6**	**2**	**118**	**159**
Depreciation					
Balance as at 31 March 2021*	**12**	**3**	**0**	**51**	**66**
Charge for the year	14	-	-	51	65
Disposals	-	-	-	-	-
Balance as at 31 March 2022*	**26**	**3**	**0**	**102**	**131**
Charge for the period	4	2	0	10	16
Disposals	-	-	-	-	-
Balance as at 31 March 2023	**30**	**5**	**0**	**112**	**147**
Net block					
As at 31 March 2021	22	2	1	67	92
As at 31 March 2022	9	2	1	16	28
As at 31 March 2023	4	-	1	6	11

*"0" represents a number less than one Lakh

5 Other intangible assets

	Software	Total
Deemed carrying amount		
Balance as at 31 March 2021	**37**	**37**
Additions	-	-
Balance as at 31 March 2022	**37**	**37**
Additions	-	-
Balance as at 31 March 2023	**37**	**37**
Amortisation		
Balance as at 31 March 2021	**37**	**37**
Charge for the year	-	-
Balance as at 31 March 2022	**37**	**37**
Charge for the period	-	-
Balance as at 31 March 2023	**37**	**37**
Net block		
As at 31 March 2021	-	-
As at 31 March 2022	-	-
As at 31 March 2023	-	-

6 Non-current investments

	As at 31 March 2023	As at 31 March 2022
Investment in equity shares, unquoted		
Investments in subsidiaries (measured at cost)		
35,47,214 (31 March 2023: 35,47,214; 31 March 2022: 35,47,214) equity shares of ₹10 each fully paid up in Payswiff Solutions Private Limited (net off reversal of ESOP cost)	6,150	6,242
10,000 (31 March 2023: 10,000; 31 March 2022: 10000) equity shares of ₹10 each fully paid up in Payswiff Services Private Limited	1	1
Aggregate amount of unquoted investments	**6,151**	**6,243**
Aggregate book value of unquoted investments	**6,151**	**6,243**
Aggregate amount of impairment in the value of investments	-	-

Non-current investments
Details of proportion of ownership and voting rights

Name of the entity	Country of incorporation	As at 31 March 2023	As at 31 March 2022
Payswiff Solutions Private Limited	India	100.00%	100.00%
Payswiff Services Private Limited	India	100.00%	100.00%

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited * Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

7 Loans

	As at 31 March 2023	As at 31 March 2022
Non-current		
Loans to subsidiaries (Unsecured, considered good)	-	-
	-	-
Current		
Loans to subsidiaries (Unsecured) - Considered good	343	1,367
Credit impaired	113	113
	456	**1,480**
Less: allowance for bad and doubtful loans	(113)	(113)
	343	**1,367**

Break up of loans to related parties:

	As at 31 March 2023	As at 31 March 2022
Payswiff PTE Limited	-	-
Payswiff Services Private Limited	113	113
Payswiff Solutions Private Limited	343	1,367

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 2023	As at 31 March 2022
Outstanding balance	456	113
Percentage to the total gross loan portfolio	100%	8%

8 Taxes

	As at 31 March 2023	As at 31 March 2022
Non-current tax assets	145	49
	145	**49**

9 Trade receivables

	As at 31 March 2023	As at 31 March 2022
Unsecured receivables, considered good	-	14
	-	**14**

Trade receivables ageing schedule:

	As at 31 March 2023	As at 31 March 2022
Undisputed receivables, considered good		
Outstanding for following periods from the due date of payment		
Less than 6 months	-	5
6 months - 1 year	-	5
1 - 2 years	-	4
2 - 3 years	-	-
	-	**14**

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.

10 Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Balances with banks		
- in current accounts	7	103
Cash on hand	-	-
	7	**103**

11 Other current assets

	As at 31 March 2023	As at 31 March 2022
Balances with government authorities	59	118
Prepaid expenses	9	-
	68	**118**

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

12 Equity share capital	As at 31 March 2023	As at 31 March 2022
Authorised equity share capital		
50,00,000 (31 March 2023: 50,00,000, 31 March 2022: 50,00,000) equity shares of ₹10 each	500	500
Issued, subscribed and fully paid up share capital		
37,63,468 (31 March 2023: 37,63,468, 31 March 2022: 37,56,568) equity shares of ₹10 each	**376**	**376**

(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 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	3,756,568	376	3,310,560	331
Add: Shares issued during the year	6,900	1	446,008	45
Outstanding at the end of the year	**3,763,468**	**376**	**3,756,568**	**376**

(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 2023		As at 31 March 2022	
	Number	% of holding	Number	% of holding
Equity share of ₹10 each				
Cholamandalam Investment and Finance Company Limited ("CIFL")	2,815,227	74.80%	2,773,227	73.82%
Prabhuram Radhakrishnan	449,844	11.95%	484,944	12.91%

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 2023			As at 31 March 2022		
	Number	% of holding	% of change	Number	% of holding	% of change
V Anil Bharadwaj	89,605	2.38%	0.00%	89,605	2.39%	-26.10%
Maulik Bipin Shah	91,289	2.43%	0.00%	91,289	2.43%	-26.10%
Priti Shah	138,293	3.67%	0.00%	138,293	3.68%	-25.09%
Ravi Kiran	89,605	2.38%	0.00%	89,605	2.39%	-26.10%
Krishna Kishore	89,605	2.38%	0.00%	89,605	2.39%	-26.10%
Prabhuram Radhakrishnan	449,844	11.95%	-7.24%	484,944	12.91%	-34.84%

(e) Shares reserved for issues under warrants and contracts

(i) 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.

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

(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	1.75	1.65	1.50	2.00

	No. of options	
	31 March 2023	31 March 2022
Options outstanding at the beginning of the year	78,817	102,117
Granted during the year	-	71,780
Forfeited during the year	-	(6,107)
Exercised during the year	(634)	(88,973)
Options outstanding at the end of the year	**78,183**	**78,817**
Options exercisable at the end of the year	-	-

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

	31 March 2023	31 March 2022
Risk free (%)	NA	7.22%
Expected volatility (%)	NA	20.00%

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

	31 March 2023	31 March 2022
Expense arising from equity-settled share-based payment transactions	-	968
Investment (ESOP issued to employees of subsidiary companies)	-	279
Total expense arising from share-based payment transactions	-	**1,247**

13 Other equity

	As at 31 March 2023	As at 31 March 2022
Reserve and surplus		
Securities premium	15,550	16,483
Share options outstanding reserve	1,005	1,170
Retained earnings	(10,536)	(10,599)
	6,019	**7,054**

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.

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Payswiff Technologies Private Limited * Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

14 Employee benefit obligations

	As at 31 March 2023	As at 31 March 2022
Non-current		
Gratuity	73	50
Leave encashment	36	28
	109	**78**
Current		
Gratuity	20	10
Leave encashment	11	7
	31	**17**

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.

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

		As at 31 March 2023	As at 31 March 2022
a)	**Defined benefit cost recognized in P&L and OCI**		
	Current service cost	43	11
	Interest expense	4	3
	Defined benefit cost included in P & L	**47**	**14**
	Remeasurements - Due to Demographic Assumptions	-	-
	Remeasurements - Due to Financial Assumptions	-	(1)
	Remeasurements - Due to Experience Adjustments	-	9
		-	**8**
	Total defined benefit cost recognized in P&L and OCI	**47**	**22**
b)	**Net defined benefit liability reconciliation**		
	Net Defined Benefit Liability at the beginning	60	43
	Defined Benefit Cost included in P & L	47	14
	Total Remeasurements included in OCI	-	7
	Employer Direct Benefit Payments	(14)	(3)
	Net Defined Benefit Liability / (Asset) at the end	**93**	**60**
c)	**Net (asset) / liability**		
	Present value of defined benefit obligation	93	60
	Fair value of plan assets	-	-
	Net defined benefit liability/(asset) recognized in balance sheet	**93**	**60**
d)	**Classification**		
	Current	20	10
	Non current	73	50
		93	**60**

e) **Significant estimates: actuarial assumptions**

The significant actuarial assumptions were as follows:	31 March 2023	31 March 2022
Discount rate	7.30%	7.40%
Salary escalation rate	10.00%	0% to 4%
Withdrawal rate	20.00%	16.56%

SUNDARAM & SRINIVASAN ★ CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited ★ Hyderabad

Payswiff Technologies Private Limited
Notes to the standalone financial statements for the period ended 31 March 2023
(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

f) **Sensitivity analysis**

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

	31 March 2023	31 March 2022
Change in assumptions		
Salary escalation - up by 1% - Impact	3	3
Salary escalation - down by 1% - Impact	(3)	(3)
Withdrawal rates - up by 1% - Impact	(0)	-
Withdrawal rates - down by 1% - Impact	0	-
Discount rates - up by 1% - Impact	(4)	(3)
Discount rates - down by 1% - Impact	4	3

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 2023	31 March 2022
Expected future cash flows (undiscounted)		
Year 1	20	10
Year 2	15	10
Year 3	13	9
Year 4	12	8
Year 5	11	7
Year 6 to 10	39	25
Total	**109**	**69**

The weighted average duration of the defined benefit obligation is 4.74 years.

15 Other current financial liabilities

	As at 31 March 2023	As at 31 March 2022
Employee related liabilities	142	161
Others	-	-
	142	**161**

16 Other current liabilities

	As at 31 March 2023	As at 31 March 2022
Statutory dues	19	23
	19	**23**

17 Trade payables

	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises	14	1
Total outstanding dues of creditors other than micro enterprises and small enterprises	15	212
	29	**213**

Ageing of trade payables

	Undisputed		Disputed	
	MSME	Others	MSME	Others
As at 31 March 2023				
Less than 1 Year	14	15	-	-
1-2 years	-	0	-	-
2-3 years	-	0	-	-
More than 3 years	-	-	-	-
	14	**15**	-	-
As at 31 March 2022				
Less than 1 Year	0	213	-	-
1-2 years	0	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
	1	**213**	-	-

Note: "0" represents a number less than one Lakh

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited * Hyderabad

Payswiff Technologies Private Limited
Notes to the standalone financial statements for the period ended 31 March 2023
(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

18 **Revenue from contracts with customers**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of services	746	670
	746	**670**

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
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	-	-
Balance at the end of the year	-	-

(b) **Changes in unearned and deferred revenue are as follows:**

	For the year ended 31 March 2023	For the year ended 31 March 2022
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	-	-
Balance at the end of the year	-	-

19 **Other income**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest Income on ICD	61	-
Interest income on financials assets measured at amortised cost	-	8
Payables no longer required,written back	-	146
Others	-	1
	61	**155**

20 **Employee benefit expense**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	1,086	1,020
Contribution to provident fund	21	19
Employee share options expense	-	968
Gratuity	47	14
Staff welfare expenses	0	-
	1,153	**2,021**

21 **Finance costs**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on borrowings	-	158
Interest on lease liabilities	-	3
Interest on financial liabilities	-	183
	-	**344**

22 **Depreciation and amortisation expense**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment	16	65
Depreciation of right-of-use assets	-	46
	16	**111**

23 **Other expenses**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Power and fuel	-	14
Rates and taxes	8	7
Communication	6	5
Legal and professional charges	534	611
Software expenses	4	3
Printing and stationary	0	1
Bad Debts Written Off	14	-
Payments to auditors		
- towards statutory audit	11	6
Bank charges	0	1
Miscellaneous expenses	3	3
	580	**651**

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

Payswiff Technologies Private Limited

Notes to the standalone financial statements for the period ended 31 March 2023

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

24 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.

25 Earnings per equity share (EPES)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Loss attributable to the equity holders	(942)	(4,494)
Weighted average number of equity shares for the calculation of basic EPES	3,761,275	3,347,886
Add: Effect of potential dilutive equity shares*	-	-
Weighted average number of shares considered for computation of Diluted EPES	**3,761,275**	**3,347,886**
Face value of share (Rs.)	10	10
Earnings per equity share (in absolute ₹)		
- Basic and diluted EPS	(0.25)	(1.34)

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

26 Segment reporting

The Chief Operating Decision Maker (CODM) considers revenue generated from royalty & cross charge of employee cost incurred as one reportable segment. Further, all the services are rendered to wholly owned subsidiaries only in India and all the fixed assets are located in India. Hence no separate financial disclosures have been provided for segment reporting.

Major customers:

100 % of the company's revenue from operations are generated from subsidiaries of the company. (81% for FY 21-22)

27 Based on companys' assessment of contingent liabilities there are no probable future liabilities that may arise out of pending / threatened litigations and other events which may entail future cash outflows / losses as at 31 March 2023 and as on 31 March 2022, it is Nil.

28 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 2023	As at 31 March 2022
a) The principal amount remaining unpaid as at the end of the year	14	1
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)	-	-

29 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 2023	As at 31 March 2022
Total borrowings	-	-
Less: Cash and cash equivalents	(7)	(103)
Net Debt	-	-
Total equity	6,395	7,430
Net debt to equity ratio	0.00%	0.00%

30 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) The Company has not received any fund 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.

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

Payswiff Technologies Private Limited
Notes to the standalone financial statements for the period ended 31 March 2023
(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

31 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)	Joint Venture
Payswiff Solutions Private Limited ("PSPL") Payswiff Services Private Limited	Subsidiaries
Prabhuram Radhakrishnan	Key Managerial Personnel ("KMP")

(b) **Transactions with related parties**

	For the year ended	
	31 March 2023	31 March 2022
Payswiff Solutions Private Limited		
Consultancy services	746	661
Loans advanced	-	2,400
Repayment of loans advanced	1,996	-
Interest income on loans advanced	61	-
Payswiff PTE Ltd		
Investment in equity shares of subsidiary	-	29
CIFCL		
Investment in equity shares of the Company	1	4,000
Prabhuram Radhakrishnan		
Investment in equity shares of the Company	-	1,050
Sale of investment held in Payswiff PTE Ltd	-	23
Remuneration		
Prabhuram Radhakrishnan	54	47
Maulik Bipin Shah	-	36
Ravi Kiran Pedarla	-	35

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

	As at 31 March 2023	As at 31 March 2022
Payswiff Services Private Limited	113	113
Payswiff Solutions Private Limited	343	1,367

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited * Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

32 Analytical Ratios

	As at / For the year ended		Variance	Remarks
	31 March 2023	31 March 2022	%	
Current assets (a)	418	1,602		Note A
Current liabilities (b)	221	414		
Current ratio (a/b)	**1.89**	**3.87**	**-51.12%**	
Total debt (c)	-	-		
Shareholder's equity (d)	6,395	7,430		
Debt equity ratio (c/d)	-	-	**0.00%**	
Total debt = Long term borrowings + Short term borrowings				
Earnings available for debt Service (e)	(926)	(1,847)		Note B
Debt service (f)	-	158		
Debt service coverage ratio (e/f)	-	**(11.69)**	**-100.00%**	
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 liabilities) + Interest accrued				
Net profit after taxes (g)	(942)	(4,494)		Note C
Average shareholder's equity (h)	6,913	6,527		
Return on equity ratio / Return on investment ratio (g/h)	**(0.14)**	**(0.69)**	**-80.21%**	
Average shareholder's equity = (Opening + Closing / 2)				
Net credit sales (k)	746	670		Note D
Average accounts receivable (l)	7	9		
Trade receivables turnover ratio (k/l)	**106.57**	**74.44**	**43.16%**	
Net credit sales = Revenue from operations				
Average accounts receivable = (Opening + Closing / 2)				
Net sales (o)	746	670		Note E
Working capital (p)	197	1,188		
Net capital turnover ratio (o/p)	**3.79**	**0.56**	**571.45%**	
Net sales = Total income				
Working capital = Current assets - Current liabilities				
Net profit (q)	(942)	(4,494)		Note F
Net sales (r)	746	670		
Net profit ratio (q/r)	**(1.26)**	**(6.71)**	**-81.17%**	
Net profit = Net profit after tax				
Earnings before interest and taxes (s)	(942)	(4,150)		Note G
Capital employed (t)	6,504	7,508		
Return on capital employed (s/t)	**(0.14)**	**(0.55)**	**-73.80%**	
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 is attributed to decrease in short-term loans given to subsidiary and Trade payables resulting in overall decrease in current assets and current liabilities as at 31 March 2023 respectively.

Note B: Principal reason for change in the debt service coverage ratio is attributed to decrease in borrowings on account of repayments and decrease in the loss reported by the Company during the year ended 31 March 2023 due to reduction in ESOP expenses and borrowings cost.

Note C: Principal reason for change in the return on equity ratio / return on investment ratio is attributed to the lower loss reported by the Company during the year ended 31 March 2023 as compared to loss reported during the year ended 31 March 2022 due to reduction in ESOP Expense and borrowigs cost.

Note D: Principal reason for change in the trade receivables turnover ratio is attributable to the significant increase in the turnover from PSPL for the year ended 31 March 2023 as compared to the year ended 31 March 2022.

Note E: Principal reason for change in the net capital turnover ratio is attributed to increase in the turnover from PSPL for the year ended 31 March 2023 as compared to the year ended 31 March 2022 and decrease in short-term loans & Trade payables resulting in overall decrease in working capital as at 31 March 2023.

Note F: Principal reason for change in the return on net profit ratio is attributed to the lower loss reported by the Company during the year ended 31 March 2023 as compared to loss reported during the year ended 31 March 2022 due to reduction in ESOP Expense and borrowigs cost and increase in the turnover from PSPL for the year ended 31 March 2023 as compared to the year ended 31 March 202

Note G: Principal reason for change in the return on capital employed is attributed to the lower loss reported by the Company during the year ended 31 March 2023 as compared to loss reported during the year ended 31 March 2022 due to reduction in ESOP Expense & borrowigs cost and lower capital employed for the yeat ended 31 March 2023 due to the loss incurred in the current FY 2022-23.

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

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.

Particulars	As of 31 March 2023	Fair value measurement at the end of reporting year		
		Level 1	Level 2	Level 3
Assets				
Assets measured at fair Value through OCI				
Investment in Equity Shares	6,151	-	-	6,151
Assets at amortised cost				
Inter Corporate Loans	343	-	-	343
Liabilities				
Liabilities at amortised cost				
Borrowings	-	-	-	-

Particulars	As of 31 March 2022	Fair value measurement at the end of reporting year		
		Level 1	Level 2	Level 3
Assets				
Assets measured at fair Value through OCI				
Investment in Equity Shares	6,243	-	-	6,243
Assets at amortised cost				
Inter Corporate Loans	1,367	-	-	1,367
Liabilities				
Liabilities at amortised cost				
Borrowings	-	-	-	-

(ii) Financial instruments by category

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

	31 March 2023		31 March 2022	
	FVTOCI	Amortised cost	FVTOCI	Amortised cost
Financial assets				
Trade receivables	-	-	-	14
Cash and cash equivalents	-	7	-	103
Loans	-	343	-	1,367
	-	**350**	-	**1,484**
Financial liabilities				
Trade payables	-	29	-	213
Other financial liabilities	-	142	-	161
	-	**171**	-	**374**

The Company's principal financial liabilities, comprise trade payables 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 by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

(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.

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Payswiff Technologies Private Limited ★ Hyderabad

(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.

(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 2023

	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Trade payables*	29	0	-	29
Other financial liabilities	142	-	-	142

As at 31 March 2022

	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Trade payables	213	-	-	213
Other financial liabilities	161	-	-	161

* "0" represents a number less than one Lakh

34 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.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm's Registration No.: 004207S

S.Usha
Partner
Membership No: 211785

Place: Chennai
Date: 28 April 2023

SUNDARAM & SRINIVASAN New No:4, Old No:23, CPR ROAD, CHENNAI 600 018. CHARTERED ACCOUNTANTS

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

Prabhuram Radhakrishnan
Managing Director
DIN:01673968

Place: Chennai
Date: 28 April 2023

Ravindra Kumar Kundu
Chairman
DIN:07337155

Payswiff Technologies Private Limited Hyderabad

SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS
Offices : Chennai - Bangaluru - Madurai

Ref. No.

New No.4, Old No.23,
C.P. Ramaswamy Road
Alwarpet, Chennai - 600 018

Telephone 2498 8762, 2498 8463, 4210 6952

E-Mail : sundaramandsrinivasan1948@gmail.com
yessendes@sundaramandsrinivasan.com
Website : www.sundaramandsrinivasan.com

Date ....

Independent Auditor's Report

To the Members of Payswiff Technologies Private Limited

Report on the Audit of Consolidated Financial Statements

Opinion

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'), which comprise the Consolidated Balance Sheet as at 31 March 2023, 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.

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 2023, 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

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.

SUNDARAM & SRINIVASAN ★ CHARTERED ACCOUNTANTS ★ New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

New No.4, Old No.23,
C.P. Ramaswamy Road
Alwarpet, Chennai - 600 018

Telephone 2498 8762, 2498 8463, 4210 6952

E-Mail : sundaramandsrinivasan1948@gmail.com
yessendes@sundaramandsrinivasan.com
Website : www.sundaramandsrinivasan.com

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

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.

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

Responsibilities of Management for the Consolidated Financial Statements

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,

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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.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole arefree 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 theeconomic decisions of users taken on the basis of these consolidated financial statements.

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 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.

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Old No:23,
CPR ROAD,
CHENNAI
600 018.
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- 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.

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

We did not audit the financial information of 1 subsidiary, whose financial information reflects total assets of ₹1.97 Lakhs and net assets of ₹1.71 lakhs as at 31 March 2023, total revenues of ₹1.10 lakhs and net cash outflows amounting to ₹ 0.14 Lakhs for the year ended on that date, as considered in the consolidated financial statements. This financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub- section (3) of Section 143 of the Act including report on Other Information insofar as it relates to these subsidiaries, is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 197(16) of the Act based on our audit, we report that the Holding 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.

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD CHENNAI 600 018.

SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS
Offices : Chennai - Bangaluru - Madurai

Ref. No.

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Date ....

2. 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 2023 and covered under the Act we report that:

3. As required by section 143(3) of the Act, based on our audit of the Holding Company and its subsidiaries whose financial statements have been audited under the Act, we report, 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, 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.

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;

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 subsidiaries company and taken on record by the Board of Directors of the Holding Company and its subsidiaries, covered under the Act, none of the directors are disqualified as on 31 March 2023 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 A' 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. There were no pending litigations as at 31 March 2023 which would impact the consolidated financial position of the Group.

ii. The Holding Company, its subsidiaries, did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries covered under the Act, during the year ended 31 March 2023.

iv. a) The management of the Holding Company, its subsidiaries 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, during the year, 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 subsidiaries, 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 subsidiaries ('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 subsidiaries 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, during the year, no funds have been received by the Holding Company or its subsidiaries 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 subsidiaries, 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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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 subsidiaries, have not declared or paid any dividend during the year ended31 March 2023

vi. With respect to the reporting requirements as specified in Rule 11(g) of Companies (Audit & Auditors) Rules,2014, the reporting requirement to report on the said clause does not arise since the compliance requirement for the group (as per proviso to Rule 3 of Companies (Accounts) Rules,2014) becomes applicable only with effect from 1st April 2023.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

S. Usha
Partner
Membership Number: 211785
UDIN: 23211785BGWCWC5219

Place: Chennai
Date: 28th April 2023

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Annexure A

Independent Auditor's Report on the internal financial controls with reference to financial statements underClause (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 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries, which are companies covered under the Act, as at that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to 1 subsidiary namely Payswiff Services Private Limited pursuant to MCA notification GSR 583(E) dated 13 June 2017

Responsibilities of Management for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiaries, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financialcontrols 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 andcompleteness of the accounting records, and the timely preparation of reliable financial information, as required underthe Act.

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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 subsidiaries, 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 subsidiaries 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 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

SUNDARAM & SRINIVASAN ★ CHARTERED ACCOUNTANTS ★ New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

New No.4, Old No.23,
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Alwarpet, Chennai - 600 018
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(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 subsidiaries, 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 2023, 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.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No.: 004207S

S. Usha
Partner
Membership Number: 211785
UDIN: 23211785BGWCWC5219

Place: Chennai
Date: 28th April 2023

SUNDARAM & SRINIVASAN ★ CHARTERED ACCOUNTANTS ★ New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited
Consolidated Balance Sheet as at 31 March 2023
(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	4	4,223	2,328
Right-of-use assets	6	427	197
Capital work-in-progress	4A	1,893	538
Goodwill		-	1,142
Other intangible assets	5	236	355
Intangible assets under development	4B	261	-
Financial assets			
i. Other financial assets	13	36	58
Non-current tax assets	7	790	264
Other non-current assets	8	-	320
Total non-current assets		**7,866**	**5,201**
Current assets			
Inventories	9	611	122
Financial assets			
i. Trade receivables	10	1,260	1,004
ii. Cash and cash equivalents	11	261	1,120
iii. Bank balances other than ii above	12	964	776
iv. Other financial assets	13	88	88
Contract assets	14	728	375
Other current assets	8	458	366
Total current assets		**4,370**	**3,851**
Total assets		**12,236**	**9,052**
Equity and liabilities			
Equity			
Equity share capital	15	376	376
Other equity	16	663	3,114
Total equity		**1,039**	**3,490**
Liabilities			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	17	5,225	-
ii. Lease liabilities	6	317	119
Provisions	21	256	146
Total non-current liabilities		**5,798**	**265**
Current liabilities			
Financial liabilities			
i. Borrowings	17	1,419	-
ii. Lease liabilities	6	122	74
iii. Trade payables	18		
(a) total outstanding dues of micro and small enterprises		33	329
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		673	1,387
iv. Other financial liabilities	19	2,928	2,930
Contract liabilities	14	85	440
Provisions	21	61	54
Other current liabilities	20	78	83
Total current liabilities		**5,399**	**5,297**
Total liabilities		**11,197**	**5,562**
Total equity and liabilities		**12,236**	**9,052**

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 **Sundaram & Srinivasan**
Chartered Accountants
Firm's Registration No.: 004207S

S.Usha
Partner
Membership No: 211785

Place: Chennai
Date: 28 April 2023

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

Prabhuram Radhakrishnan
Managing Director
DIN:01673968

Place: Chennai
Date: 28 April 2023

Ravindra Kumar Kundu
Chairman
DIN:07337155

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Payswiff Technologies Private Limited ★ Hyderabad

Payswiff Technologies Private Limited

Consolidated Statement of Profit and Loss for the period ended 31 March 2023

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	22	22,983	28,205
Other income	23	44	379
Total income		**23,027**	**28,584**
Expenses			
Purchases of stock-in-trade		6,547	5,526
Changes in inventories of stock-in-trade	24	(489)	(122)
Employee benefit expense	25	3,443	4,271
Finance costs	26	353	336
Depreciation and amortisation expense	27	1,729	1,244
Other expenses	28	12,647	21,051
Total expenses		**24,230**	**32,306**
Loss before exceptional items and tax		**(1,203)**	**(3,722)**
Exceptional items		-	(506)
Loss before tax		**(1,203)**	**(4,228)**
Income tax expense			
- Current tax		-	-
- Prior period tax		-	23
- Deferred tax		-	-
Total tax expense		**-**	**23**
Loss for the year		**(1,203)**	**(4,251)**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		-	-
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		-	(17)
Income tax relating to these items		-	-
Other comprehensive income for the year, net of tax		**-**	**(17)**
Total comprehensive income for the year		**(1,203)**	**(4,268)**
Earnings per equity share [EPES] (in absolute ₹ terms)	29		
Par value per share		10	10
Basic and diluted EPES		(0.32)	(1.27)

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 **Sundaram & Srinivasan**
Chartered Accountants
Firm's Registration No.: 004207S

S.Usha
Partner
Membership No: 211785

Place: Chennai
Date: 28 April 2023

SUNDARAM & SRINIVASAN ★ CHARTERED ACCOUNTANTS ★ New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

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

Prabhakar Radhakrishnan
Managing Director
DIN:01673968

Place: Chennai
Date: 28 April 2023

Ravindra Kumar Kundu
Chairman
DIN:07337155

Payswiff Technologies Private Limited ★ Hyderabad

Payswiff Technologies Private Limited

Consolidated Cash Flow Statement for the period ended 31 March 2023

(All amounts in ₹ lakhs, except for share data or as otherwise stated)

		For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from operating activities			
Loss before tax		**(1,203)**	**(4,228)**
Adjustments for:			
Depreciation and amortisation expense		1,733	1,244
Employee stock compensation expense		(93)	1,247
Finance costs		415	336
Interest income		(79)	(20)
Loss on sale of investments		-	506
Bad debts written off		43	-
Payables no longer required written back		(22)	(225)
Operating profit / (loss) before working capital changes		**793**	**(1,139)**
Change in operating assets and liabilities			
Changes in inventory		(489)	(122)
Changes in trade receivables		(299)	(192)
Changes in other financial assets		(13)	(38)
Changes in other assets		(445)	(568)
Changes in provisions		117	28
Changes in trade payables		(1,009)	946
Changes in other financial liabilities		(42)	298
Changes in other current liabilities		(361)	335
Cash generated from / (used in) operations		**(1,748)**	**(452)**
Income taxes paid		(526)	(132)
Net cash inflow from / (used in) operating activities	**(A)**	**(2,274)**	**(584)**
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		(4,621)	(1,594)
Proceeds from sale of investments		-	87
Movement in other bank balances		(166)	(727)
Interest received		9	34
Net cash used in investing activities	**(B)**	**(4,778)**	**(2,200)**
Cash flows from financing activities			
Proceeds from issue of share capital		-	5,060
Proceeds from long-term borrowings		5,225	-
Repayment of long-term borrowings		-	(263)
Proceeds / (repayment) from short-term borrowings, net		1,419	(1,389)
Lease payment		(136)	(156)
Interest payment		(315)	(321)
Net cash generated from financing activities	**(C)**	**6,193**	**2,931**
Net change in cash and cash equivalents	**(A+B+C)**	**(859)**	**147**
Cash and cash equivalents at the beginning of the financial year		1,120	977
Less: Adjustment on account of loss of control in a subsidiary		-	(4)
Cash and cash equivalents at the end of the year		**261**	**1,120**

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

For **Sundaram & Srinivasan**
Chartered Accountants
Firm's Registration No.: 004207S

S.Usha
Partner
Membership No: 211785

Place: Chennai
Date: 28 April 2023

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

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

Prabhuram Radhakrishnan
Managing Director
DIN:01673968

Ravindra Kumar Kundu
Chairman
DIN:07337155

Place: Chennai
Date: 28 April 2023

Payswiff Technologies Private Limited Hyderabad

Payswiff Technologies Private Limited
Consolidated Statement of Changes in Equity for the period ended 31 March 2023
(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

A. Equtiy Share Capital

	No. of shares	Amount
As at March 31, 2021	**3,310,560**	**331**
Changes in equity share capital	446,008	45
As at March 31, 2022	**3,756,568**	**376**
Changes in equity share capital	6,900	1
As at March 31 2023	**3,763,468**	**377**

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 31 March 2021	**10,534**	**856**	**(10,130)**	**(8)**	**(140)**	**1,111**
Premium on shares issued during the year	5,949	-		-	-	5,949
Stock compensation cost for the year	-	1,247	-	-	-	1,247
Loss for the year	-	-	(4,251)	8	-	(4,243)
Transfer on allotment of equity shares pursuant to ESOP scheme	-	(933)	-	-	-	(933)
Other comprehensive income	-	-	(17)	-	-	(17)
Transfer on de-recognition of equity instrument	-	-	(140)	-	140	-
Balance as at 31 March 2022	**16,483**	**1,170**	**(14,539)**	**-**	**-**	**3,114**
Premium on shares issued during the year	-	-	-	-	-	-
Stock compensation cost for the year	-	**(93)**	-	-	-	(93)
Loss for the year	-	-	**(1,203)**	-	-	(1,203)
Transfer on allotment of equity shares pursuant to ESOP scheme	**(933)**	**(72)**	**1,005**	-	-	-
Others	-	-	**(1,155)**	-	-	(1,155)
Other comprehensive income	-	-	-	-	-	-
Balance as at 31 March 2023	**15,550**	**1,005**	**(15,891)**	**-**	**-**	**663**

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

For **Sundaram & Srinivasan**
Chartered Accountants
Firm's Registration No : 004207S

S.Usha
Partner
Membership No: 211785

Place: Chennai
Date: 28 April 2023

SUNDARAM & SRINIVASAN
New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.
CHARTERED ACCOUNTANTS

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

Prabhuram Radhakrishnan
Managing Director
DIN:1673968

Ravindra Kumar Kundu
Director
DIN:7337155

Place: Chennai
Date: 28 April 2023

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.

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.

The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS.

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 2023.

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 are in lakhs, 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'.

Name of the consolidated entity	Country of incorporation	Nature of interest	% of interest 31 March 2023	% of interest 31 March 2022
Payswiff Solutions Private Limited	India	Subsidiary	100%	100%
Payswiff Services Private Limited	India	Subsidiary	100%	100%

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Payswiff Technologies Private Limited Hyderabad

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 2023 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 Group 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 Group has ascertained its operating cycle within 12 months for the purpose of current /non-current classification of its assets and liabilities.

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2.2.2 Leases

Group as a Lessee:

Right-of-use assets:
The Group 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 Group 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 Group 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 Group and payments of penalties for terminating a lease, if the lease term reflects the Group 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 Group 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 Group 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 Group expects to receive in exchange for those products. The Group 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 Group 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 Group satisfies a performance obligation but does not have an unconditional right to consideration.

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 Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

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Hyderabad

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 capitalized 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 Group and the cost of the item can be measured reliably. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. The carrying amount of any component accounted for as a separate asset is derecognized 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.

2.2.6 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 Group recognizes a financial asset or a financial liability in the Balance Sheet when, and only when, the Group 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 Group'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 Group 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 amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization 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.

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Payswiff Technologies Private Limited ★ Hyderabad

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 Group 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 amortized 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 realize the assets and settle the liabilities simultaneously.

2.2.7 Impairment of assets

Non-financial assets
At each reporting date, the Group 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 Group 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.

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Payswiff Technologies Private Limited Hyderabad

Financial assets
In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group 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, the group has devised a simplified approach based on days past due and categorised the receivables as buckets. A fixed percentage is applied on the outstanding balance at the relevant bucket to arrive at the impairment 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 group 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 group during an accounting period, the Group 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 Group 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 Group 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 Group are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employee and the Group contribute monthly at a stipulated rate. The Group 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 Group 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 Group 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

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Payswiff Technologies Private Limited Hyderabad

The stock options of the Group 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. Any reversal of expenses already recognised on account of breach/employee termination prior to exercise are recognised on statement of profit or loss.

2.2.10 Foreign currencies

Transactions in foreign currencies are translated into the functional currency of the Group 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 Group 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.

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Payswiff Technologies Private Limited Hyderabad

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 Group 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 Group are segregated.

3. Standards and recent pronouncements issued but not yet effective

The MCA vide its notification Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 has amended certain provisions of Ind AS. These amendments primarily consist of changes in certain definitions and additional disclosure requirements. Key amendments are as follows.

a) Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors:
Replacement of definition of "changes in Accounting Estimates" with "Accounting Estimates" including guidance on how to measure, disclose Accounting Estimates.

b) Ind AS 1 Presentation of Financial Statements: Presentation of "Significant Accounting Policies" replaced with "Material Accounting Policies" including directions on how this information needs to be disclosed. Consequentially, other standards have also been amended to cascade the reference to this amendment.
c) Ind AS 12 Income Taxes: This standard has been amended to clarify that in cases of transactions where equal amounts of assets and liabilities are recognized on initial recognition, the initial recognition exemption does not apply. A group shall, therefore, must recognize deferred tax assets and deferred tax liability in all such cases.

The group is evaluating the impact of such amendments, the impact of these amendments are likely to be immaterial based on initial evaluation.

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Payswiff Technologies Private Limited * Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

4 Property, plant and equipment

	Office equipment	Transaction Processing Equipment	Computers and data processing units	Vehicles	Furniture and fittings	Total
Balance as at 31 March 2021	**165**	**2,052**	**26**	**60**	**178**	**2,480**
Additions	8	1,822	110	-	-	1,940
Disinvestment of a subsidiary	(3)	-	(3)	-	(14)	(20)
Balance as at 31 March 2022	**170**	**3,873**	**133**	**60**	**164**	**4,400**
Additions	7	3,300	63	-	4	3,374
Balance as at 31 March 2023	**177**	**7,174**	**196**	**60**	**168**	**7,774**
Depreciation						
Balance as at 31 March 2021	**44**	**852**	**21**	**13**	**66**	**995**
Charge for the year	50	943	15	12	70	1,090
Disinvestment of a subsidiary	(1)	-	(2)	-	(10)	(13)
Balance as at 31 March 2022	**93**	**1,795**	**33**	**25**	**127**	**2,073**
Charge for the year	34	1,367	43	12	21	1,478
Balance as at 31 March 2023	**127**	**3,163**	**77**	**37**	**148**	**3,551**
Net block						
As at 31 March 2021	121	1,200	5	47	112	**1,485**
As at 31 March 2022	77	2,078	100	35	37	**2,328**
As at 31 March 2023	**51**	**4,011**	**119**	**23**	**20**	**4,223**

4A Capital Work-in-Progress

	As at 31 March 2023	As at 31 March 2022
(i) **Ageing schedule of capital work-in-progress (CWIP)**		
Projects in progress		
< 1 Year	1,621	538
1-2 Years	192	-
2-3 Years	31	-
> 3 Years	49	-
Projects in progress (total)	**1,893**	**538**
Projects temporarily suspended	-	-

(ii) Capital WIP primarily consists of transaction processing equipments which are pending to be deployed in the ordinary course of business. Management intends to deploy these devices in the next financial year.

(iii) 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 2023	As at 31 March 2022
(i) **Ageing schedule of intangible assets under development (IAUD)**		
Projects in progress		
< 1 Year	261	-
1-2 Years	-	-
2-3 Years	-	-
> 3 Years	-	-
Projects in progress (total)	**261**	-
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.

SUNDARAM & SRINIVASAN
New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.
CHARTERED ACCOUNTANTS

Payswiff Technologies Private Limited
Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

5 Other intangible assets

	Software	Total
Balance as at 31 March 2021	62	62
Additions	359	359
Disinvestment of a subsidiary	(28)	(28)
Balance as at 31 March 2022	393	393
Additions	7	7
Balance as at 31 March 2023	400	400
Amortisation		
Balance as at 31 March 2021	48	48
Charge for the year	18	18
Disinvestment of a subsidiary	(28)	(28)
Balance as at 31 March 2022	38	38
Charge for the year	126	126
Balance as at 31 March 2023	164	164
Net block		
As at 31 March 2021	14	14
As at 31 March 2022	355	355
As at 31 March, 2023	236	236

6 Right-of-use assets

	As at 31 March 2023	As at 31 March 2022
Buildings	427	197
	427	197
Lease liabilities		
Non-current	317	119
	317	119
Current	122	74
	439	193

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

Particulars	Amount
ROU Asset on 31 March 2021	144
Additions	188
Depreciation on ROU Asset	(135)
ROU Asset on 31 March 2022	197
Additions	355
Depreciation on ROU Asset	(126)
ROU Asset on 31 March 2023	427

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

Particulars	Amount
Lease liability on 31 March 2021	158
Additions	177
Interest accrued	15
Lease payment	(156)
Lease liability on 31 March 2022	193
Additions	343
Interest accrued	38
Lease payment	(136)
Lease liability on 31 March 2023	439

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation charge of right-of-use assets	126	135
Interest expense (included in finance costs)	38	15
Expense relating to short-term leases (included in other expenses)	39	11

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

	As at 31 March 2023	As at 31 March 2022
Less than one year	157	97
One to three years	227	135
More than three years	131	-
	516	232

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited * Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

7 **Taxes**

	As at 31 March 2023	As at 31 March 2022
Non-current	790	264
	790	**264**

8 **Other assets**

	As at 31 March 2023	As at 31 March 2022
Non-current		
Capital advances	-	320
	-	**320**
Current		
Balances with government authorities	357	319
Prepaid expenses	102	40
Advance for services	-	1
Advances to employees	-	5
Others	-	1
	458	**366**

9 **Inventories**

	As at 31 March 2023	As at 31 March 2022
Traded goods	611	122
	611	**122**

10 **Trade receivables**

	As at 31 March 2023	As at 31 March 2022
Break-up of security details		
Unsecured receivables, considered good	1,292	1,004
Trade receivables from contract with customers – related parties	9	-
Total	1,301	1,004
Loss allowance	(41)	-
	1,260	**1,004**

Ageing of trade receivables

	As at 31 March 2023	As at 31 March 2022
Undisputed receivables, considered good		
Outstanding for following periods from the due date of payment		
Less than 6 months	1,232	942
6 months - 1 year	69	29
1 - 2 years	-	33
2 - 3 years	-	-
More than 3 years	-	-
	1,301	**1,004**

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 2023	As at 31 March 2022
Balances with banks		
- in current accounts	259	1,120
Cash on hand	1	-
	261	**1,120**

12 **Bank balances other than above**

	As at 31 March 2023	As at 31 March 2022
Earmarked Accounts	885	681
Margin money deposits	79	95
	964	**776**

13 **Other financial assets**

	As at 31 March 2023	As at 31 March 2022
Non-current		
Deposits held with banks as margin money	36	58
	36	**58**
Current		
Security deposits	81	77
Interest accrued	4	-
Others	3	11
	88	**88**

14 **Contract assets**

	As at 31 March 2023	As at 31 March 2022
Contract assets		
Current (The unbilled portion of revenue to be billed in upcoming monthly cycles)	728	375
	728	**375**
Contract liabilities		
Current	85	440
	85	**440**

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited * Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

15 Equity share capital

	As at 31 March 2023	As at 31 March 2022
Authorised equity share capital		
50,00,000 (31 March 2023: 50,00,000, 31 March 2022: 50,00,000) equity shares of ₹10 each	500	500
Issued, subscribed and fully paid up share capital		
37,63,468 (31 March 2023: 37,63,468, 31 March 2022: 37,56,568) equity shares of ₹10 each	376	376

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

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	3,756,568	376	3,310,560	331
Add: Shares issued during the year	6,900	1	446,008	45
Outstanding at the end of the year	**3,763,468**	**376**	**3,756,568**	**376**

(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

	31 March 2023		As at 31 March 2022	
	No. of Shares	% of holding	No. of Shares	% of holding
Equity share of ₹10 each				
Cholamandalam Investment and Finance Company Limited	2,815,227	74.80%	2,773,227	73.82%
Prabhuram Radhakrishnan	449,844	11.95%	484,944	12.91%

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 March 2023			As at 31 March 2022		
	No of shares	% of holding	% of change	No of shares	% of holding	% of change
V Anil Bharadwaj	89,605	2.38%	0.00%	89,605	2.39%	-26.10%
Maulik Bipin Shah	91,289	2.43%	0.00%	91,289	2.43%	-26.10%
Priti Shah	138,293	3.67%	0.00%	138,293	3.68%	-25.09%
Ravi Kiran	89,605	2.38%	0.00%	89,605	2.39%	-26.10%
Krishna Kishore	89,605	2.38%	0.00%	89,605	2.39%	-26.10%
Prabhuram Radhakrishnan	449,844	11.95%	7.24%	484,944	12.91%	-34.84%

(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.

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited * Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

(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	1.75	1.65	1.50	2.00

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

	No. of options 31 March 2023	No. of options 31 March 2022
Options outstanding at the beginning of the year	78,817	102,117
Granted during the year	-	71,780
Forfeited during the year	-	(6,107)
Exercised during the year	(634)	(88,973)
Options outstanding at the end of the year	**78,183**	**78,817**
Options exercisable at the end of the year	-	-

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

	31 March 2023	31 March 2022
Risk free (%)	NA	7.22%
Expected volatility (%)	NA	20.00%

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

	31 March 2023	31 March 2022
Towards options issued to the employees of		
- Holding Company	-	968
- Subsidiaries	-	279
	-	**1,247**

16 Other equity

	As at 31 March 2023	As at 31 March 2022
Reserve and surplus		
Securities premium	15,550	16,483
Share options outstanding reserve	1,005	1,170
Retained earnings	(15,891)	(14,539)
	663	**3,114**

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.

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited * Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

17 Borrowings

	As at 31 March 2023	As at 31 March 2022
Non-current		
Secured		
Loan from financial institutions	6,644	-
	6,644	**-**
Less: Current maturities of long-term borrowings	1,419	-
	5,225	**-**
Current		
Secured		
Current maturities of long-term loans	1,419	-
Loan from financial institutions	-	-
Unsecured		
Loans from related parties	-	-
Others	-	-
	1,419	**-**

Notes:

(i) Loan from financial institutions carry an interest rate around 8% to 8.5% per annum and is secured by way of exclusive/first charge over the entire fixed assets and entire current assets of the group

(ii) The group has utilised the borrowings for the purpose for which it was obtained.

(iii) The quarterly statements or returns of current assets filed by the group banks are in agreement with books of accounts.

Repayment schedule for long term borrowings

	As at 31 March 2023	As at 31 March 2022
Due within 1 year	1,419	-
From 1 to 3 years	5,225	-
Above 3 years	-	-

(iv) **Net Debt reconciliation:**

	Non-current borrowings*	Current borrowings	Interest accrued
Net debt as at 31 March 2021	**26,344**	**138,850**	**46**
Cash flows (net)	(26,344)	(138,850)	-
Interest expense	-	-	32,087
Interest paid during the year	-	-	(32,133)
Net debt as at 31 March 2022	-	-	-
Cash flows (net)	6,644	-	-
Interest expense	-	-	315
Interest paid during the year	-	-	(293)
Net debt as at 31 March 2023	**6,644**	-	**22**

* includes current maturities of long-term borrowings

18 Trade payables

	As at 31 March 2023	As at 31 March 2022
Current		
Total outstanding dues of micro enterprises and small enterprises	33	329
Total outstanding dues of creditors other than micro enterprises and small enterprises	673	1,387
	706	**1,716**

Ageing of trade payables

	Undisputed		Disputed	
	MSME	Others	MSME	Others
As at 31 March 2023				
Less than 1 Year	33	671	-	-
1-2 years	-	0	-	-
2-3 years	-	1	-	-
More than 3 years	-	-	-	-
	33	**673**	-	-
As at 31 March 2022				
Less than 1 Year	329	1,106	-	-
1-2 years	0	280	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
	330	**1,386**	-	-

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

19 Other current financial liabilities

	As at 31 March 2023	As at 31 March 2022
Employee related liabilities	419	491
Dues to merchants	624	565
Capital creditors	1,882	1,826
Interest accrued but not due on borrowngs	-	-
Others	2	48
	2,928	2,930

20 Other current liabilities

	As at 31 March 2023	As at 31 March 2022
Statutory dues	78	83
Advance for Services	-	
Others	0	-
	78	83

21 Employee benefit obligations

	As at 31 March 2023	As at 31 March 2022
Non-current		
Gratuity	163	92
Leave encashment	93	54
	256	146
Current		
Gratuity	33	30
Leave encashment	28	24
	61	54

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 2023	31 March 2022
a) **Defined benefit cost recognized in P&L and OCI**		
Current service cost	87	24
Interest expense	8	6
Defined benefit cost included in P & L	95	30
Remeasurements - Due to Financial Assumptions	-	-2
Remeasurements - Due to Experience Adjustments	-	19
Remeasurement recognised in OCI		
Acturial (gain)/loss on defined benefit obligation	-	18
	-	18
Total defined benefit cost recognized in P&L and OCI	95	47

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited * Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

Gratuity (continued)

		31 March 2023	31 March 2022
b)	**Net defined benefit liability reconciliation**		
	Net Defined Benefit Liability at the beginning	122	95
	Defined Benefit Cost included in P & L	95	30
	Total Remeasurements included in OCI	-	17
	Employer Direct Benefit Payments	-21	-19
	Net Defined Benefit Liability / (Asset) at the end	**196**	**122**
c)	**Net (asset) / liability**		
	Present value of defined benefit obligation	196	122
	Fair value of plan assets	-	-
	Net defined benefit liability/(asset) recognized in balance sheet	**196**	**122**
d)	**Classification**		
	Current	33	30
	Non current	163	92
		196	**122**
e)	**Significant actuarial assumptions**		
	Discount rate	7.30%	7.40%
	Salary escalation rate	10.00%	0% to 4%
	Withdrawal rate	20%	16.56%

f) **Sensitivity analysis**

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

Change in assumptions	31 March 2023	31 March 2022
Salary escalation - up by 1% - Impact	8	5
Salary escalation - down by 1% - Impact	-7	-5
Withdrawal rates - up by 1% - Impact	-0	-0
Withdrawal rates - down by 1% - Impact	0	0
Discount rates - up by 1% - Impact	-9	-4
Discount rates - down by 1% - Impact	10	4

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 2023	31 March 2022
Expected future cash flows (undiscounted)		
Year 1	33	30
Year 2	28	26
Year 3	26	21
Year 4	25	17
Year 5	26	13
Year 6 to 10	89	36
Total	**228**	**142**

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

22 Revenue from contracts with customers

	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of devices	6,337	5,795
Sale of services		
- Device set-up and activation fee	378	352
- Commission and maintenance charges	16,110	21,981
- Software support fee	-	64
- Others	158	13
	22,983	28,205

Changes in contract assets are as follows:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning of the year	375	47
Invoices raised that were included in the contract assets balance at the beginning of the year	(375)	(47)
Increase due to revenue recognised during the year, excluding amounts billed during the year	728	375
Balance at the end of the year	728	375

Changes in unearned and deferred revenue are as follows:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning of the year	440	-
Revenue recognised that was included in the contract liability balance at the beginning of the year	(440)	-
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	85	440
	85	440

23 Other income

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income on financials assets measured at amortised cost		
(i) Fixed deposits with banks	9	7
(ii) Interest on income tax refund	3	7
(iii) Other financial assets	6	6
Payables no longer required,written back	22	225
Foreign exchange fluctuation gain, net	-	19
Others	4	115
	44	379

24 Changes in inventories of stock-in-trade

	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the beginning of the year	122	-
Inventories at the end of the year	611	122
	(489)	(122)

25 Employee benefit expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	3,146	2,875
Contribution to provident fund	158	85
Employee stock option expense	-	1,247
Gratuity	95	30
Staff welfare expenses	45	34
	3,443	4,271

26 Finance costs

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on lease liabilities	38	15
Interest on borrowings	315	321
	353	336

27 Depreciation and amortisation expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment	1,477	1,092
Depreciation of right-of-use assets	126	135
Amortisation of intangible assets	126	18
	1,729	1,244

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

28 **Other expenses**

	For the year ended 31 March 2023	For the year ended 31 March 2022
(i) Operating expenses		
Transaction commission expenses	8,939	18,050
(ii) General expenses		
Power and fuel	38	20
Rent	39	11
Repairs and maintenance	8	8
Insurance	5	59
Rates and taxes	202	121
Travelling and conveyance	73	56
Communication	1,244	710
Legal and professional charges	829	968
Software expenses	432	534
Printing and stationary	5	19
Security services	21	14
Selling and marketing expenses	205	138
Office administrative expenses	57	32
Courier & franking charges	209	162
Bad debts written off	57	14
Expected Credit Loss	110	-
E-Wastage	51	-
Payments to auditors		
- towards statutory audit	14	14
Bank charges	17	56
Foreign exchange fluctuation loss, net	89	-
Miscellaneous expenses	3	65
	12,647	**21,051**

29 **Earnings per equity share (EPES)**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Loss attributable to the equity holders	(1,203)	(4,251)
Weighted average number of equity shares for the calculation of basic EPES	3,761,275	3,347,886
Add: Effect of potential dilutive equity shares*	-	-
Weighted average number of shares considered for computation of Diluted EPES	**3,761,275**	**3,347,886**
Earnings per equity share (in absolute ₹)		
- Basic and diluted EPS	(0.32)	(1.27)

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

30 **Segment reporting**

The Chief Operating Decision Maker (CODM) considers sale of POS machines and other allied activities as one reportable segment. Further, all the services are rendered only in India and all the fixed assets are located in India. Hence no separate financial disclosures have been provided for segment reporting.

Major customers:

One customer accounts for approximately 48% (31 March 2022: 69%) of the group's revenue from operations.

31 Based on companys' assessment of contingent liabilities there are no probable future liabilities that may arise out of pending / threatened litigations and other events which may entail future cash outflows / losses as at 31 March 2023 and as on 31 March 2022, it is Nil.

32 **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 2023	As at 31 March 2022
Total borrowings	6,644	-
Less: Cash and cash equivalents	(261)	(1,120)
Net Debt	**6,383**	-
Total equity	1,039	3,490
Net debt to equity ratio	**614.15%**	**0.00%**

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited * Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

33 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 2023	As at 31 March 2022
a) The principal amount remaining unpaid as at the end of the year	33	329
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)	-	-

34 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.

Particulars	As of 31 March 2023	Fair value measurement at the end of reporting year		
		Level 1	Level 2	Level 3
Assets				
Assets at amortised cost				
Inter Corporate Loans	-	-	-	-
Liabilities				
Liabilities at amortised cost				
Borrowings from Financial Institutions	6,644	-	6,644	-
Inter Corporate Borrowings	-	-	-	-

Particulars	As of 31 March 2022	Fair value measurement at the end of reporting year		
		Level 1	Level 2	Level 3
Assets				
Assets at amortised cost				
Inter Corporate Loans	-	-	-	-
Liabilities				
Liabilities at amortised cost				
Borrowings from Financial Institutions	-	-	-	-
Inter Corporate Borrowings	-	-	-	-

(ii) Financial instruments by category

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

	31 March 2023		31 March 2022	
	FVTOCI	Amortised cost	FVTOCI	Amortised cost
Financial assets				
Trade receivables	-	1,260	-	1,004
Cash and cash equivalents	-	261	-	1,120
Other bank balances	-	964	-	776
Other financial assets	-	124	-	146
	-	**2,609**	**-**	**3,046**
Financial liabilities				
Borrowings	-	6,644	-	-
Lease liabilities	-	439	-	193
Trade payables	-	706	-	1,716
Other financial liabilities	-	2,928	-	2,930
	-	**10,717**	**-**	**4,839**

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) 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.

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

(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 2023		31 March 2022	
	Foreign curreny	₹	Foreign curreny	₹
Financial liability				
- USD	23	1,882	20	1,506

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 2023	31 March 2022
Impact on the profit after tax for the year ended		
₹/USD - Increase by 5%	94	75
₹/USD - Decrease by 5%	(94)	(75)

(b) **Interest rate risk**

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate debt. The Company's Finance team constantly tracks the developments related Market movements related to interest risk to ensure that proposed resets of interest rates are being negotiated reasonably with the bankers.

31 March 2023		31 March 2022	
Borrowings	Interest Cost	Borrowings	Interest Cost
6,644	315	-	-

Interest Rate sensitivity:

A hypothetical 50 basis point shift in interest rates, holding all other variables constant, on the loans would result in a corresponding increase/decrease in interest cost for the Company on a yearly basis as follows

	31 March 2023	31 March 2022
Impact on the profit after tax for the year ended		
Interest rate - Increase by 50 basis point	16	-
Interest rate - Decrease by 50 basis point	(16)	-

(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 2023

	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Borrowings	1,419	5,225	-	**6,644**
Lease liabilities	157	227	131	**516**
Trade payables	706	-	-	**706**
Other financial liabilities	2,928	-	-	**2,928**

31 March 2022

	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Borrowings	-	-	-	-
Lease liabilities	97	135	-	**232**
Trade payables	1,716	-	-	**1,716**
Other financial liabilities	2,930	-	-	**2,930**

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited * Hyderabad

Payswiff Technologies Private Limited
Notes to the consolidated financial statements for the period ended 31 March 2023
(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

35 Analytical ratios

	As at / For the year ended 31 March 2023	As at / For the year ended 31 March 2022	Variance %	Remarks
Current assets (a)	4,370	3,851		
Current liabilities (b)	5,399	5,297		
Current ratio (a/b)	**0.81**	**0.73**	11.35%	
Total debt (c)	6,644	-		Note A
Shareholder's equity (d)	1,039	3,490		
Debt equity ratio (c/d)	**6.39**	-	100.00%	
Total debt = Long term borrowings + Short term borrowings				
Earnings available for debt Service (e)	879	(2,671)		Note B
Debt service (f)	1,541	74		
Debt service coverage ratio (e/f)	**0.57**	**(36.10)**	-101.58%	
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 liabilities) + interest accrued				
Net profit after taxes (g)	(1,203)	(4,251)		Note C
Average shareholder's equity (h)	2,265	2,467		
Return on equity ratio / Return on investment ratio (g/h)	**(0.53)**	**(1.72)**	-69.19%	
Average shareholder's equity = (Opening + Closing / 2)				
Cost of goods sold (i)	6,058	5,404		Note D
Average inventory (j)	367	61		
Inventory turnover ratio (i/j)	**16.53**	**88.59**	-81.34%	
Cost of goods sold = Purchases of stock-in-trade + changes in inventories of stock-in-trade				
Average inventory = (Opening + Closing / 2)				
Net credit sales (k)	22,983	28,205		Note E
Average accounts receivable (l)	1,132	950		
Trade receivables turnover ratio (k/l)	**20.30**	**29.71**	-31.66%	
Net credit sales = Revenue from operations				
Average accounts receivable = (Opening + Closing / 2)				
Net purchases (m)	19,194	26,577		
Average trade payables (n)	1,211	1,356		
Trade payables turnover ratio (m/n)	**15.85**	**19.61**	-19.16%	
Net purchases = Purchases of stock-in-trade+ Other expenses				
Average trade payables = (Opening + Closing / 2)				
Net sales (o)	22,983	28,205		
Working capital (p)	(1,028)	(1,446)		
Net capital turnover ratio (o/p)	**(22.35)**	**(19.51)**	14.57%	
Net sales = Revenue from operations				
Working capital = Current assets - Current liabilities				
Net profit (q)	(1,203)	(4,251)		Note F
Net sales (r)	22,983	28,205		
Net profit ratio (q/r)	**-5.23%**	**-15.07%**	-65.28%	
Net profit = Net profit after tax				
Earnings before interest and taxes (s)	(850)	(3,892)		Note G
Capital employed (t)	6,837	3,755		
Return on capital employed (s/t)	**(12.43)%**	**(103.65)%**	-88.01%	
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 debt equity ratio is attributed to the increase in borrowings from banks during the year FY 22-23 and loss reported by the Company resulting in decrease in equity during the year ended 31 March 2023.

Note B: Principal reason for change in the debt service coverage ratio is attributed to the increase in short-term borrowings on account of loans availed by from banks and decrease in loss reported by the Company during the year ended 31 March 2023 as compared to loss reported during the year ended 31 March 2022.

Note C: Principal reason for change in the return on equity ratio is attributed to the decrease in loss reported by the Company during the year ended 31 March 2023 as compared to loss reported during the year ended 31 March 2022.

Note D: Principal reason for change in inventory turnover ratio is attributed to increase in number of devices sold during the year ended 31 March 2023 when compared to year ended 31 March 2022 and also increase in closing inventory as at 31 March 2023 as compared to closing inventory as at 31 March 2022.

Note E: Principal reason for change in Trade receivables turnover ratio is attributed to decrease in Net credit sales durig the year ended 31 March 2023 when compared to 31 March 2022 due to lower TDR revenue and also increase in trade receivable balances as at 31 March 2023 when compared to 31 March 2022.

Note F: Principal reason for change in the net profit ratio is attributed to decrease in loss reported by the Company during the year ended 31 March 2023 as compared to loss reported during the year ended 31 March 2022 and decrease in Net credit sales durig the year ended 31 March 2023 when compared to 31 March 2022 due to lower TDR revenue.

Note G. Principal reason for change in the return on capital employed is attributed to the decrease in loss reported by the Company during the year ended 31 March 2023 as compared to loss reported during the year ended 31 March 2022 and increase in capital employed due to long term borrowings obtained from the bank during the current period ended 31 March 2023.

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

36 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 (till 17 January 2022) 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 2023	31 March 2022
CIFCL		
Loan availed	-	2,730
Finance cost	-	29
Investment in equity shares of the Holding Company	1	4,000
Income from Lending & Allied Activities	17	-
Income from Rental of POS Machines*	0	-
Prabhuram Radhakrishnan		
Investment in equity shares of the Company	-	1,050
Sale of investment held in Payswiff PTE Ltd	-	23
Remuneration		
Prabhuram Radhakrishnan	54	47
Maulik Bipin Shah	-	36
Ravi Kiran Pedarla	-	35
Priti Shah Maulik	-	46
Anil Bharadwaj Vedam	-	35
Krishna Kishore Vinnakotta	-	35

(c) Balances receivable/(payable)

	As at 31 March 2023	As at 31 March 2022
CIFCL	9	-

* "0" represents a number less than one Lakh

Note:

(i) Ramesh Chandra Majithia, relative of KMP, had extended personal guarantee aggregating to ₹570 lakhs 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.

(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.

(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.

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited Hyderabad

(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

37 Disposal of subsidiary

During previous year FY 21-22, 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		6
Current assets		
Trade receivables		83
Cash and cash equivalents		4
Other assets		293
		380
Current liabilities		
Other financial liabilities		(195)
Net assets	**A**	**191**
Others		
Attributable Goodwill		388
Accumulated foreign exchange reserve		8
	B	**397**
Total assets derecognized	**A+B**	**588**
Consideration received on disposal		82
Loss on disposal		**(506)**

38 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.

39 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, 2023.
(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.
(f) There are no immovable properties whose title deeds are not held in the name of the group.
(g) The group has not been declared wilful defaulter by any bank or financial institution or other lender.
(h) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

40 Disclosures of relationship with struck off companies

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding 31 March 2023	Balance outstanding 31 March 2022	Relationship, if any
VSM Logistics Private Limited	Trade payables	-	32	No relationship

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

Payswiff Technologies Private Limited * Hyderabad

Payswiff Technologies Private Limited
Notes to the consolidated financial statements for the period ended 31 March 2023
(All amounts in ₹ Lakhs, except for share data or as otherwise stated)

41 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 2023:

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	615.29%	6,395	78.32%	(942)	0.00%	-	22.07%	(942)
Subsidiaries								
Indian								
Payswiff Solutions Private Limited	76.20%	792	22.20%	(267)	0.00%	-	6.26%	(267)
Payswiff Services Private Limited	0.16%	2	-0.09%	1	0.00%	-	-0.02%	1
Foreign								
Payswiff PTE Ltd Singapore	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	691.65%	**7,189**	**100.44%**	**(1,208)**	**0.00%**	**-**	**28.30%**	**(1,208)**
Consolidation adjustments	-591.65%	(6,149)	-0.44%	5	0.00%	-	-0.44%	5
Net amount	**100.00%**	**1,039**	**100.00%**	**(1,203)**	**0.00%**	**-**	**27.86%**	**(1,203)**

(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	212.89%	7,430	105.70%	(4,494)	41.18%	(7)	105.45%	(4,501)
Subsidiaries								
Indian								
Payswiff Solutions Private Limited	33.01%	1,152	32.08%	(1,364)	58.82%	(10)	32.19%	(1,374)
Payswiff Services Private Limited	0.02%	1	-1.43%	61	0.00%	-	-1.43%	61
Foreign								
Payswiff PTE Ltd Singapore	0.00%	-	2.03%	(86)	0.00%	-	2.02%	(86)
	245.92%	**8,583**	**138.38%**	**(5,883)**	**100.00%**	**(17)**	**138.23%**	**(5,900)**
Consolidation adjustments	-145.92%	(5,093)	-38.38%	1,632	0.00%	-	-38.23%	1,632
Net amount	**100.00%**	**3,490**	**100.00%**	**(4,251)**	**100.00%**	**(17)**	**100.00%**	**(4,268)**

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

For **Sundaram & Srinivasan**
Chartered Accountants
Firm's Registration No : 004207S

S.Usha
Partner
Membership No: 211785

Place: Chennai
Date: 28 April 2023

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS *
New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

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

Prabhuram Radhakrishnan
Managing Director
DIN:01673968

Ravindra Kumar Kundu
Chairman
DIN:07337155

Place: Chennai
Date: 28 April 2023

Payswiff Technologies Private Limited * Hyderabad