



Independent Auditor's Report

To the Members of
ZAAK EPAYMENT SERVICES PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ZAAK EPAYMENT SERVICES PRIVATE LIMITED (the "Company"), which comprises the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 on the financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's director's report, but does not include the financial statements and our auditor's report(s) thereon.

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 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.



Management's and Board of Directors' Responsibilities for the Financial Statements

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on



the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(B)(g) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above.
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company does not have any pending litigations which may impact its financial position in its financial statements.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d)
 - i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity (“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 (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - ii) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“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.
 - iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- e) The Company has neither declared nor paid any dividend during the year.
- f) Based on our examination which included test checks, except for instances mentioned below”;

The Company has used accounting softwares for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

(i) Due to unavailability of logs of the audit trail functionality, we are unable to comment whether audit trail feature has operated for one accounting software used for maintaining the books of account at the database level throughout the year to log any direct data changes.

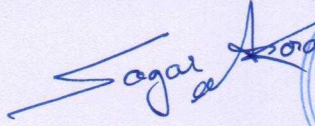

(ii) In respect of an accounting software used for maintaining the books of account relating to payroll records, which is operated by a third-party software service provider, we are unable to comment whether audit trail feature of the said software was enabled and operated from 1 January 2024 to 31 March 2024 for all relevant transactions recorded in the software in the absence of an independent auditor’s report of the software service provider in relation to controls at a service organisation for above referred period.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of audit trail feature being tampered with.



C. In our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company.

For TATTVAM & CO.
Chartered Accountants
(Firm's Registration No.: 015048N.)

Sagar Arora
(Partner)
Membership No.- 520999
ICAI UDIN:- 24520999BKAJFI6662
Place: New Delhi
Date: 05 July 2024

Annexure A to the Independent Auditors' Report on the Financial Statements of ZAAK EPAYMENT SERVICES PRIVATE LIMITED for the year ended 31 March 2024
(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

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

- i. (a) (A) The Company has maintained proper records showing full, including quantitative details and situation of Property, Plant and Equipment.

(B) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company does not have any intangible assets during the year, therefore clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property. Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated during the year or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The Company is a service company, primarily rendering payment gateway services to e-commerce operators. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets which has been wholly repaid during the previous year. As per the management due to repayment the charge has been released and quarterly financial statements to the banks as quarterly reports has not been furnished to bank in this year.
- iii. According to information and explanations given to us and on the basis of our examination of the records of the company, the company has not made investments in, provided any guarantee or security to companies, firms, Limited Liability Partnerships or other parties.



- a. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided advances to its holding company, details of which are as follows:

Aggregate amount given / received back during the year:	For the year ended 31 March 2024 (Amount in INR millions)	For the year ended 31 March 2023 (Amount in INR millions)
(a) Advances received back from Related Party - One Mobikwik Systems Limited (Holding Company)	400.00	285
(b) Advances given to Related Party - One Mobikwik Systems Limited (Holding Company)	491	473.26
Balance outstanding as at balance sheet date in respect of above cases:	As at 31 March 2024	As at 31 March 2023
(a) Advances to Related Party - One Mobikwik Systems Limited (Holding Company)	302.93	187.05

- b. Based on the audit procedures carried on by us and as per the information and explanations given to us the loans or advances granted during the financial year are not prejudicial to the interests of the company.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the instant case the loans granted are repayable on demand.
- d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loan given.
- e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has provided any guarantee or security or made investment as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the loan/advance given by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- v. The company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, the paragraph 3(v) of the Order is not applicable.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- vii. (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.



According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, and on the basis of our examination of the books of account, statutory dues relating to income tax, Goods and Service Tax, duty of custom, duty of excise, value added tax and cess which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (INR million)	Period to which the amount relates	Forum where dispute is pending
Goods and Services Tax Act, 2017	GST demand	5.09	FY 2017-18	GST appeal
Service Tax Act, 1994	Service Tax demand	37.18	FY 2015-16	CESTAT

- viii. According to the information and explanations given to us and on the basis of our examination of the books of account of the Company, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable.

- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company neither had outstanding loans at the beginning of the financial year nor had obtained during the financial year. Accordingly, paragraph (ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the books of account of the company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us and on the basis of our examination of the books of account of the company, the Company has not obtained any term loans during the year. Accordingly, paragraph 3 (ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds were raised on short-term basis. Accordingly, paragraph 3 (ix)(d) of the Order is not applicable to the Company.



- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures as defined under this Act.
- (f) According to the information and explanations given to us and procedures performed by us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act). Accordingly, paragraph 3 (ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, paragraph 3 (x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, no whistle blower Complaints received by the Company during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi company as per the provisions of the Companies Act, 2013. Accordingly, provisions of paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) Based on our examination and explanations provided to us and our audit procedures, in our opinion, the company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable.
- (b) The company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act 2013. Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of the Companies Act, 2013. Accordingly, provisions of paragraph 3(xv) of the Order is not applicable.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, provisions of paragraph 3(xvi) of the Order is not applicable.



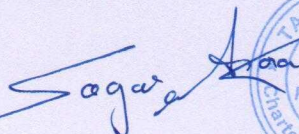

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

©The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d)The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

- xvii. The Company has not incurred any cash loss during the financial year covered by our audit and during the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly paragraph 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The provisions of Section 135 of the Companies Act 2013 is not applicable to the Company. Accordingly, provisions of paragraph 3(xx) of the Order is not applicable to the Company.

For TATTVAM & CO.
Chartered Accountants
FRN. 015048N.

Sagar Arora
(Partner)
Membership No- 520999
ICAI UDIN:- 24520999BKAJFI6662

Place:- New Delhi
Date:- 05 July 2024

Annexure B to the Independent Auditors' Report on the Financial Statements of ZAAK EPAYMENT SERVICES PRIVATE LIMITED for the year ended 31 March 2024

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under the heading "Report on other legal and regulatory requirements" section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of ZAAK EPAYMENT SERVICES PRIVATE LIMITED ("the Company") as of 31st March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Director's Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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.

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 included obtaining an understanding of internal financial controls with reference to financial statements, 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.



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


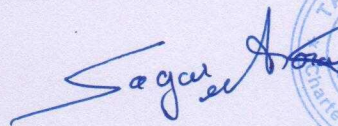
Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For TATTVAM & CO.
Chartered Accountants
FRN. 015048N



Sagar Arora
(Partner)
Membership No.: -520999
ICAI UDIN:- 24520999BKAJFI6662

Place: New Delhi

Date: 05 July 2024

Zaak ePayment Services Private Limited
Balance Sheet as at 31 March 2024
(Amounts in INR Millions, unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
Assets			
Non-current assets			
Property, plant and equipment	3	0.07	0.10
Financial assets			
(i) Others financial assets	4	6.50	2.00
Deferred tax assets	22	-	34.78
Non-current tax assets (net)	14	84.74	38.11
Other non-current assets	5	2.37	2.38
Total non-current assets		93.68	77.37
Current assets			
Financial assets			
(i) Cash and cash equivalents	7	83.52	103.47
(ii) Bank balances other than (i) above	7	438.73	77.05
(iii) Trade receivables	6	4.55	26.04
(iv) Others financial assets	4	1,056.92	372.13
Other current assets	5	27.20	35.66
Total current assets		1,610.92	614.35
Total assets		1,704.60	691.72
Equity and liabilities			
Equity			
Equity share capital	8	0.12	0.12
Other equity	9	381.20	364.32
Total equity		381.32	364.44
Liabilities			
Non-current liabilities			
Provisions	12	0.30	0.07
Total non-current liabilities		0.30	0.07
Current liabilities			
Financial liabilities			
(i) Trade payables	10		
(a) Total outstanding dues of micro enterprise and small enterprises		3.92	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		84.59	68.89
(ii) Other financial liabilities	11	1,233.35	251.67
Other current liabilities	13	0.80	6.49
Provisions	12	0.32	0.16
Total current liabilities		1,322.98	327.21
Total liabilities		1,323.28	327.28
Total equity and liabilities		1,704.60	691.72

Summary of significant accounting policies 2

The notes referred to above form an integral part of the financial statements. 1-35

As per our report of even date attached

For M/s Tattvam & Co.
Chartered Accountants
ICAI Firm Registration No. 015048N

For and on behalf of the Board of Directors of
Zaak ePayment Services Private Limited

Sagar Arora

Sagar Arora
Partner
Membership No.: 520999
Place: Delhi
Date : 05 July 2024



Bipin Preet Singh

Bipin Preet Singh
Whole Time Director
DIN:02019594
Place: Gurugram
Date : 05 July 2024

Upasana Rupkrishna Taku

Upasana Rupkrishna Taku
Director
DIN:02979387
Place: Gurugram
Date : 05 July 2024



UJIN-24520999 BK AJFI6662

Zaak ePayment Services Private Limited
Statement of Profit and Loss for the year ended 31 March 2024
(Amounts in INR Millions, unless otherwise stated)

	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
Income			
Revenue from operations	15	1,674.88	1,253.56
Other income	16	33.00	23.63
Total income		1,707.88	1,277.19
Expenses			
Transaction processing cost		1,596.27	1,191.00
Employee benefits expense	17	34.41	38.53
Other expenses	20	28.51	32.41
Total expenses		1,659.19	1,261.94
Earnings before finance cost, depreciation, amortisation and tax (EBITDA)		48.69	15.25
Finance costs	18	0.25	1.91
Depreciation and Amortisation expense	19	0.04	0.10
Profit before tax		48.40	13.24
Income tax expense			
Current tax	22	(1.22)	-
Deferred tax	22	34.78	(3.63)
Total tax expense		33.56	(3.63)
Profit for the year		14.84	16.87
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of net defined benefit liability		(0.15)	0.25
Total other comprehensive income for the year		(0.15)	0.25
Total comprehensive Profit for the year		14.69	17.12
Earnings per share:	21		
- Basic and Diluted		125.54	144.49
Summary of significant accounting policies	2		

The notes referred to above form an integral part of the financial statements. 1-35

As per our report of even date attached

For M/s Tattvam & Co.
Chartered Accountants
ICAI Firm Registration No. 015048N

For and on behalf of the Board of Directors of
Zaak ePayment Services Private Limited

Sagar Arora

Sagar Arora
Partner
Membership No.: 520999
Place: Delhi
Date : 05 July 2024



Bipin Preet Singh

Bipin Preet Singh
Whole Time Director
DIN:02019594
Place: Gurugram
Date : 05 July 2024

Upasana Rupkrishna Taku

Upasana Rupkrishna Taku
Director
DIN:02979387
Place: Gurugram
Date : 05 July 2024

UIN-24520999 BKAJFI6662



Zaak ePayment Services Private Limited
Statement of Cash Flows for the year ended 31 March 2024
(Amounts in INR Millions, unless otherwise stated)

Particulars	Notes	For the year ended	For the year ended
		31 March 2024	31 March 2023
Profit before tax		48.40	13.24
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment	19	0.04	0.10
Share-based payment expense	17	0.49	0.40
Interest income	16	(31.06)	(1.27)
Liabilities no longer required written back	16	(1.94)	12.55
Interest and other borrowing cost	18	-	1.91
Operating Profit before working capital changes		15.93	26.93
Working capital adjustments			
Decrease/(increase) in Other bank balances		(389.19)	77.35
Decrease/(increase) in Other financial assets		(686.92)	484.51
Decrease/(increase) in Trade receivables		21.49	5.72
Decrease/(increase) in Other current assets		8.47	(0.98)
Increase/(decrease) in Other financial liabilities		981.68	(559.09)
Increase/(decrease) in Trade payables		21.56	(165.60)
Increase/(decrease) in Other liabilities		(5.69)	0.40
Increase/(decrease) in Provisions		0.24	(0.32)
Cash used in from operations		(32.43)	(131.08)
Income tax (paid)/credit		(45.41)	47.24
Net cash used in operating activities		(77.84)	(83.84)
Cash flow from investing activities			
Interest received		30.39	11.68
Investments in bank deposits		(1.60)	(96.01)
Proceeds from maturity of bank deposits		29.11	187.702452
Net cash generated from investing activities		57.90	103.37
Cash flow from financing activities			
Proceeds from issues of equity shares		-	89.94
Interest and other borrowing cost		-	(1.76)
Net cash generated from financing activities		-	88.18
Net increase/(decrease) in cash and cash equivalents		(19.94)	107.71
Cash and cash equivalents at the beginning of the year	7	103.47	(4.24)
Cash and cash equivalents at the end of the year (note 7)		83.53	103.47

1. The above statement of cash flow has been prepared under the "Indirect method" as set out in IND AS-7 "Statement of cash flows".

Summary of significant accounting policies 2

The notes referred to above form an integral part of the financial statements. 1-35

As per our report of even date attached

For M/s Tattvam & Co.
Chartered Accountants
ICAI Firm Registration No. 015048N

For and on behalf of the Board of Directors of
Zaak ePayment Services Private Limited

Sagar Arora

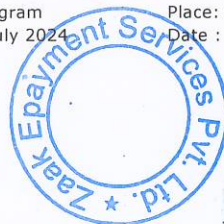
Sagar Arora
Partner
Membership No.: 520999
Place: Delhi
Date : 05 July 2024



Bipin Preet Singh

Bipin Preet Singh
Whole Time Director
DIN:02019594
Place: Gurugram
Date : 05 July 2024

Upasana Rupkrishna Taku
Director
DIN:02979387
Place: Gurugram
Date : 05 July 2024



UDIN-24590999BKAJFI6662

Zaak ePayment Services Private Limited
Statement of Changes in Equity for the year ended 31 March 2024
(Amounts in INR Millions, unless otherwise stated)

(a) Equity share capital (refer note 8)

Equity shares of INR 1 each issued, subscribed and fully paid up	Amount
As at 1 April 2022	0.12
Equity share capital issued during the year (refer note 8)*	0.00
As at 31 March 2023	0.12
Equity share capital issued during the year (refer note 8)	-
As at 31 March 2024	0.12

* Issued 1,973 Shares of INR 1 each , rounded off to "0" on conversion to INR million

(b) Other equity (refer note 9)

Particulars	Reserve and surplus			Total other equity
	Securities premium	Employee share options reserve	Retained earnings	
As at 1 April 2022	496.91	0.69	(241.45)	256.15
Total comprehensive profit for the year ended 31 March 2023				
Profit for the year	-	-	16.87	16.87
Remeasurement of net defined benefit liability	-	-	0.25	0.25
Total comprehensive Profit	-	-	17.12	17.12
Transactions with owners, recorded directly in equity				
Employee share based payment expense	-	1.11	-	1.11
Securities Premium on shares issued	89.94	-	-	89.94
Balance as at 31 March 2023	586.85	1.80	(224.33)	364.32
Total comprehensive profit for the year ended 31 March 2024				
Profit for the year	-	-	14.84	14.84
Remeasurement of net defined benefit liability	-	-	(0.15)	(0.15)
Total comprehensive Profit	-	-	14.69	14.69
Transactions with owners, recorded directly in equity				
Employee share based payment expense	-	2.19	-	2.19
Balance as at 31 March 2024	586.85	3.99	(209.64)	381.20

The notes referred to above form an integral part of the financial statements.

1-35

As per our report of even date attached

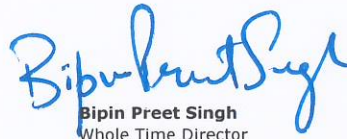
For M/s Tattvam & Co.
Chartered Accountants
ICAI Firm Registration No. 015048N

For and on behalf of the Board of Directors of
Zaak ePayment Services Private Limited



Sagar Arora
Partner
Membership No.: 520999
Place: Delhi
Date : 05 July 2024





Bipin Preet Singh
Whole Time Director
DIN:02019594
Place: Gurugram
Date : 05 July 2024



Upasana Rupkrishna Taku
Director
DIN:02979387
Place: Gurugram
Date : 05 July 2024



UDIN- 24520999 BAKJ FI6662

1. Corporate Information

Zaak ePayment Services Private Limited ("Company") is a wholly owned subsidiary company of 'One Mobikwik Systems Limited' registered with Registrar of Companies, incorporated on 19th May 2010. The company provides payment gateway services and is based in Haryana. The services of the company aim to solve the payment pain points for e-commerce in India. The registered office of the Company is situated in Unit no 102, 1st Floor, Block-B, Pegasus One, Golf course road, Sector-53, Gurugram, Haryana.

The financial statements were authorised for issue in accordance with a resolution passed by Board of Directors on 05 July 2024.

2. Significant accounting policies

2.1 Statement of compliance

The Balance Sheet of the Company as at 31 March 2024 and 31 March 2023 and the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended 31 March 2024 and 31 March 2023 and a summary of the significant accounting policies and other explanatory information (together referred to as 'Financial Statements') has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 (the 'Act').

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Basis of preparation and presentation

The Financial Statements have been prepared on the historical cost basis as explained in the accounting policies below, except for the following:

- certain financial assets and liabilities measured at fair value where the Ind AS requires a different accounting treatment (refer accounting policy regarding financial instruments);

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;



- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR millions as per the requirement of Schedule III, unless otherwise stated.

The preparation of these financial statements requires the use of certain critical accounting judgements and estimates. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 2.5.

2.3 Summary of significant accounting policies

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, to all the periods presented in these financial statements.

a) Current versus non-current classification

The Company presents assets and liabilities in balance sheet based on current/non-current classification. An asset is classified as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realised within twelve months after the reporting period, or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

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

The Company classifies all other liabilities as non-current.

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

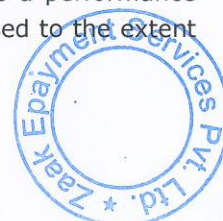
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Revenue from contract with customers

The Company recognises revenue from the following major sources:

- Commission income from payment gateway services;
- Income from advertisement/sale of space.

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised service to a customer. The revenue is recognised to the extent



of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied upon transfer of control of service to a customer. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding taxes or duties collected on behalf of Government.

Variable consideration such as discounts, any payments made to a customer (unless the payment is for a distinct good or service received from the customer) is estimated using the expected value method or most likely amount as appropriate in a given circumstance and adjusted from transaction price at the inception of contract.

Where the Company acts as an agent for selling goods or services, only the commission income is included within revenue. The specific revenue recognition criteria described below must also be met before revenue is recognised. Typically, the Company has a right to payment before or at the point that services are delivered.

Commission payment gateway services:

The Company facilitates payment gateway services and earns commission from merchants and recognises such revenue when the control of services is transferred to the customer i.e. when the services have been provided by the Company. Such commission is generally determined as a percentage of transaction value processed by the Company.

Income from advertisement/Sale of Space:

Revenue from sale of advertisement space is recognised (net of estimated volume discounts), on satisfaction of associated performance obligation i.e. as and when the relevant advertisement is displayed on the application.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend income is accounted for when the right to receive is established.

c) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

d) Cash flow statement

Cash flows are reported using the indirect method, whereby profit after tax 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 are segregated into operating, investing and financing activities.

e) Foreign currency transactions and translations

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.



Initial recognition

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

Measurement of foreign currency monetary items at the Balance sheet date

At the end of each reporting period, monetary items denominated in foreign currencies are translated using mean exchange rate prevailing on the last day of the reporting period.

Treatment of exchange differences

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

f) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences and other incentives to employees.

Post-employment and termination benefit costs

Payments to defined contribution benefit plans (i.e. provident fund and employee state insurance scheme) are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprises actuarial gains and losses which is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

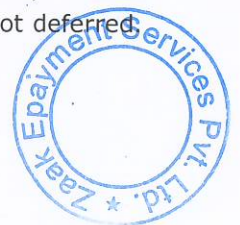
Short-term and other long-term employee benefits

A liability is recognised for short-term employee benefits accruing to employees in respect of salaries, annual leave and sick leave, performance incentives etc. in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

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.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gain/loss are immediately taken to the statement of profit and loss and are not deferred.



The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

g) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's current tax is calculated using tax rates that have enacted or substantially enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

h) Property, plant & equipment

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. 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.



Zaak ePayment Service Private Limited
Notes to financial statements for the year ended 31 March 2024
(Amounts in INR millions, unless otherwise stated)

Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation and amortisation

Depreciation on all plant, property and equipment is provided on the written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation on addition to the property, plant and equipment is provided on pro rata basis from the date the assets are acquired/ installed. Depreciation on sale/ deduction of plant, property and equipment assets is provided for upto the date of sale, deduction or discard as the case may be.

Estimated useful lives of the assets are as follows:

Assets category	Estimated useful life
Computers	3 Years
Furniture & fixtures	10 Years
Office equipment	5 Years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss which are recognised immediately in profit or loss.) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial instruments

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

- Financial asset at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)



Zaak ePayment Service Private Limited
Notes to financial statements for the year ended 31 March 2024
(Amounts in INR millions, unless otherwise stated)

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Impairment of financial assets

For any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.



Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

j) Provisions and Contingent liabilities

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).



Contingent liabilities

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

The Company does not recognise a contingent liability but discloses its existence in the financial statements.

k) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all potential equity shares except where the results are anti-dilutive.

l) Share-based payments

Employees of the Company also receive remuneration in the form of share-based payment transactions under Company's Employee stock option plan (ESOP)-2020.

Equity-settled transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the year that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service conditions at the vesting date.

m) Measurement of EBITDA

As permitted by the Guidance Note on Division II – Ind AS Schedule III to the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/(loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense. Finance costs comprise interest expense on: borrowings, bank overdraft and other finance cost.

n) Adoption of new accounting principles

Onerous contracts – cost of fulfilling a contract (amendment to Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets)

The amendment clarified that the 'costs of fulfilling a contract' comprise both the incremental costs and allocation of other direct costs. The Company has adopted this amendment effective 1 April 2022 and the adoption did not have any material impact on its financial statements.

o) Recently issued accounting pronouncements

On 31 March 2023, the Ministry of Corporate Affairs (MCA), notified Companies (Indian Accounting Standards) Amendment Rules, 2023 effective from 1 April 2023. Following are the key amended provisions which may have an impact on the financial statements of the Company:



Disclosure of accounting policies (amendments to Ind AS 1 - Presentation of Financial Statements)

The amendments intend to assist in deciding which accounting policies to disclose in the financial statements. The amendments to Ind AS 1 require entities to disclose their material accounting policies rather than their significant accounting policies. The amendments provide guidance on how to apply the concept of materiality to accounting policy disclosures. The Company does not expect this amendment to have any significant impact in its financial statements.

Definition of accounting estimate (amendments to Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors)

The amendments distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Deferred tax related to assets and liabilities arising from a single transaction (amendments to Ind AS 12 - Income taxes)

The amendments specify how to account for deferred tax on transactions such as leases. The amendments clarify that lease transactions give rise to equal and offsetting temporary differences and financial statements should reflect the future tax impacts of these transactions through recognizing deferred tax. The Company is evaluating the impact of this amendment, if any, in its financial statements.

Other amendments included in the notification do not have any significant impact on the financial statements.

2.4 Recent pronouncements

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. The amendments are extensive, and these Financial Statements have been prepared in accordance with amended Schedule III.

2.5 Significant accounting judgements, estimates and assumptions

The preparation of statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Therefore, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.



Judgements, estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. In assessing the probability the Company considers whether the entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has tax business losses and unabsorbed depreciation carried forward amounting to INR 104.28 million (31 March 2023: INR 138.11 million). The Company does not expect sufficient future taxable profit against which such tax losses can be utilised. On this basis, the Company has not recognised deferred tax assets on these carried forward tax losses. Refer Note 22 for further details.

b) Defined benefit plans (gratuity benefit)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate are current best estimates of the expected mortality rates of plan members, both during and after employment. Future salary increases and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The key assumptions are further explained in Note 23.

c) Useful life of assets of Property, Plant and Equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at each financial year end.



Zaak ePayment Services Private Limited
Notes to the financial statements for the year ended 31 March 2024
(Amounts in INR Millions, unless otherwise stated)

3 Property, plant and equipment

	Computers	Furniture and fixtures	Total
Cost			
As at 1 April 2022	0.41	0.05	0.46
Additions	-	-	-
As at 31 March 2023	0.41	0.05	0.46
Additions	-	-	-
As at 31 March 2024	0.41	0.05	0.46
Accumulated depreciation			
As at 1 April 2022	0.22	0.03	0.25
Charge for the year*	0.10	0.00	0.10
Disposals			
As at 31 March 2023	0.32	0.03	0.35
Charge for the year*	0.04	0.00	0.04
As at 31 March 2024	0.36	0.03	0.39
Carrying amount			
As at 31 March 2023	0.09	0.02	0.10
As at 31 March 2024	0.05	0.02	0.07

Note :-

* Includes INR 870 charge on furniture and fixtures during the year ended 31 March 2024.

* Includes INR 260 charge on furniture and fixtures during the year ended 31 March 2023.



4 Financial assets	As at 31 March 2024	As at 31 March 2023
Others financial assets		
Non-current		
Unsecured, considered good unless stated otherwise		
Security deposits	6.50	2.00
	6.50	2.00
Current		
(unsecured, considered good unless stated otherwise)		
Amount recoverable from payment gateway and others	742.84	165.24
Amount recoverable from Holding Company (refer note 29b)	0.35	0.49
Amount recoverable from business partner	0.37	0.37
Other Recoverables (refer note 29)	5.85	16.25
Amount recoverable from related party (refer note 29h)	1.89	0.70
Advances to related party (refer note 29g)	302.93	187.05
Interest accrued on deposits and advances	2.70	2.03
	1,056.92	372.13
Total other financial assets	1,063.42	374.13
5 Other assets	As at 31 March 2024	As at 31 March 2023
Non-current		
Unsecured, considered good unless otherwise stated		
Prepaid expenses	-	0.01
Amount paid under protest	2.37	2.37
Total	2.37	2.38
Current		
Unsecured, considered good unless otherwise stated		
Advance to supplier	15.50	22.44
Advances to employees	-	-
Balances with Government authorities (GST)	7.88	11.34
Prepaid expenses	3.83	1.88
Total	27.20	35.66
6 Trade Receivables	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good unless stated otherwise		
Trade Receivables	4.55	26.04
Total	4.55	26.04

Notes:

- Trade receivables are non-interest bearing and the average credit period is between 0 to 30 days.
- Trade receivable includes receivable from Holding Company, refer note 29

Trade Receivables ageing schedule

As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	0.97	3.58	-	-	-	-	4.55
Total	0.97	3.58	-	-	-	-	4.55

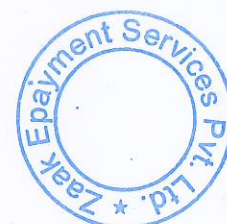
As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	26.04	-	-	-	-	-	26.04
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	26.04	-	-	-	-	-	26.04

7 Cash and cash equivalents	As at 31 March 2024	As at 31 March 2023
Balance with bank		
- On current accounts	83.52	103.47
Total Cash and cash equivalents	83.52	103.47
Notes:		
Total cash and cash equivalents	83.52	103.47
Less: Bank overdraft	-	-
Cash balance for the purposes of statement of cash flows	83.52	103.47
Bank balances other than cash and cash equivalents		
Deposits with		
- Remaining maturity upto twelve months*	9.26	36.77
- Remaining maturity for more than twelve months*	-	-
	9.26	36.77
Less: amount disclosed under non-current bank deposits	-	-
Balances with banks:		
In Nodal account**	39.55	15.66
In Escrow account	389.92	24.62
Total	438.73	77.05

* These deposits includes lien marked bank deposits of INR 9.26 million (31 March 2023 : INR 5.66 million) is under lien.

**The Company uses the Nodal account to receive money when payment gateway is used for payments for settlement of the transactions with the merchants.



8 Share Capital

	Equity Shares (Face Value = INR 1/-)	
	Number of shares	Amount
Authorised share capital		
As at 1 April 2022	12,00,000	1.20
Increase/decrease during the year	-	-
As at 31 March 2023	12,00,000	1.20
Increase/decrease during the year	-	-
As at 31 March 2024	12,00,000	1.20

	Equity Shares (Face Value = INR 1/-)	
	Number of shares	Amount
Issued share capital (subscribed and fully paid up)		
As at 1 April 2022	1,16,236	0.12
Equity share capital issued during the year*	1,973	0.00
As at 31 March 2023	1,18,209	0.12
Equity share capital issued during the year	-	-
As at 31 March 2024	1,18,209	0.12

* Issued 1,973 Shares of INR 1 each , rounded off to "0" on conversion to INR million

a) Terms/ rights attached to equity shares:

Voting

Each holder of equity share is entitled to one vote per share held.

Dividend

The Company declares and pays dividends in Indian rupees. The dividend proposed by the board of directors is subject to approval of the shareholders on ensuing Annual General Meeting, except in the case where interim dividend is distributed .The company has not declared or paid any dividend since its inception.

Liquidation

In the event of Liquidation of the Company,the holders of equity shares shall be entitled to receive all the remaining assets of the company, after distribution of all preferential amounts. Such distribution amounts will be in proportion to the number of the equity shares held in the company.

b) The Company did not have any bonus shares and shares bought back for the five years immediately preceding the reporting date.

c) Details of shareholders holding more than 5% equity shares in the Company

	31 March 2024		31 March 2023	
	Number	% Holding	Number	% Holding
Equity shares of INR 1 each fully paid				
One Mobikwik Systems Limited (formerly known as One Mobikwik Systems Private Limited) (Holding Company) including nominee share held on behalf	1,18,209	100.00%	1,18,209	100.00%

e) Shareholding of Promoters

Shares held by promoters at the end of the year

	As at 31 March 2024	As at 31 March 2023
Number of Shares		
One Mobikwik Systems Limited (formerly known as One Mobikwik Systems Private Limited) (Holding Company)	1,18,209	1,18,209
% of total shares		
One Mobikwik Systems Limited (formerly known as One Mobikwik Systems Private Limited) (Holding Company)	100.00%	100.00%
% Change during the year		
One Mobikwik Systems Limited (formerly known as One Mobikwik Systems Private Limited) (Holding Company)	0%	0%

9 Other equity

	As at 31 March 2024	As at 31 March 2023
Securities premium	586.85	586.85
Employee share options outstanding account	3.99	1.80
Retained earnings	(209.64)	(224.33)
Total other equity	381.20	364.32

a) Securities premium:- Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b) Retained earnings:- Retained earnings are the accumulated profits/losses earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.



10 Trade payables

- Total outstanding dues of micro enterprises and small enterprises (Refer note 32)
- Total outstanding dues of creditors other than micro enterprises and small enterprises

	As at 31 March 2024	As at 31 March 2023
	3.92	-
	84.59	68.89
	88.51	68.89

As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
MSME	3.55	0.37	-	-	-	3.92
Others	84.44	0.02	0.05	0.00	0.09	84.59
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
MSME	-	-	-	-	-	-
Others	68.57	0.23	0.00	0.09	-	68.89
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

11 Other financial liabilities

Current

- Payable to merchants
- Merchant payable to holding company (refer note 29)
- Total**

	As at 31 March 2024	As at 31 March 2023
	311.44	107.52
	921.91	144.15
	1,233.35	251.67

12 Provisions

Non-current

- Provision for employee benefits
- Provision for gratuity
- Provision for leave encashment
- Total**

	As at 31 March 2024	As at 31 March 2023
	0.30	0.07
	-	-
	0.30	0.07

Current

- Provision for employee benefits
- Provision for gratuity*
- Provision for leave encashment
- Total**

	As at 31 March 2024	As at 31 March 2023
	0.00	0.00
	0.32	0.16
	0.32	0.16

* Includes gratuity provision of INR 551 (31 March 2023 : INR 261) , rounded off to "0" on conversion to INR million

13 Other liabilities

Current

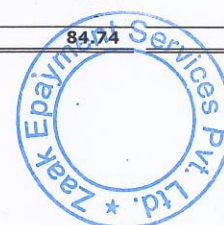
- Statutory remittances
- Total**

	As at 31 March 2024	As at 31 March 2023
	0.80	6.49
	0.80	6.49

14 Non-current tax assets (net)

- Advance tax and tax deducted at source
- Income tax payable
- Total**

	As at 31 March 2024	As at 31 March 2023
	84.74	40.81
	-	(2.70)
	84.74	38.11



	For the year ended 31 March 2024	For the year ended 31 March 2023
15 Revenue from operations		
Payment gateway services	1,674.88	1,253.56
Total	1,674.88	1,253.56
15.1 Disaggregation of revenue based on timing of recognition of revenue:		
Services transferred at point in time	1,674.88	1,253.56
Total revenue from contract with customers	1,674.88	1,253.56
15.2 Reconciliation of revenue recognised in statement of profit and loss with contracted price:		
Revenue as per contracted price	1,674.88	1,253.56
	1,674.88	1,253.56
Note: All the remaining performance obligation are expected to be recognised within one year.		
16 Other income	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income from financial assets measured at amortised cost		
- on bank deposits	0.57	1.27
- on loans to related parties (refer note 29)	30.49	4.65
Interest on income tax refund	-	4.97
Liabilities no longer required written back	1.94	12.55
Miscellaneous Income	-	0.19
Total	33.00	23.63
17 Employee benefits expense	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, allowance and bonus	32.80	37.11
Gratuity expense (refer note 23)	0.08	0.23
Leave encashment expense	0.18	0.29
Contribution to provident fund	0.32	0.38
Employee stock options expense - equity settled (refer note 24)*	1.01	0.40
Staff welfare expenses	0.02	0.12
Total	34.41	38.53
* Includes charge for the options of Holding Company issued to the employees of Company for INR 0.52 million (31 March 2023 : INR 0.19 million)		
18 Finance costs	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense on financial liabilities at amortised cost		
- overdraft	-	1.74
- advance from holding company (refer note 30)	-	0.02
Others	0.25	0.15
Total	0.25	1.91
19 Depreciation and Amortisation expense	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (refer note 3)	0.04	0.10
Total	0.04	0.10



20 Other expenses	For the year ended 31 March 2024	For the year ended 31 March 2023
Rates and taxes	1.74	8.87
Communication costs	-	0.01
Foreign exchange loss (net)	0.07	0.04
Server & related cost	12.36	9.52
Insurance cost	0.05	-
Travelling and conveyance	0.02	0.05
Legal and professional fees	6.60	7.50
Director sitting fees	2.20	2.40
Auditor's remuneration*	0.42	0.35
Software expenses	3.38	2.44
Miscellaneous expenses	0.51	0.43
Reimbursement of Infrastructure expenses to parent company	1.16	0.81
Total	28.51	32.41
*Includes payments to statutory auditors (exclusive of Goods and Service Tax)		
For audit	0.32	0.27
For taxation matters	0.10	0.08
	0.42	0.35

21 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the loss for the period attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS are calculated by dividing the loss for the year attributable to the equity holders of the Company by weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Basic		
Loss for the year	14.84	16.87
Weighted average number of equity shares in calculating basic EPS	1,18,209	1,16,752
Basic/diluted loss per equity share (INR)	125.54	144.49

Notes -

The earnings per share reflects the impact of sub-division of 1 equity share having face value of INR 10 each into 10 equity shares having face value of INR 1 each.



22 Income tax

a) Income tax expense/(credit) recognised in Statement of Profit and Loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current income tax		
Current income tax for the year	-	-
Adjustments in respect of current income tax of previous year	(1.22)	-
	(1.22)	-
Deferred tax		
Relating to origination and reversal of temporary differences	34.78	(3.63)
	34.78	(3.63)
Total income tax expense	33.56	(3.63)

b) Reconciliation of tax expense and the accounting loss multiplied by statutory income tax rate.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax from continuing operations	48.40	13.24
Accounting loss before income tax	48.40	13.24
Changes in estimates related to prior years	(1.22)	-
Tax expense at statutory income tax rate of 25.17% (31 March 2023 : 25.17%,)	12.18	3.33
Other non-deductible expenses	0.02	0.00
Temporary differences for which no deferred tax was recognised	(12.20)	(6.96)
Tax expense due to reversal of deferred tax asset	34.78	-
Tax expense at the effective income tax rate of 69.38%, 31 March 2023 : (27.30%)	33.56	(3.63)

(c) Breakup of deferred tax recognised in the Statement of Assets and Liabilities

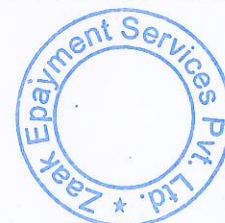
Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset net		
Carry forward of business loss and unabsorbed depreciation	-	31.15
Tax losses	-	3.63
Total	-	34.78
Net deferred tax assets	-	34.78
Deferred tax liabilities		
Others	-	-
Total deferred tax liabilities (B)	-	-
Net deferred tax assets/(liabilities) (A-B)	-	34.78

d) Breakup of deferred tax expense/(income) recognised in Statement of Profit and Loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Deferred tax expense relates to the following:		
Tax losses	34.78	(3.63)
Deferred tax expense	34.78	(3.63)

e) Reconciliation of Deferred tax asset (Net)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance as of the beginning of year	34.78	31.15
Tax income during the year recognised in Statement of profit and loss	(34.78)	3.63
Closing balance at the end of the year	-	34.78



23 Employee benefits

A Defined contribution plans

The Company makes contributions towards Provident Fund to a defined contribution retirement benefit plan for qualifying employees. The Company's contribution to the Employee Provident Fund is deposited with the Provident Fund Commissioner which is recognised by Income Tax authorities.

The Company has recognised INR 0.32 million for the year ended 31 March 2024 (31 March 2023 : INR 0.38 million) for provident fund in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

B Defined benefit plans

Gratuity - defined benefit plan

The Company's gratuity scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' basic salary payable for each completed year of service or part thereof in excess of 6 months, subject to a maximum limit of INR 2 million in terms of the provisions of Gratuity Act, 1972. Vesting occurs upon completion of statutory defined period of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

Gratuity - defined benefit plan

	As at 31 March 2024	As at 31 March 2023
Present value of un-funded defined benefit obligation	0.29	0.07

a) Reconciliation of the net defined benefit liability

Movement in the present value of defined benefit obligation are as follows :
Reconciliation of present value of defined benefit obligation for Gratuity

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	0.07	0.11
Current service cost	0.07	0.20
Interest cost	0.01	0.01
Actuarial (gains) losses		
- changes in demographic assumptions	0.13	(0.00)
- changes in financial assumptions	0.00	(0.02)
- experience adjustments	0.01	(0.23)
Balance at the end of the year	0.29	0.07

b) Amount recognised in statement of profit and loss:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	0.07	0.20
Net interest expense	0.01	0.01
Recognised in profit or loss	0.08	0.22
Remeasurement of the net defined benefit liability		
Actuarial (gain) loss on defined benefit obligation	0.15	(0.25)
Recognised in other comprehensive income	0.15	(0.25)

The most recent actuarial valuations of the present value of the defined benefit liability were carried out at 31 March 2024. The present value of the defined benefit liability, and the related current service cost and past service cost, were measured using the projected unit credit method.

c) The principal assumption used for the purpose of actuarial valuation are as follows:

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at 31 March 2024	As at 31 March 2023
Discount rate	7.10%	7.28%
Expected rate of salary increase	12%	12%
Retirement age	58 years	58 years
Attrition rate	28.00%	40.00%
Mortality table	India Assured Life Morality (2012-14)	India Assured Life Morality (2012-14)

The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

d) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Gratuity

For the year ended 31 March 2024

	Increase	Decrease
Impact of change in discount rate by 1%	(0.02)	0.02
Impact of change in salary by 1%	0.02	(0.01)
Impact of change in employee turnover rate by 1%	(0.01)	0.01

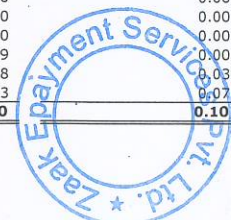
For the year ended 31 March 2023

	Increase	Decrease
Impact of change in discount rate by 1%	(0.00)	(0.00)
Impact of change in salary by 1%	0.00	0.00
Impact of change in employee turnover rate by 1%	(0.00)	(0.00)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

e) The table below summarises the maturity profile and duration of the gratuity liability:

Particulars	As at 31 March 2024	As at 31 March 2023
1st following year	0.00	0.00
2nd following year	0.00	0.00
3rd following year	0.00	0.00
4th following year	0.09	0.00
5th following year	0.08	0.03
Sums of years 6 to 10	0.23	0.07
Total	0.40	0.10



24 Employee Stock Option Plan – 2020 (“The 2020 Plan”)

The Company established the ESOP Scheme 2020 (“Zaakpay ESOP Scheme 2020”) which was approved by the shareholders vide their special resolution dated on 31 December 2020. Employees covered by the plan are granted an option to purchase shares of the Company subject to the requirements of vesting.

Vesting condition:

Vesting of options would be subject to continued employment or on satisfaction of certain performance criteria.

Vesting period:

The Company has issued options with graded vesting with vesting period ranging from 3 to 4 years.

Exercise period:

Exercise period would expire at the end of 10 years from the date of vesting of options.

(b) Movements during the year

The following table represents the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

	As at 31 March 2024		As at 31 March 2023	
	Number of Options	WAEP	Number of Options	WAEP
Outstanding at the beginning of the year	169.00	1.00	383.00	5,053.67
Options granted during the year	-	-	-	-
Options forfeited during the year	(30.00)	1.00	(214.00)	9,043.86
Options outstanding at the end of the year	139.00	1.00	169.00	1.00
Vested options outstanding at the end of the year (Exercisable)	65.00	1.00	40.00	1.00

The share options outstanding at the end of the year had a weighted average exercise price of INR 1 (31 March 2023: INR 1), and a weighted average remaining contractual life of 10.26 years (31 March 2023: 11.92 years).

c) Range of exercise price for share options outstanding at the end of the year:

ESOP 2020 Scheme :

Exercise price (Amount in INR)	As at 31 March 2024	As at 31 March 2023
1	139	169

d) As no options were granted hence the weighted average fair value of options granted during the year was Nil.

	As at 31 March 2024	As at 31 March 2023
e) Expense arising from equity-settled share-based payment transactions	0.49	0.21



25 Fair value measurements

a) **Category wise details as to carrying value, fair value and the level of fair value measurement hierarchy of the Company's financial instruments are as follows:**

	Level	As at 31 March 2024	As at 31 March 2023
Financial assets			
Non-current			
-Measured at amortised cost			
Others financial assets	Level 3	6.50	2.00
		<u>6.50</u>	<u>2.00</u>
Current			
-Measured at amortised cost			
Cash and cash equivalents	Level 3	83.52	103.47
Other bank balances (refer note 7)	Level 3	438.73	77.05
Trade receivables	Level 3	4.55	26.04
Others financial assets	Level 3	1,056.92	372.13
		<u>1,583.72</u>	<u>578.69</u>
Total financial assets		<u>1,590.22</u>	<u>580.69</u>
Financial liabilities			
Current			
-Measured at amortised cost			
Trade payables	Level 3	88.51	68.89
Other financial liabilities	Level 3	1,233.35	251.67
		<u>1,321.86</u>	<u>320.56</u>
Total financial liabilities		<u>1,321.86</u>	<u>320.56</u>

b) **The following methods / assumptions were used to estimate the fair values:**

i) The carrying value of bank deposits, cash and cash equivalents, trade payables, trade receivables, loans, other current financial assets and other current financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments.

ii) The fair value of non-current financial assets and financial liabilities measured are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used does not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.

c) The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.



26 Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the company consists of net debt offset by cash and bank balance note (note 7) and total equity of the company. The Company is not subject to any externally imposed capital requirements.

The Company's board of directors reviews the capital structure of the Company on a periodic basis. As part of this review, the Board of directors considers the cost of capital, risks associated with capital requirements and maintenance of adequate liquidity.

The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

Gearing ratio

The company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents)

divided by

Total equity (as shown in the balance sheet).

The gearing ratio at end of the reporting year was as follows.

	As at 31 March 2024	As at 31 March 2023
Borrowings	-	-
Cash and cash equivalents	(83.52)	(103.47)
Net debt	(83.52)	(103.47)
Total equity	381.32	364.44
Net debt to equity ratio	-21.90%	-28.39%

27 Financial risk management objectives and policies

The company's management monitors and manages key financial risk relating to the operations of the Company by analysing exposures by degree & magnitude of risk. The risks include market risk (including currency risk), credit risk and liquidity risk.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

i) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash and bank balances, trade receivables and security deposits.

The carrying amounts of financial assets and the maximum amount the Company would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised, represents the maximum credit risk exposure.

Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

Trade receivables

The Company is exposed to credit risk in the event of non-payment by trade partners. Receivable credit risk is managed subject to the Company's established policy, procedures and control relating to trade partners risk management. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables through a lifetime expected credit loss. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.

Ageing of past due but not impaired receivables is as follows :

	As at 31 March 2024	As at 31 March 2023
Not due	0.97	26.04
Less than 6 months	3.58	-
6 months -1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	4.55	26.04

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.



Zaak ePayment Services Private Limited
Notes to the financial statements for the year ended 31 March 2024
(Amounts in INR Millions, unless otherwise stated)

Cash and cash equivalents and bank deposits

The Company maintains its cash and cash equivalents and bank deposits with reputed banks and financial institutions. The credit risk on these instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Security deposits

The Company monitors the credit rating of the counterparties on regular basis. These instruments carry very minimal credit risk based on the financial position of parties and Company's historical experience of dealing with the parties.

ii) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the board of directors, who has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Maturities of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Contractual maturities of financial liabilities

	Within 1 year	Between 1 and 5 years	Total
31 March 2024			
Trade payables	88.51	-	88.51
Other financial liabilities	1,233.35	-	1,233.35
	1,321.86	-	1,321.86
31 March 2023			
Trade payables	68.89	-	68.89
Other financial liabilities	251.67	-	251.67
	320.56	-	320.56

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include foreign currency receivables, deposits, investments in mutual funds. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The entire revenue and majority of the expenses of the Company are denominated in Indian rupees. Hence there is no foreign currency risk exposure.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The sensitivity disclosed below is attributable to bank overdraft facility availed by the company.

Sensitivity	Impact on profit/loss before tax	
	31 March 2024	31 March 2023
+ 0.5% change in Interest rate (Bank overdraft)	-	-
- 0.5% change in Interest rate (Bank overdraft)	-	-



28 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Company has only one business segment which is acting as a payment gateway to provide e-payment solutions to users and merchants.

Therefore, based on the guiding principles given in Ind AS 108 on 'Operating Segments', the Company's business activity fall within a single operating segment, namely "ePayment gateway services".

Entity wide disclosure details as per Ind AS 108 on Operating segments are given below:

a Information about geographical areas:

The company's revenue from continuing operations from external customers and its non-current assets are domiciled in India only.

b Included in revenue arising from providing payment gateway services of INR 1,674.88 millions (31 March 2023 :INR 1,253.56 millions) are revenues of approximately INR 1,591.89 millions (31 March 2023 :INR 1,109.32 millions) which arose from sales to a single customer exceeding 10% or more of the company's revenue for the year ended 31 March 2024 and 31 March 2023.

29 Related party transactions

i) Names of related parties and related party relationship:

a) Holding Company

One Mobikwik Systems Limited (formerly known as One Mobikwik Systems Private Limited)

b) Fellow Subsidiaries

MOBIKWIK FINANCE PRIVATE LIMITED

MOBIKWIK CREDIT PRIVATE LIMITED

MOBIKWIK INVESTMENT ADVISER PRIVATE LIMITED (formerly known as HARVEST FINTECH PRIVATE LIMITED)

c) Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them Significant Influence over the Company and Key Management Personnel (KMP)

Name

Mr. Bipin Preet Singh
Ms. Upasana Rupkrishan Taku
Ms. Sayali Karanjkar
Mr. Navdeep Singh Suri
Mr. Mukul Saxena

Designation

Whole time director
Director
Independent director
Independent director
Chief Executive Officer (w.e.f. 28 September 2022 till 31 August 2023)

ii) Transactions with related parties

(a) Investment from Parent Company

- One Mobikwik Systems Limited

(a) Revenue from payment gateway services

- One Mobikwik Systems Limited

(b) Transaction processing cost

- One Mobikwik Systems Limited

(c) Advances received from Holding Company

- One Mobikwik Systems Limited

(d) Advances refunded to Holding Company

- One Mobikwik Systems Limited

(e) Expenses Incurred on behalf of company by :-

- One Mobikwik Systems Limited

(i) Interest Cost for advances received from the Holding Company :-

- One Mobikwik Systems Limited

(f) Interest income on advances paid to Holding Company :-

- One Mobikwik Systems Limited

(g) ESOP of Company issued to employees of Holding Company :-

- One Mobikwik Systems Limited

(h) ESOP of Holding Company issued to employees of Company :-

- One Mobikwik Systems Limited

(i) Independent director's sitting fees and remuneration

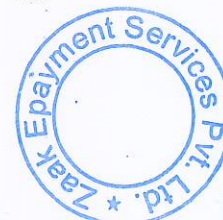
- Ms. Sayali Karanjkar

- Mr. Navdeep Singh Suri

**For the year ended
31 March 2024**

**For the year ended
31 March 2023**

	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) Investment from Parent Company		
- One Mobikwik Systems Limited	-	89.94
(a) Revenue from payment gateway services		
- One Mobikwik Systems Limited	1,591.89	1,109.32
(b) Transaction processing cost		
- One Mobikwik Systems Limited	2.74	5.17
(c) Advances received from Holding Company		
- One Mobikwik Systems Limited	400.00	285.00
(d) Advances refunded to Holding Company		
- One Mobikwik Systems Limited	491.00	473.26
(e) Expenses Incurred on behalf of company by :-		
- One Mobikwik Systems Limited	19.27	16.41
(i) Interest Cost for advances received from the Holding Company :-		
- One Mobikwik Systems Limited	-	0.02
(f) Interest income on advances paid to Holding Company :-		
- One Mobikwik Systems Limited	30.49	4.65
(g) ESOP of Company issued to employees of Holding Company :-		
- One Mobikwik Systems Limited	1.70	0.90
(h) ESOP of Holding Company issued to employees of Company :-		
- One Mobikwik Systems Limited	0.52	0.19
(i) Independent director's sitting fees and remuneration		
- Ms. Sayali Karanjkar	1.10	1.20
- Mr. Navdeep Singh Suri	1.10	1.20



iii) Outstanding balances with related parties

	As at 31 March 2024	As at 31 March 2023
(a) Payable to Merchants		
- One Mobikwik Systems Limited	921.91	144.15
(b) Receivable from Merchants		
- One Mobikwik Systems Limited	0.35	0.49
(c) Trade Payable		
- One Mobikwik Systems Limited	28.50	-
(d) Payable to Independent directors		
- Ms. Sayali Karanjkar	0.18	0.36
- Mr. Navdeep Singh Suri	0.18	0.36
(e) Other Recoverables		
- One Mobikwik Systems Limited	-	12.25
(f) Trade receivable		
- One Mobikwik Systems Limited	3.08	22.86
(g) Advances to holding company		
- One Mobikwik Systems Limited	302.93	187.05
(h) Amount recoverable from related party for ESOP		
- One Mobikwik Systems Limited	1.89	0.70
(i) Interest receivable from Holding company		
- One Mobikwik Systems Limited	2.57	0.00

(iv) Terms and Conditions

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business.



30 Contingent liabilities and commitments

a) Contingent liabilities

- (i) The Company does not have any pending litigations which would impact its financial position.
- (ii) The Company does not have any long term commitments/contracts including derivative contracts for which there will be any material foreseeable losses.
- (iii) The Company does not have any amounts which were required to be transferred to the Investor Education and Protection Fund.
- (iv) The Company has other commitments for purchase/ sales orders which are issued after considering requirements per operating cycle for purchase/ sale of goods and services and employee benefits, in the normal course of business.

31 Capital and other commitments

The Company did not have any capital commitment or other commitment as at 31 March 2024 and 31 March 2023.

32 Details of dues to micro and small enterprises as defined under MSMED Act 2006:

The dues to micro and small enterprises as required under MSMED Act, 2006, based on the information available with the Company, is given below

Particulars	As at 31 March 2024	As at 31 March 2023
1. Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	3.92	-
- Interest due on above	-	-
2. Amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
3. Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
4. Amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
5. Amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

33 ZAAK EPAYMENT SERVICES PRIVATE LIMITED ("Zaak") had initially submitted the Payment Aggregator ("PA") application on 8 May 2021. The said application was returned by the RBI on 11 March 2022, stating reasons for non-fulfilment of the prescribed net worth criteria of INR 150 million as on 31 March 2021. Subsequently on 28 July 2022, a window to re-apply for PA's was opened for the entities which existed as on 17 March 2020 with the net worth of INR 150 million (as on 31 March 2022). Zaak, has re-submitted the PA application on 7 September 2022 and got the In-Principle authorisation from the RBI to operate as a Payment Aggregator under the Payment and Settlement Systems Act, 2007 dated 13 October 2023.

34 Ratios :-

Particulars	Methodology	31 March 2024	31 March 2023
(a) Current Ratio,	Current assets/ Current liabilities	1.22	1.88
(b) Debt-Equity Ratio,	(Non current borrowings+Current borrowings)/ Total equity	-	-
(c) Debt Service Coverage Ratio,	EBITDA/(Interest expense+Borrowings)	-	8.67
(b) Return on Equity or Return on Investment Ratio	Profit for the year/Total equity	0.04	0.05
(c) Trade Receivables turnover ratio	Revenue from operations/Average trade receivables	109.52	43.38
(d) Trade payables turnover ratio,	Other expenses/Average trade payables	20.65	8.38
(e) Net capital turnover ratio,	Revenue from operations/Capital employed	4.39	3.44
(f) Net profit ratio,	Profit for the year/Revenue from operations	0.01	0.01
(g) Return on Capital employed,	Earnings before Interest and Taxes (EBIT)/Capital employed	12.70	3.66

Definitions of terms used -

Average Trade receivables = (Opening trade receivables + Closing trade receivables)/2
Average Trade payables = (Opening trade payables + Closing trade payables)/2
EBIT = (Losses)/Earnings Before Interest and Taxes
Capital employed = Total Equity + Borrowings (Non-current and Current)

The reason for variances in ratios more than 25% are explained as below :-

- a) The Current ratio decreased from 1.88 as on 31 March 2023 to 1.22 as on 31 March 2024 mainly due to increase in other financial liabilities.
- b) The debt service coverage ratio reduced from 8.67 as on 31 March 2023 to Nil as on 31 March 2024 mainly due to entire debt has been paid of during the year ended 31 March 2024.
- c) The trade receivable turnover ratio increased from 43.38 as on 31 March 2023 to 109.52 as on 31 March 2024 mainly due to increase in the revenue from operations which was partially offsetted by decrease in the average trade receivables.
- d) The trade payable turnover ratio increased from 8.38 as on 31 March 2023 to 20.65 as on 31 March 2024 mainly due to increase in other expenses and increase in average trade payables.
- e) The net capital turnover ratio decreased from 3.44 as on 31 March 2023 to 4.39 as on 31 March 2024 mainly due to increase in the revenue from operations in which was partially offsetted by the increase in capital employed.
- f) The Return on capital employed ratio increased from 3.66 as on 31 March 2023 to 12.70 as on 31 March 2024 mainly due to increase in capital employed and increase in profit before interest and taxes.

35 Other notes -

- a. No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- b. There are no transactions to report on Crypto Currency or Virtual Currency.
- c. The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- d. The Company has entered into the transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 as per details in the table below.

Company Name	Nature of transaction	Balance as at 31 March 2024*	Balance as at 31 March 2023	Relationship with Struckoff Companies
Venture Sports Private Limited	Payables - Payment Services	0.00	0.00	Merchant
GLOBAL SOFTWARE	Payables - Payment Services	0.28	0.46	Merchant

* Represents balances, rounded off to "0" on conversion to INR million.

- e. There are no transaction which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- f. There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- g. There are no funds which have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company 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 company shall:

- i. 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
- ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries



- h. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules 2017
- i. The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- j. The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or intangible assets or both during the current or previous year
- k. The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.
- l. The Company does not have any immovable properties other than properties where the Company is a lessee and the lease agreements are duly executed in favour of the lessee.

For M/s Tattvam & Co.
Chartered Accountants
ICAI Firm Registration No. 015048N



Sagor Arora
Partner
Membership No.: 520999
Place: Delhi
Date : 05 July 2024



UDIN - 24520999 BAKJFI6662

For and on behalf of the Board of Directors of
Zaak ePayment Services Private Limited



Bipin Preet Singh
Whole Time Director
DIN:02019594
Place: Gurugram
Date : 05 July 2024



Upasana Rupkrishna Taku
Director
DIN:02979387
Place: Gurugram
Date : 05 July 2024