Cashless Technologies India Private Limited

Audit for the year ended 31 March 2023

B S R & Co. LLP
Chartered Accountants

Building No. 10, 12th Floor, Tower-C
DLF Cyber City, Phase - II
Gurugram - 122 002, India
Tel: +91 124 719 1000
Fax: +91 124 235 8613

Independent Auditor's Report

To the Members of Cashless Technologies India Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Cashless Technologies India Private Limited (the "Company") which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 2023, and its loss 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 directors' report, but does not include the financial statements and 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, profit/ loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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

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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.

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Other Matter

a. The financial statements of the Company for the year ended 31 March, 2022 were audited by the predecessor auditor who had expressed an qualified opinion regarding delay in appointment of Company Secretary by the Company, which was not in compliance with the requirements of Section 203 of the Act read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 on 29 September 2022.

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 that the back-up of Tally, Financial Reporting Software which form part of the 'books of account and other relevant books and papers in electronic mode' have not been maintained on the servers physically located in India.

c. The balance sheet, the statement of profit and loss 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 Accounting Standards specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

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 Auditors) 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 would impact its financial position.

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 their knowledge and belief, as disclosed in the Note 31 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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

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the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 31 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed 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 (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Ankit Gupta

Ankit Gupta

Partner

Membership No.: 517870

ICAI UDIN:23517870BGZETF5885

Place: New Delhi

Date: 08 September 2023

Annexure A to the Independent Auditor's Report on the Financial Statements of Cashless Technologies India Private Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

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

(i) (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 once in every three years. In accordance with this programme, all property, plant and equipment were 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 material discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). 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 its Property, Plant and Equipment or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering transaction processing services. 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 not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) 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 investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 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

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Annexure A to the Independent Auditor's Report on the Financial Statements of Cashless Technologies India Private Limited for the year ended 31 March 2023 *(Continued)*

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 or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Income-Tax.

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 or other statutory dues were in arrears as at 31 March 2023 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 records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(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 has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

- According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loan of Rs. 4,274.33 lakhs and interest thereon amounting to Rs. 54.99 lakhs taken from M/s Synergistic Financial Networks Private Limited are outstanding as at the year end, the schedule of repayment of principal and payment of interest has not been stipulated and accordingly we are unable to comment on whether the repayments are regular.

(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 been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(f) is not applicable.

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

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Annexure A to the Independent Auditor's Report on the Financial Statements of Cashless Technologies India Private Limited for the year ended 31 March 2023 *(Continued)*

(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 on the Company 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 Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are 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. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.

(b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

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

(c) 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 incurred cash losses of Rs 23.06 lakhs in the current financial year and Rs. 641.61 lakhs in the immediately preceding financial year.

(xviii) There has been resignation of the statutory auditors during the year and we have duly taken into consideration the issues, objections or concerns raised by the outgoing auditors.

(xix) We draw attention to Note 2(i) to the financial statements which explains that the Company has incurred losses in current year and previous year and has accumulated losses as at 31 March 2023. Further, the Company's current liabilities exceed its current assets as at 31 March 2023 by Rs. 466.59 lakhs.

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Annexure A to the Independent Auditor's Report on the Financial Statements of Cashless Technologies India Private Limited for the year ended 31 March 2023 *(Continued)*

The Company's management has considered the above indicators, its current performance, future business plans and future cash flow projections based on which it has carried out an assessment of its going concern assumption and management expects that the Company will continue to operate as a going concern i.e. continue its operations and will be able to discharge its liabilities and realise the carrying amount of its assets as on 31 March 2023. The Holding Company has indicated its intention through an unconditional support letter to provide operational and financial support to the Company, to enable it to operate and meet its liabilities, as and when they fall due for payment in the normal course of its business for the foreseeable future.

On the basis of the above and according to the information and explanations given to us, 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 requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Ankit Gupta

Ankit Gupta
Partner
Membership No.: 517870
ICAI UDIN:23517870BGZETF5885

Place: New Delhi
Date: 08 September 2023

Annexure B to the Independent Auditor's Report on the financial statements of Cashless Technologies India Private Limited for the year ended 31 March 2023

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)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Adverse Opinion

We have audited the internal financial controls with reference to financial statements of Cashless Technologies India Private Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, because of the effects of the material weakness described below on the achievement of the objectives of the control criteria, the Company has not maintained adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were not operating effectively as of 31 March 2023, based on the internal control 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").

We have considered the material weakness identified and reported below in determining the nature, timing and extent of audit tests applied in our audit of the 31 March 2023 financial statements of the Company, and the material weakness does not affect our opinion on the financial statements of the Company.

Basis for Adverse Opinion

According to the information and explanations given to us and based on our audit, following material weakness has been identified in the Company's internal financial controls with reference to financial statements as at 31 March 2023:

The Company did not have appropriate internal controls in respect of general controls over information technology system (GITC) relating to user access and change management procedures in respect of the application being used by the Company basis which revenue is recognised. Further, Company has not adequately designed/ implemented the controls as designed, and has not maintained adequate documentation of the control environment, including establishing completeness and accuracy of changes and approval chain that should form part of GITC with in the reporting period. Accordingly, GITC environment is ineffective due to inadequate design/ lack of audit evidences / inadequate operation of controls.

This could potentially result in misstatement in revenue and receivables account balance in the books of account.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Management's and Board of Directors' 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

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Annexure B to the Independent Auditor's Report on the financial statements of Cashless Technologies India Private Limited for the year ended 31 March 2023 *(Continued)*

timely preparation of reliable financial information, as required under the Act.

Auditor's 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 adverse 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 with Reference to Financial Statements

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

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Annexure B to the Independent Auditor's Report on the financial statements of Cashless Technologies India Private Limited for the year ended 31 March 2023 *(Continued)*

changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Ankit Gupta

Ankit Gupta

Partner

Place: New Delhi

Membership No.: 517870

Date: 08 September 2023

ICAI UDIN:23517870BGZETF5885

Cashless Technologies India Private Limited
Balance Sheet as at March 31, 2023

Particulars	Note No.	As at March 31, 2023 (Rs. in lakhs)	As at March 31, 2022 (Rs. in lakhs)
Equity and Liabilities			
Shareholders' funds			
Share capital	3	4,755.55	4,755.55
Reserves and surplus	4	(4,868.48)	(4,837.60)
Non-current liabilities			
Other long term liabilities	5	76.50	-
Long-term provisions	6	17.54	16.01
Current liabilities			
Short-term borrowings	7	4,274.33	1,730.12
Trade payables	8		
- total outstanding dues of micro enterprises and small enterprises; and		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		76.44	49.80
Other current liabilities	9	4,572.72	3,658.41
Short-term provisions	6	11.87	0.76
Total		**8,916.47**	**5,373.05**
Assets			
Non-current assets			
Property, Plant and Equipment	10 (a)	17.45	7.57
Intangible assets under development	10 (b)	3.60	-
Deferred tax asset (net)	11	244.69	-
Long-term loans and advances	12	179.36	70.30
Other non-current assets	15	2.60	-
Current assets			
Trade receivables	13	475.99	139.68
Cash and cash equivalents	14	2,679.66	1,760.44
Short-term loans and advances	12	104.00	321.97
Other current assets	15	5,209.12	3,073.09
Total		**8,916.47**	**5,373.05**
Summary of significant accounting policies	2		

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

In terms of our report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. : 101248W/W-100022

Ankit Gupta

Ankit Gupta
Partner
Membership Number: 517870

Place : New Delhi
Date: 08 September 2023

For and on behalf of the Board of Directors of
Cashless Technologies India Private Limited

Soorraj VS
Managing Director
DIN: 08777727

Place : Mumbai
Date: 08 September 2023

Prashant Jaju
Director
DIN: 09566330

Place : Noida
Date: 08 September 2023

Cashless Technologies India Private Limited
Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note No.	Year ended March 31, 2023 (Rs. in lakhs)	Year ended March 31, 2022 (Rs. in lakhs)
Revenue from operations	16	1,840.96	1,979.12
Other income	17	218.05	14.28
Total Income (A)		**2,059.01**	**1,993.40**
Expenses			
Operating expenses	18	108.15	1,578.12
Employee benefits expense	19	1,475.32	800.97
Finance costs	20	278.14	29.63
Depreciation expense	10 (a)	7.82	3.32
Other expenses	21	465.15	221.15
Total expenses (B)		**2,334.58**	**2,633.19**
Loss before tax (A-B)		**(275.57)**	**(639.79)**
Tax expense / (credit)			
Current tax		-	-
Deferred tax		(244.69)	5.14
		(244.69)	**5.14**
Loss for the year		**(30.88)**	**(644.93)**
Earnings per equity share:			
[Nominal value per share Rs.10 (March 31, 2022: Rs. 10)]			
Basic and Diluted	24	(0.06)	(1.44)
Summary of significant accounting policies	2		

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

In terms of our report of even date

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. : 101248W/W-100022

Ankit Gupta

Ankit Gupta
Partner
Membership Number: 517870

Place : New Delhi
Date: 08 September 2023

For and on behalf of the Board of Directors of
Cashless Technologies India Private Limited

Soorraj VS
Managing Director
DIN: 08777727

Place : Mumbai
Date: 08 September 2023

Prashant Jaju
Director
DIN: 09566330

Place : Noida
Date: 08 September 2023

Cashless Technologies India Private Limited

B S R & Co. LLP GURUGRAM Chartered Accountants

Cashless Technologies India Private Limited
Cash Flow Statement for the year ended March 31, 2023

Particulars	Year ended March 31, 2023 (Rs. in lakhs)	Year ended March 31, 2022 (Rs. in lakhs)
A. Cash flow from operating activities		
Loss before tax	**(275.57)**	**(639.79)**
Adjustments for:		
Depreciation expense	7.82	3.32
Interest income on bank deposits	(1.17)	(2.28)
Interest income on income tax refund	(3.79)	-
Liablities written back to the extent no longer required	212.80	12.00
Provision for doubtful debts	7.00	-
Unrealised foreign exchange loss (net)	7.91	-
ICB, settlement loss and MDR deficit written off	66.27	-
Employee stock option scheme	181.75	-
Interest expense on loan from related party	278.14	29.63
Operating profit /(loss) before working capital changes	**481.16**	**(597.11)**
Changes in working capital:		
(Decrease) in trade payables	26.63	(86.96)
Increase in other current liabilities	483.53	1,454.58
Increase in short term provisions	11.11	0.76
Increase in long term liabilities	76.50	-
Increase in long term provisions	1.53	16.01
(Increase) in trade receivables	(343.31)	(113.20)
Decrease in short term loans and advances	217.97	(29.65)
(Increase) in other non current assets	(2.60)	-
(Increase) in other current assets	(2,202.30)	(1,369.21)
Cash used in operations	(1,249.78)	(724.78)
Income tax paid (net of refunds)	(105.27)	(66.59)
Net cash used in operating activities (A)	**(1,355.05)**	**(791.37)**
B. Cash flow from investing activities		
Purchase of property, plant and equipment including intangible assets under development	(21.30)	(7.63)
Interest received	1.17	2.28
Investment in demand deposit and earmarked balances with banks (net)	(30.54)	-
Net cash from investing activities (B)	**(50.67)**	**(5.35)**
C. Cash flow from financing activities		
Proceeds from issue of equity shares (refer Note 1 below)	-	300.00
Proceeds from short-term borrowings	13,891.52	3,901.60
Repayment of short-term borrowings	(11,347.31)	(1,971.48)
Interest paid on loan from related party	(249.81)	(29.63)
Net cash flow generated from financing activities (C)	**2,294.40**	**2,200.49**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	888.68	1,403.77
Cash and cash equivalents at the beginning of the year (Refer note 14)	1,760.44	356.67
Cash and cash equivalents at the end of the year (Refer note 14)	**2,649.12**	**1,760.44**
Cash and cash equivalents comprise of		
- With banks in current account	2,649.12	1,760.44
Total cash and cash equivalents	**2,649.12**	**1,760.44**

Notes:

1. Loan taken by Company of Rs. 200 lakhs from Synergistic Financial Networks Private Limited converted into equity shares had been excluded from "proceeds from issue of equity shares" during the year ended March 31, 2022.
2. The above Cash Flow Statement has been prepared under the "Indirect Method as set out in Accounting Standard 3" Cash Flow Statements specified under section 133 of the Companies Act, 2013 read with paragraph 7 of the companies (Accounts) Rules 2014.

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

In terms of our report of even date

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. : 101248W/W-100022

AnkitGupta

Ankit Gupta
Partner
Membership Number: 517870

Place : New Delhi
Date: 08 September 2023

B S R & Co. LLP GURUGRAM Chartered Accountants

Cashless Technologies India Private Limited

For and on behalf of the Board of Directors of
Cashless Technologies India Private Limited

Soorraj VS
Managing Director
DIN: 08777727

Place : Mumbai
Date: 08 September 2023

Prashant Jaju
Director
DIN: 09566330

Place : Noida
Date: 08 September 2023

Cashless Technologies India Private Limited
Notes to Financial statements for the year ended March 31, 2023

1 General Information

Cashless Technologies India Private Limited (the 'Company') is a private company domiciled in India and incorporated on February 02, 2016 under the provisions of the Companies Act applicable in India. The Company's offering portfolio includes transaction processing by providing digital platforms to enable billing, collection, transfers, accounting, reward and loyalty programs, product recommendations, digital marketing, payment gateways and any other emerging services that support the reduction of physical cash / cash transactions across the countries, industries and customers. The Company carries out its operations through its technology platform "Benow".

2 Statement of Significant Accounting Policies

(i) Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2021, specified under Section 133 and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division I) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

The Company has a negative networth of Rs. 112.93 lakhs and accumulated losses of Rs. 4,868.48 lakhs as at March 31, 2023 (March 31, 2022: Rs 4,837.60 lakhs). Further, the Company has incurred a net loss of Rs. 30.88 lakhs for the year ended March 31, 2023 (March 31, 2022: Rs 644.93 lakhs) which is mainly due to the payment of one time bonus of Rs 558 lakhs.

These events or conditions cast doubts on the Company's ability to continue as a going concern.

The Company's management has considered the above indicators, its current performance, future business plans and future cash flow projections based on which it has carried out an assessment of its going concern assumption and management expects that the Company will continue to operate as a going concern i.e. continue its operations and will be able to discharge its liabilities and realise the carrying amount of its assets as on March 31, 2023.

The Holding Company has indicated its intention through an unconditional support letter to provide operational and financial support to the Company, to enable it to operate and meet its liabilities, as and when they fall due for payment in the normal course of its business for the foreseeable future.

Accordingly, these financial statements have been prepared on a going concern basis.

The financial statements were authorised for issue by the Company's Board of Directors on September 08, 2023

(ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 period.

(iii) Property, Plant and Equipment and Intangible assets
Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and impairment loss, if any. The cost comprises purchase price and any directly attributable expenses incurred to bring the asset to its location and working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent costs related to an item of Property, Plant and Equipment are recognised in the carrying amount of the item if the recognition criteria are met.
An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Statement of Profit and Loss.

Intangible Assets - stated at cost
Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight-line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management.The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.
Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

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Cashless Technologies India Private Limited

Software and Development cost

Certain direct development costs associated with internally developed software and software enhancements of the Company technology platform are capitalized. Capitalized costs, which occur post determination by management of technical feasibility, include external services and internal payroll costs. These costs are recorded as intangible assets when development is complete and the asset is ready for use, and are amortised on a straight-line basis, generally over a period of 3 to 5 years. Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalized only if development costs can be measured. Research and pre-feasibility development costs, as well as maintenance and training costs, are expensed as incurred. In certain circumstances, management may determine that previously developed software and its related expense no longer meets management's definition of feasible, which could then result in the impairment of such asset. Incidental operations are not necessary to bring an asset to the condition necessary for it to be capable of operating in the manner intended by management, the income and related expenses of incidental operations are recognized immediately in profit or loss, and included in their respective classifications of income and expense.

(iv) Depreciation / Amortisation

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets, based on technical evaluation done by management's expert taking into account the nature of the assets, their estimated period of use and the operating conditions. The depreciation charge for each period is recognised in the Statement of Profit and Loss. The useful life, residual value and the depreciation method are reviewed atleast at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.
The estimates of Useful lives of the assets are as follows:

Asset Description	Estimated useful life as per the Company	Useful Life as per Schedule II of the Act
Office Equipments	5 Years	5 Years
Computers	2 Years	3 Years

(v) Revenue Recognition

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the Company's performance of services and the Company has no significant uncertainty exists as per the terms of customer contracts regarding the amount of the consideration that will be derived from rendering the service net of taxes.

The Company earns service fee from merchants and recognizes such revenue when the control in services have been transferred by the Company i.e. as and when services have been provided by the Company. Such service fee is generally determined as a percentage of transaction value executed by the merchants. Amount received by the Company pending settlement are disclosed as payable to the merchants under other current liabilities.

The Company also earns service fees from the brands and banks as per the contract terms on the transactions executed by the merchants through "Benow" platform. The Company recognizes such revenue as and when services have been provided by the Company.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed and are part of trade receivable.

(vi) Foreign currency transactions

Foreign currency transactions and balances

(i) Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are retranslated using the exchange rate at the date when such value was determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements are recognised as income or as expenses in the Statement of Profit and Loss for the year in which they arise.

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Cashless Technologies India Private Limited

(vii) Leases

Operating lease

As a leasee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

As a lessor

The Company has leased certain tangible assets and such leases where the Company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished.

(viii) Current and deferred tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. In situations, where the Company has unabsorbed depreciation or carry forward losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

(ix) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(x) Provisions and contingent liabilities

Provisions:

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(xi) Retirement and other employee benefits

Provident Fund:

Contribution towards provident fund for all employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity (Unfunded):

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Compensated Absences:

Accumulated compensated absences, which are expected to be availed within 12 months from the end of the year end are treated as short term employee benefits. The liability of compensated absences in respect of leave balance outstanding as at the year end is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method.

(xii) Other Income

Interest Income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(xiii) Cash and cash equivalents

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(xiv) Borrowing Cost

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

(xv) Impairment of assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(xvi) Employee Share-based Payments

The employees of the Company have been granted stock options by Pine Labs Limited, the ultimate holding Company.

Equity settled stock options granted are accounted as per the accounting treatment prescribed by the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India. The intrinsic value of the option being excess of market value of the underlying share immediately prior to date of grant as determined by the independent valuer over its exercise price. The Company recongnizes compensation expense for share based awards net of estimated forfeitures. Share-based compensation recognized in the Statement of Profit and Loss is based on options ultimately expected to vest. As a result, the expense has been reduced for estimated forfeitures. Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The cost is recognised, together with a corresponding increase in liability towards payable to Ultimate holding Company, over the period in which the performance and/or service conditions are fulfilled in employee share option expense under employee compensation. The movement in cumulative expense recognised as at the begining and end of that period is recognised in employee share option expense under employee compensation in the statement of profit and loss.

(xvii) Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to the segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to the segments on a reasonable basis, have been included under "Unallocated corporate expenses/ income".

Cashless Technologies India Private Limited
Notes to Financial statements for the year ended March 31, 2023

3 Share capital	As at March 31, 2023 (Rs. in lakhs)	As at March 31, 2022 (Rs. in lakhs)
Authorised:		
58,000,000 (March 31, 2022: 49,000,000) equity shares of Rs.10 each	5,800.00	4,900.00
	5,800.00	4,900.00
Issued, subscribed and paid up:		
47,555,516 (March 31, 2022: 47,555,516) equity shares of Rs.10 each (fully paid up)	4,755.55	4,755.55
	4,755.55	4,755.55

Pursuant to Board of Directors resolution dated August 05, 2022 and Shareholders approval dated August 08, 2022, the Company has increased the authorised share capital from Rs. 4,900 lakhs to Rs. 5,800 lakhs.

a) Reconciliation of number of shares outstanding at the beginning and at the end of the year

Equity shares	As at March 31, 2023		As at March 31, 2022	
	No of shares	(Rs. in lakhs)	No of shares	(Rs. in lakhs)
Balance as at the beginning of the year	47,555,516	4,755.55	42,555,516	4,255.55
Add : Shares issued during the year [Refer note c (2) below]	-	-	5,000,000	500.00
Balance as at the end of the year	47,555,516	4,755.55	47,555,516	4,755.55

b) Terms/ rights/ preferences/ restrictions attached to each class of shares

Equity shares:

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

c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Name of shareholders	As at March 31, 2023		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Synergistic Financial Networks Private Limited and its nominee (Refer notes)	47,555,516	100.00%	47,555,516	100.00%

Notes:

1. Pursuant to Board of Directors resolution dated September 28, 2021, 42,555,516 shares of existing shareholders were transferred to Synergistic Financial Network Private Limited as per the Share purchase agreement and Share swap agreement.

2. Pursuant to approval from Board of Directors dated September 30, 2021 and Shareholders dated April 15, 2021 loan taken by Company of Rs. 200 lakhs from Synergistic Financial Networks Private Limited has been converted into 20,000,000 equity shares of Rs 10 each.

3. One Share is held by Sameer Chugh as nominee shareholder on behalf of Synergistic Financial Networks Private Limited.

d) Details of promoters' shareholding

Shares held by promoters as at March 31, 2023			% change during the year	
Promoters Name	No. of shares	% of total shares	No. of shares	% of total shares
Synergistic Financial Networks Private Limited	47,555,515	99.99%	-	-
Sameer Chugh	1	0.01%	-	-
Total	47,555,516	100%	-	

Shares held by promoters as at March 31, 2022			% change during the year	
Promoters Name	No. of shares	% of total shares	No. of shares	% of total shares
Synergistic Financial Networks Private Limited	47,555,515	99.99%	47,555,515	100%
Sameer Chugh	1	0.01%	1	100%
Total	47,555,516	100%	47,555,516	

e) There are no shares allotted as fully paid up by way of Bonus shares or allotted pursuant to contract without payment being received in cash during the 5 years immediately preceding 31 March 2023.

4 Reserves and Surplus	As at March 31, 2023 (Rs. in lakhs)	As at March 31, 2022 (Rs. in lakhs)
Deficit in the Statement of Profit and Loss		
Balance at the beginning of the year	(4,837.60)	(4,192.67)
Add: Loss for the year	(30.88)	(644.93)
Balance as at the end of the year	(4,868.48)	(4,837.60)

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Cashless Technologies India Private Limited

5 Other Long-term liabilities

	As at March 31, 2023 (Rs. in lakhs)	As at March 31, 2022 (Rs. in lakhs)
Payable to related party (Refer note 22)	76.33	-
Lease rent equalisation reserve	0.17	-
	76.50	-

6 Provisions

	Long Term		Short Term	
	As at		As at	
	March 31, 2023 (Rs. in lakhs)	March 31, 2022 (Rs. in lakhs)	March 31, 2023 (Rs. in lakhs)	March 31, 2022 (Rs. in lakhs)
Provision for employee benefits: (Refer note 23)				
Provision for gratuity	15.52	16.01	6.77	0.76
Provision for compensated absences	2.02	-	5.10	-
	17.54	16.01	11.87	0.76

7 Short-term borrowings

	As at March 31, 2023 (Rs. in lakhs)	As at March 31, 2022 (Rs. in lakhs)
Unsecured:		
Loan repayable on demand from related party (Refer Note 22)	4,274.33	1,730.12
	4,274.33	1,730.12

Terms of repayment for unsecured borrowings:

Unsecured loans from holding company represents amounts paid by holding company to merchants for instant cashback and subvention on the Company's behalf, which would be settled with holding company basis collection from Banks and Brands and carries interest at 7% p.a. till April 12, 2022 and from April 13, 2022 at 9% p.a. on the balance outstanding at each day-end. The terms and conditions for repayment have not been stipulated and these amounts have not been demanded for repayment.

8 Trade payables

	As at March 31, 2023 (Rs. in lakhs)	As at March 31, 2022 (Rs. in lakhs)
- Total outstanding dues of micro enterprises and small enterprises (Refer note (a) below) and	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	76.44	49.80
	76.44	49.80

(a) Dues to micro enterprises and small enterprises:

The details of dues to micro enterprises and small enterprises (MSME) as defined under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') and disclosures pursuant to the MSMED Act are as follows :

	As at March 31, 2023 (Rs. in lakhs)	As at March 31, 2022 (Rs. in lakhs)
a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
d) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
e) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
f) 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 the MSMED Act	-	-
g) Interest accrued and remaining unpaid at the end of each accounting year	-	-
h) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

(b) Trade payables ageing schedule as at March 31, 2023 (Rs. in lakhs)

Particulars	Accrued expenses	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	30.52	-	43.30	2.62	-	-	76.44
Disputed dues							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-

Trade payables ageing schedule as at March 31, 2022 (Rs. in lakhs)

Particulars	Accrued expenses	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	44.13	-	3.05	2.62	-	-	49.80
Disputed dues							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-

9 Other current liabilities

	As at March 31, 2023 (Rs. in lakhs)	As at March 31, 2022 (Rs. in lakhs)
Cashback and subvention payable (Refer note (a) below)	4,102.79	3,224.65
Employee benefits payable	273.08	106.44
Payable to related party (Refer note 22)	113.33	212.80
Interest accrued but not due on borrowings from related party (Refer note 22)	54.99	26.67
Statutory dues	27.80	32.04
Payable to merchants (Refer note (b) below)	0.73	11.24
Advance from related party (Refer note 22)	-	44.57
	4,572.72	3,658.41

Notes:

a. Represents amounts payable to Banks towards deferred cashback and Interest on No Cost EMI (Subvention) scheme offered by Brands to customers on transactions executed through the Company's technology platform.

b. Represents amounts payable to merchants pending settlement.

Cashless Technologies India Private Limited

10 (a) Property, Plant and Equipment

(Rs. in lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at April 01, 2022	Additions during the year	Disposal during the year	As at March 31, 2023	As at April 01, 2022	Depreciation for the year	Eliminated on disposal	As at March 31, 2023	As at March 31, 2023
Computers	37.48	17.62	-	55.10	30.48	7.70	-	38.18	16.92
Office equipments	0.62	0.08	-	0.70	0.05	0.12	-	0.17	0.53
Total	**38.10**	**17.70**	-	**55.80**	**30.53**	**7.82**	-	**38.35**	**17.45**

(Rs. in lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at April 01, 2021	Additions during the year	Disposal during the year	As at March 31, 2022	As at April 01, 2021	Depreciation for the year	Eliminated on disposal	As at March 31, 2022	As at March 31, 2022
Computers	30.47	7.01	-	37.48	27.21	3.27	-	30.48	7.00
Office equipments	-	0.62	-	0.62	-	0.05	-	0.05	0.57
Total	**30.47**	**7.63**	-	**38.10**	**27.21**	**3.32**	-	**30.53**	**7.57**

10 (b) Intangible assets under development

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
As at the beginning of the year	-	-
Additions during the year	3.60	-
Less : Capitalised during the year	-	-
As at the end of the year	**3.60**	-

i) **Intangible assets under development ageing schedule as at March 31, 2023**

(Rs. in lakhs)

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.60				3.60
Total	**3.60**	-	-	-	**3.60**

ii) There are no projects in Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

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Cashless Technologies India Private Limited

Cashless Technologies India Private Limited
Notes to Financial statements for the year ended March 31, 2023

11 Deferred tax assets (net)

	As at March 31, 2023 (Rs. in lakhs)	As at March 31, 2022 (Rs. in lakhs)
Deferred tax assets		
Depreciation and lease rent equalisation reserve	0.13	-
Provision for doubtful debts	1.82	-
Provision for compensated absences	1.85	-
Provision for gratuity	5.80	-
Unabsorbed depreciation and tax losses	235.09	-
	244.69	-

12 Loans and advances

	Long term As at March 31, 2023 (Rs. in lakhs)	Long term As at March 31, 2022 (Rs. in lakhs)	Short term As at March 31, 2023 (Rs. in lakhs)	Short term As at March 31, 2022 (Rs. in lakhs)
Unsecured, considered good (unless otherwise stated):				
Advance income tax	179.36	70.30	-	-
Balances with government authorities	-	-	91.57	303.18
Prepaid expenses	-	-	11.08	15.17
Employee advances	-	-	1.30	3.62
Advances to suppliers	-	-	0.05	-
	179.36	**70.30**	**104.00**	**321.97**

13 Trade receivables

	As at March 31, 2023 (Rs. in lakhs)	As at March 31, 2022 (Rs. in lakhs)
Secured, considered good	-	-
Unsecured		
- considered good	475.99	139.68
- considered doubtful	7.00	-
Less: Provision for doubtful debts	(7.00)	-
	475.99	**139.68**

Trade receivables ageing schedule as at March 31, 2023 (Rs. in lakhs)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables								
- considered good	304.59	136.27	33.99	0.00	1.13	-	-	475.99
- considered doubtful	-	-	4.26	1.68	1.06	-	-	7.00
Disputed Trade receivables								
- considered good	-	-	-	-	-	-	-	-
- considered doubtful	-	-	-	-	-	-	-	-

Trade receivables ageing schedule as at March 31, 2022 (Rs. in lakhs)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables								
- considered good	89.30	26.56	20.71	2.25	0.86	-	-	139.68
- considered doubtful	-	-	-	-	-	-	-	-
Disputed Trade receivables								
- considered good	-	-	-	-	-	-	-	-
- considered doubtful	-	-	-	-	-	-	-	-

14 Cash and cash equivalents

	As at March 31, 2023 (Rs. in lakhs)	As at March 31, 2022 (Rs. in lakhs)
Bank balances		
- in current accounts	2,649.12	1,732.05
	2,649.12	**1,732.05**
Other bank balances		
- Demand deposit (more than 3 months maturity but less than 12 months)	29.51	28.39
- Earmarked balances with banks*	1.03	-
	30.54	**28.39**
	2,679.66	**1,760.44**

* The Company uses a nodal account to receive money through debit/credit card and net banking transactions towards all transactions happening on its system, as well as to settle the respective merchants.

15 Other assets

	Non - current As at March 31, 2023 (Rs. in lakhs)	Non - current As at March 31, 2022 (Rs. in lakhs)	Current As at March 31, 2023 (Rs. in lakhs)	Current As at March 31, 2022 (Rs. in lakhs)
Unsecured, considered good (unless otherwise stated):				
Cashback and subvention receivable (Refer note (a) below)	-	-	5,167.63	3,047.77
Security deposits	2.60	-	6.08	5.74
Receivable from payment gateways (Refer note (b) below)	-	-	29.36	19.58
Receivable from related party (Refer note 22)	-	-	6.05	-
	2.60	-	5,209.12	3,073.09

Notes:

a. Represents amounts receivable from Brands and Banks towards instant / deferred cashback and Interest on No Cost EMI (Subvention) schemes offered by Brands/ Banks to customers on transactions executed through the Company's technology platform.

b. Represents amounts receivable from payment gateways for which merchant settlement is pending.

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Cashless Technologies India Private Limited

Cashless Technologies India Private Limited
Notes to Financial statements for the year ended March 31, 2023

16 Revenue from operations	Year ended March 31, 2023 (Rs. in lakhs)	Year ended March 31, 2022 (Rs. in lakhs)
Sale of Services	1,840.96	1,979.12
	1,840.96	**1,979.12**

17 Other Income	Year ended March 31, 2023 (Rs. in lakhs)	Year ended March 31, 2022 (Rs. in lakhs)
Interest Income		
- on bank deposits	1.17	2.28
- on income tax refund	3.79	-
Liabilities written back to the extent no longer required	212.80	12.00
Other non operating income	0.29	-
	218.05	**14.28**

18 Operating expenses	Year ended March 31, 2023 (Rs. in lakhs)	Year ended March 31, 2022 (Rs. in lakhs)
Transaction processing charges	108.15	1,578.12
	108.15	**1,578.12**

Note:
Represents charges paid for settlement of transactions to merchants through payment gateways.

19 Employee Benefits Expense	Year ended March 31, 2023 (Rs. in lakhs)	Year ended March 31, 2022 (Rs. in lakhs)
Salaries, wages and bonus	1,245.70	554.70
Contribution to provident and other funds (Refer note 23)	32.56	15.17
Gratuity (Refer note 23)	5.52	16.77
Employee stock option scheme (Refer note 22 and 28)	181.75	212.80
Staff welfare expenses	9.79	1.53
	1,475.32	**800.97**

20 Finance Costs	Year ended March 31, 2023 (Rs. in lakhs)	Year ended March 31, 2022 (Rs. in lakhs)
Interest expense on loan from related party (Refer note 22)	278.14	29.63
	278.14	**29.63**

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21 Other expenses	Year ended March 31, 2023 (Rs. in lakhs)	Year ended March 31, 2022 (Rs. in lakhs)
Rent (Refer note 25)	66.99	28.60
Repairs and maintenance	0.17	2.35
Insurance charges	14.02	2.96
Rates and taxes	8.73	10.27
Travelling expenses	19.65	7.37
Payment to auditors (Refer note (a) below)	11.45	8.45
Legal and professional fees	83.85	27.92
Communication and internet charges	15.63	4.52
Sales promotion, advertisement and marketing expenses	4.85	19.66
Provision for doubtful debts	7.03	1.16
Bank charges	0.11	1.30
Web service charges	80.43	59.38
Payment gateway infrastructure expenses	27.43	21.50
ICB, settlement loss and MDR deficit written off	66.27	-
Foreign exchange loss (net)	7.91	-
SMS transaction charges	17.01	8.00
Miscellaneous expenses	33.62	17.71
	465.15	**221.15**

Note A : Payment to auditors	Year ended March 31, 2023 (Rs. in lakhs)	Year ended March 31, 2022 (Rs. in lakhs)
Statutory audit fees	11.00	8.45
Outlays	0.45	-
	11.45	**8.45**

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Cashless Technologies India Private Limited

Cashless Technologies India Private Limited
Notes to Financial statements for the year ended March 31, 2023

22 Related party disclosures

a. Names of related parties and nature of relationship:

Relationship	Name of Related Party
Ultimate Holding Company	Pine Labs Limited (w.e.f April 12, 2022)
Holding Company	Synergistic Financial Networks Private Limited (w.e.f. September 28, 2021)
Key Management Personnel:	Jagriti Bhattacharya (Director) (w.e.f. January 23, 2023) Prashant Jaju (Director) (w.e.f. April 12, 2022) Soorraj VS (Director) Ginni Singhal (Director) (w.e.f. April 12, 2022 upto January 20, 2023) Bhushan Thaker (Director) (w.e.f. September 28, 2021 upto April 12, 2022) Sameer Chugh (Director) (w.e.f. September 28, 2021 upto April 12, 2022) Girija Ram (Director) (upto September 28, 2021) Farid Kazani (Director) (upto September 28, 2021) Sreejith Sivanandan (Director) (upto September 28, 2021)

b. Details of transactions with Related Parties:	Year ended March 31 2023 (Rs. in lakhs)	Year ended March 31 2022 (Rs. in lakhs)
Transaction processing charges		
Synergistic Financial Networks Private Limited	97.22	918.19
Interest expense on short term borrowing		
Synergistic Financial Networks Private Limited	278.14	18.54
Employee stock option expense		
Synergistic Financial Networks Private Limited	-	212.80
Pine Labs Limited	181.75	-
Merchant discount rate (MDR) Income		
Synergistic Financial Networks Private Limited	113.71	1,075.64
Liabilities written back to the extent no longer required		
Synergistic Financial Networks Private Limited	212.80	-
Sale of Services		
Synergistic Financial Networks Private Limited	973.83	-
Loan taken from		
Synergistic Financial Networks Private Limited	13,891.52	3,701.60
Loan repaid to		
Synergistic Financial Networks Private Limited	11,347.31	1,971.48
Issue of equity shares (including conversion of loan of Rs. 300 lakhs)		
Synergistic Financial Networks Private Limited	-	500.00
Remuneration paid to Key Management Personnel #		
Soorraj VS	655.79	86.72
Reimbursement of expenses to Key Management Personnel		
Soorraj VS	8.11	3.38

c. Balances with Related Parties as at year end:	As at March 31 2023 (Rs. in lakhs)	As at March 31 2022 (Rs. in lakhs)
Trade receivables		
Synergistic Financial Networks Private Limited	267.15	-
Short-term borrowings		
Synergistic Financial Networks Private Limited	4,274.33	1,730.12
Other payable		
Synergistic Financial Networks Private Limited	-	212.80
Pine Labs Limited	189.66	-
Other advance		
Synergistic Financial Networks Private Limited	-	44.57
Interest accrued but not due on borrowings		
Synergistic Financial Networks Private Limited	54.99	26.67
Other receivables from inter company		
Synergistic Financial Networks Private Limited	6.05	-
Salary payable to Key Management Personnel		
Soorraj VS	218.06	25.00

Support letter have been issued during the year by Synergistic Financial Networks Private Limited to facilitate continuity of business operations and expansions.
As gratuity and compensated absences are computed for all the employees in aggregate the amounts relating to the Key Managerial Personnel cannot be individually identified.

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Cashless Technologies India Private Limited

23 Employee Benefits

(a) Defined Contribution Plans

The Company makes contribution towards recognised provident fund for all the employees. Contributions are paid during the year into separate funds under certain statutory arrangements. The employee and the company pay predetermined contribution into the provident fund which is based on specified percentage of the employee's salary.

Amount recognised in the Statement of Profit and Loss:	Year ended	
	March 31 2023	March 31 2022
	(Rs. in lakhs)	(Rs. in lakhs)
Employers' contribution to provident fund [Includes Employers' Contribution to Employee's Pension Scheme 1995]	31.48	14.96
Employers' Contribution to ESIC	1.08	0.21
	32.56	15.17

(b) Defined Benefit Plan

Gratuity (Unfunded)

Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act 1972. The same is payable at the time of separation from the Company or retirement whichever is earlier. The benefits vest after five years of continuous service. Valuations in respect of Gratuity have been carried out by an independent actuary as at the Balance Sheet date based on the following assumptions:

i Actuarial Assumptions	Year ended	
	March 31 2023	March 31 2022
Discount rate (per annum)	7.20%	5.66%
Salary growth rate	5.00% until year 1 inclusive, then 10.00% until year 3 inclusive, then 9.50%	10.00%
Attrition rate		
Business Development	36.00%	70.00%
Business Operations	36.00%	20.00%
Leadership/Product /Channel	36.00%	5.00%
Merchant Operations	36.00%	70.00%
Technology and Development	36.00%	25.00%

The discount rate used is the market yields on Government Bonds at the Balance Sheet date with remaining terms to maturity approximating those of the Company's obligations.

The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

ii Change in Defined Benefit Obligation	Year ended	
	March 31 2023	March 31 2022
	(Rs. in lakhs)	(Rs. in lakhs)
Balance at the beginning of the year	16.77	-
Current service cost	5.97	16.77
Interest cost	1.27	-
Actuarial (gains)/ losses on obligation	(1.72)	-
Benefits paid	-	-
Balance at the end of the year	22.29	16.77

iii Assets and Liabilities recognised in the Balance Sheet	Year ended	
	March 31 2023	March 31 2022
	(Rs. in lakhs)	(Rs. in lakhs)
Present value of defined benefit obligation as at the end of the year	22.29	16.77
Less: Fair value of plan assets	-	-
Less: Unrecognised past service cost	-	-
Amount recognised as liability	22.29	16.77
Recognised under:		
Long term provisions (Refer note 6)	15.52	16.01
Short term provisions (Refer note 6)	6.77	0.76
Total	22.29	16.77

iv Experience Adjustments	Year ended	
	March 31, 2023	March 31, 2022
	(Rs. in lakhs)	(Rs. in lakhs)
Present value of defined benefit obligation as at the end of the year	22.29	16.77
Fair Value of plan assets as at the end of the year	-	-
Liabilities recognised in the Balance Sheet	22.29	16.77
Experience adjustments on plan liabilities	6.75	1.34

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Cashless Technologies India Private Limited

Cashless Technologies India Private Limited
Notes to Financial statements for the year ended March 31, 2023

v Expenses recognised in the Statement of Profit and Loss

	Year ended March 31, 2023 (Rs. in lakhs)	Year ended March 31, 2022 (Rs. in lakhs)
Current service cost	5.97	16.77
Interest cost	1.27	-
Actuarial (gains)/ losses on obligation	(1.72)	-
Total Expense	**5.52**	**16.77**

vi Amounts recognised in current year and previous year

	Year ended March 31, 2023 (Rs. in lakhs)	Year ended March 31, 2022 (Rs. in lakhs)
Defined benefit obligation at the end of the year	22.29	16.77
Plan assets at the end of the year	-	-
Deficit	22.29	16.77
Experience Adjustments :		
Loss on plan liabilities	-	-
Actuarial Loss due to change in bases	-	-
Loss/(gain) due to change in experience	6.75	-

(c) Compensated Absences

The employees of the company are entitled to take compensatory off to the extent of their leave balance at the any time in the next financial year. Further compensated absences are allowed to carry forward in next financial year subject to a maximum of 11 days and is expected to be availed within next 1 year hence entirely considered as short term in nature and reflected under current liability.

Amount of Rs.7.12 lakhs has been charged back to the statement of profit and loss in this respect for the year ended 31st March 2023.
The liability for compensated absences as at year ended 31st March 2023 is Rs.7.12 lakhs.

24 Earnings per share (Basic and Diluted)

	Year ended March 31, 2023 (Rs. in lakhs)	Year ended March 31, 2022 (Rs. in lakhs)
Loss after tax for equity shareholders (Rs.) (A)	(30.88)	(644.93)
Weighted average number of equity shares outstanding (B)	4,75,55,516	4,48,24,009
Face value per share (Rs.)	10.00	10.00
Earning per share - Basic and Diluted (Rs.)	**(0.06)**	**(1.44)**

25 Leases

As a lessee: operating lease

The Company has operating lease for office premises. This lease arrangement is for a period of 3 years, with minimum lock in of first 12 months. With an escalation clause of 5% or the license fee after completion of every 12 months.

Particulars	Year ended March 31, 2023 (Rs. in Lakhs)	Year ended March 31, 2022 (Rs. in Lakhs)
a. Lease payments recognised in the Statement of Profit and Loss	66.99	28.60

With respect to non-cancellable operating leases, the future minimum lease payments are as follows:

Particulars	As at March 31, 2023 (Rs. in Lakhs)	As at March 31, 2022 (Rs. in Lakhs)
Not later than one year	5.23	-
Later than one year and not later than five years	-	-
Later than five years	-	-

26 Expenditure in Foreign Currency

	Year ended March 31, 2023 (Rs. in Lakhs)	Year ended March 31, 2022 (Rs. in Lakhs)
Employee stock option expenses	181.75	-

27 Unhedged foreign currency exposure

The Foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at the Balance Sheet date are as follows.

Particulars	Currency	Year ended March 31 2023		Year ended March 31 2022	
		in USD (in lakhs)	in Rs. (in lakhs)	in USD (in lakhs)	in Rs. (in lakhs)
Payable to related party (refer note 22)	USD	2.34	189.66	-	-

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Cashless Technologies India Private Limited

28 Employee share option scheme

(a) Employee Stock Option Plan- Synergistic Financial Networks Private Limited ("Mosambee")

Prior to April 12, 2022, the Board of Directors of the Holding Company vide resolution dated September 28, 2021 had approved ESOP 2021 scheme for granting Employee Stock Options in the form of Equity Shares to the eligible employees of the Company as determined by the Board of Directors of the Holding Company

Subsequently to the April 12, 2022, upon acquisition of Mosambee group including the Company by Pine Labs Limited, Mosambee ESOP Option scheme was cancelled and accordingly the existing options held by the employees as on April 12, 2022 have been cancelled and settled during the year ended March 31, 2023 and employees of the Company were given replacement awards of the Pine Labs Limited in lieu of cancellation of stock options.

Additionally subsequent to acquisition of Mosambee group by Pine Labs Limited, any new shares granted to the Mosambee's group and the Company's employees are issued directly by Pine Labs Limited to the invidual employees. Any related employee share option expenses are recognised in Company's financial statement.

Vesting period for these options are over a period of 36 months based on their respective approved vesting schedule by the Board of Directors of the Holding company.

Exercise period for these options are 36 months based on their respective approved vesting schedule by the Board of Directors of the Holding company.

The number and weighted average exercise prices of share options outstanding during the year are as follows :-

ESOP 2021

Particulars	March 31, 2023		March 31, 2022	
	Number of options	Weighted average exercise price- Rs.	Number of options	Weighted average exercise price- Rs.
Options outstanding at the beginning of the year	65,052	80	-	-
Options granted during the year	-	-	65,052	80
Options cancelled and replaced by Holding Company	(47,489)	80	-	-
Options cancelled and settled in cash	(17,563)	80	-	-
Outstanding at the end of the year	-	-	65,052	80
Exercisable at the end of year	-	-	-	-

The Company recognised employee share option expense for the years ending March 31, 2023 and March 31, 2022 in respect of stock options amounting to Rs. Nil and Rs. 212.80 Lakhs respectively. As at March 31, 2023 and March 31, 2022, amount payable towards the Holding Company with respect to Employee stock option expenses are Nil and Rs. 212.80 Lakhs respectively.

The Company had adopted the intrinsic value method as permitted by the Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India in respect of stock options granted. The value of the underlying Shares has been determined by an independent valuer.

(b) Employee stock option plan of Pine Labs Limited (Ultimate Holding Company)

Pine Labs Limited ("The Ultimate Holding Company") formulated the Employees Stock Option Plan 2014 ("Plan") which was approved by the Board of the Ultimate Holding Company.

Vesting conditions

Options granted to a Participant(s), under each Grant, shall vest subject to the condition that the Participant continues to be in employment with the group during the term required as per their respective vesting schedule. Vesting period ranges from immediate vesting to vesting over 12 months, 24 months, 29 months and 48 months based on their respective approved vesting schedule.

Exercise period is the period from the vesting date, as may be determined by the Board of the Ultimate Holding Company from time to time, within which the vested options must be exercised, i.e. 60 months from each vesting date or 12 months from the date of termination of services for any reasons, including but not limited to, death and permanent disability, whichever is earlier or as may be determined by the Board in some specific cases. If the participant does not exercise his vested options during the exercise period, the vested options shall lapse.

Each option entitles the holder to one common share of the Ultimate Holding Company. On exercise of options the employees are issued shares of the Ultimate Holding Company.

The Company has entered into an agreement with the Ultimate Holding Company, whereby the Company will reimburse the Ultimate Holding Company for the share based compensation cost computed on the basis of fair value method in respect of options exercised by the employees of the Company. Accordingly, the Company has set up liability in respect of Share based compensation payable to the Ultimate Holding Company computed on the basis of fair value method in respect of all options vested as well as outstanding as at the year end.

The number and weighted average exercise prices of share options outstanding during the year are as follows :-

Particulars	March 31, 2023		March 31, 2022	
	Number of options	Weighted average exercise price- Rs.	Number of options	Weighted average exercise price- Rs.
Options outstanding at the beginning of the year	-	-	-	-
Options granted during the year	1,278	633	-	-
Options granted as replacement award during the year	3,338	611	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	4,616	617	-	-
Exercisable at the end of year	240	611	-	-

The share options outstanding at March 31, 2023 had a exercise price ranging from INR 611.39 to INR 633.35 (March 31,2022: Nil) and a weighted average remaining contractual life of 6.06 years (March 31, 2022: Nil)

The weighted average fair value of options granted during the year was INR 10,571.66 per option (March 31, 2022 : Nil)

Inputs for measurement of grant date fair values

The fair value of the share options on date of grant was made using the Black-Scholes model with the following assumptions-

Particulars	31 March 2023	31 March 2022
Weighted average share price	19,488.99	-
Expected volatility	35.00%-45.29%	-
Expected life of share options	2.58-4.66	-
Risk Free Rate	2.62%-4.44%	-
Expected dividend yields		-

Share based compensation cost for the years ending March 31, 2023 and March 31, 2022 in respect of stock options amounting to Rs. 181.75 Lakhs and Rs. Nil has been determined based on fair value method. As at March 31, 2023 and March 31, 2022, outstanding liability towards the Company with respect to Employee stock option expenses are Rs. 189.66 Lakhs and Rs. Nil Lakhs respectively.

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Cashless Technologies India Private Limited

29 Segment reporting

The Company is primarily engaged in providing services over its own developed platform which uses its technology and other operational processes that the Company has built over the years. Information reported to and evaluated regularly by the director for the purpose of resource allocation and assessing performance focuses on the business as a whole. The director reviews the Company's performance on the analysis of profit before tax at an overall entity level. Accordingly, there is one primary reportable segment, no other separate reportable segment as defined by 'Accounting Standard 17 - Segment Reporting'. Further, the Company caters only to the needs of the domestic market.

30 Corporate Social Responsibility

The Corporate Social Responsibility (CSR) provisions under section 135 of the Companies Act, 2013 are not applicable to the Company.

31 Additional Disclosures required by Schedule III

(i) Analytical Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	0.95	0.97	-3%	
(b) Debt-Equity Ratio	Short-term borrowings	Shareholders' funds	-37.85	-21.09	79%	Due to increase in short term borrowings taken from related party during the year.
(c) Debt Service Coverage Ratio	Earnings available for debt service (Loss before tax + depreciation expense + finance costs)	Finance costs	0.04	-20.48	100%	Due to decrease in loss before tax and increase in finance costs.
(d) Return on Equity Ratio	Loss for the year	Average Shareholders' funds	-0.32	-6.59	95%	Due to decrease in loss after tax.
(e) Trade Receivables turnover ratio	Revenue from operations	Average Trade receivables	5.98	23.82	75%	Due to decrease in trade receivable
(f) Trade payables turnover ratio	Operating expenses + Other expenses	Average Trade Payables	9.08	20.61	56%	Due to decrease in trade payable
(g) Net capital turnover ratio	Revenue from operations	Average Working Capital	-6.03	-42.49	86%	Due to decrease in trade payable.
(h) Net profit ratio	Loss for the year	Revenue from operations	-0.02	-0.33	95%	Due to decrease in loss after tax.
(i) Return on Capital employed	Earning before interest and taxes	Capital Employed	0.00	-0.37	100%	Due to increase in earnings before Interest and taxes.
(j) Return on Investment	Earning before interest and taxes	Total Assets	0.00	-0.11	100%	Due to increase in earnings before Interest and taxes.

(ii) There are no proceedings that have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.

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

(iv) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, and there are no companies beyond the specified layers.

(v) Utilisation of Borrowed funds and share premium:

(A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
(i) 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
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(B) 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.

S S R & Co. LLP GURUGRAM Chartered Accountants

Cashless Technologies India Private Limited

Cashless Technologies India Private Limited
Notes to Financial statements for the year ended March 31, 2023

(vi) Undisclosed Income

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961). Further, there was no previously unrecorded income and no additional assets were required to be recorded in the books of account during the year.

(vii) Details of Crypto Currency or Virtual Currency

The Company has neither traded nor invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2023. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

(viii) There are no transaction or balance outstanding as at March 31, 2023 and March 31, 2022 with Struck off Companies.

(ix) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(x) Utilisation of borrowings availed from banks and financial institutions - The Company does not have any borrowing from banks and financial institutions during the current or previous year.

(xi) Registration of charges or satisfaction with Registrar of Companies - There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xii) Title deeds of immovable properties not held in name of the company - The Company does not have any immovable property during the current or previous year.

(xiii) Valuation of property, plant and equipment, intangible asset and investment property - The Company does not have any investment property during the current or previous year. The Company has chosen cost model for its property, plant and equipment and intangible assets. Hence, no revaluation was carried out for these assets.

(xiv) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs or related parties, either severally or jointly with any other person, that are (a) repayable on demand or (b) without specifying any terms or period of repayment.

32 Contingent liabilities

Until August 30, 2022, the Company was unable to fill the position of company secretary as required under Section 203 of the Companies Act, 2013, read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Hereinafter referred as "Act"). However, during the year, the Company has appointed a Company Secretary with effect from September 01, 2022, and accordingly has complied with the provisions of the Act for the year ended March 31, 2023. The Company is evaluating the process for the regularisation of delays in the appointment of the Company Secretary in earlier years.
The consequential financial impact, if any, of the above matter is immaterial to the financial statements as a whole.

33 Capital and other commitments

Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. Nil as at March 31, 2023 and March 31, 2022.

34 Transfer Pricing

The Company is in the process of developing a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under section 92-92F of the Income-tax Act, 1961which require existence of these records latest by such date as required under law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation for the year.

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. : 101248W/W-100022

Ankit Gupta

Ankit Gupta
Partner
Membership Number: 517870

Place : New Delhi
Date: 08 September 2023

For and on behalf of the Board of Directors of
Cashless Technologies India Private Limited

Soorraj VS
Managing Director
DIN: 08777727

Place : Mumbai
Date: 08 September 2023

Prashant Jaju
Director
DIN: 09566330

Place : Noida
Date: 08 September 2023

Cashless Technologies India Private Limited

B S R & Co. LLP GURUGRAM Chartered Accountants

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