



Rapipay Fintech Private Limited

15th Annual Report
2023-24

CORPORATE INFORMATION

BOARD OF DIRECTORS

DESIGNATION / DIN

Mr. Yogendra Singh Kashyap	Managing Director / 00755017
Mr. Nipun Jain	Whole-time Director & CEO / 09493589
Mr. Deepak Vaswan	Whole-time Director & CBO / 07814811
Mr. Vinod Somani	Independent Director / 00327231
Mr. Yogendra Pal Singh	Independent Director / 08347484
Mrs. Rashmi Fauzdar	Independent Woman Director / 07599221
Mr. Keshav Porwal	Non-Executive Director / 06706341

KEY MANAGERIAL PERSONAL (KMP)

DESIGNATION

Mr. Yogendra Singh Kashyap	Managing Director
Mr. Nipun Jain	Whole-time Director & CEO
Mr. Deepak Vaswan	Whole-time Director & CBO
Mr. Sumit Choudhary	Chief Financial Officer
Mr. Tushar Goel	Company Secretary

KEY COMMITTEE(S) OF BOARD

AUDIT COMMITTEE

Mr. Vinod Somani	Chairman
Mr. Yogendra Pal Singh	Member
Mrs. Rashmi Fauzdar	Member
Mr. Yogendra Singh Kashyap	Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Yogendra Pal Singh	Chairman
Mr. Vinod Somani	Member
Mrs. Rashmi Fauzdar	Member

STATUTORY AUDITORS

SECRETARIAL AUDITORS

Walker Chandio & Co. LLP Chartered Accountants Firm Registration No. 001076N/N500013 10 C, Hungerford Street, 5 th Floor, Kolkata – 700017	Arun Gupta & Associates Company Secretaries 59, Ground Floor, St. No. 3, Madan Park, East Punjabi Bagh, New Delhi – 110026
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INTERNAL AUDITORS

REGISTRAR & SHARE TRANSFER AGENT

Pankaj Priti & Associates Chartered Accountants 1027, 10 th Floor, Roots Tower, District Centre, Laxmi Nagar, New Delhi-110092	KFin Technologies Limited KFin Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032
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REGISTERED OFFICE

CORPORATE OFFICE

2 nd Floor, DLF Centre, Sansad Marg, New Delhi-110001 CIN: U72200DL2009PTC189149	A-8, 8 th Floor (Q-Tower), Sector-68, Noida-201301 (UP) Website: www.rapipay.com
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DIRECTORS REPORT

To,
The Members,
Rapipay Fintech Private Limited ("Company")

Your Board of Directors ("**Board**") takes pride in presenting the 15th (Fifteenth) Annual Report of the Company together with the Audited Financial Statements for the Financial Year ("**FY**") ended March 31, 2024 ("**period under review**").

1. FINANCIAL SUMMARY

The Company's financial performance for the FY ended March 31, 2024 along with previous FY ended March 31, 2023 are presented hereunder:

Particulars	(in INR Lakh)	
	FY Ended March 31, 2024	FY Ended March 31, 2023
Total Income	42,723.75	44,473.37
Total Expenditure	46,463.47	53,799.62
Profit/(Loss) before tax	(3,739.72)	(9,326.25)
Provision for tax (including Deferred Tax)	11.06	-
Profit/(Loss) after tax	(3,750.78)	(9,326.25)
Other comprehensive income	(13.99)	(12.68)
Total comprehensive income for the period	(3,764.77)	(9,338.93)
Add: Profit and Loss account balance brought forward from previous year	-	-
Add: Retained earnings from amalgamation	-	-
Balance carried to Balance Sheet	(3,764.77)	(9,338.93)

2. STATE OF COMPANY'S AFFAIRS AND FINANCIAL HIGHLIGHTS

The Company is engaged in carrying out the digital wallet business having semi closed pre-paid instrument license from Reserve Bank of India and operates on an Assisted mode (B2B) via its Direct Business Outlets (neighborhood stores) across the nation, providing services to the unbanked and underserved sections of the society. The Company is also engaged in digital lending business. The Company's assisted payment services are instrumental in growing financial inclusion in India, making RapiPay, one of the leading players in banking and financial services such as AEPS, Micro ATM, Domestic Remittance and allied services.

During the period under review, the Total Income of the Company was INR 42,723.75 Lakhs, Total Expenditure of the Company was INR 46,463.47 Lakhs and Profit/(Loss) after Tax was INR (3,750.78) Lakhs.

The management has identified a potential roadmap for the future operations and is hopeful of a decent growth in the years ahead.

During the period under review, the validity of Certificate of Authorisation for carrying on the business of Prepaid Payment Systems in India by the Company, issued by Reserve Bank of India has been renewed and extended for a further period of 1 year till March 31, 2025.

3. DIVIDEND

In view of losses, your Directors do not recommend any dividend for the period under review.

4. TRANSFER TO RESERVES

As per the approved financial statements, the Board has not transferred any amount to the Reserves and Surplus Account for the year ended on March 31, 2024.

5. SHARE CAPITAL

During the period under review, there was no change in the capital structure of the Company. As of March 31, 2024, the Capital structure stands as follows:

Particulars	Details
Authorised Share Capital	INR 65,00,00,000 (Indian Rupees Sixty Five Crores only) divided into 6,50,00,000 (Six Crore Fifty Lakh) Equity Shares of INR 10 (Indian Rupees Ten only) each.
Issued, Subscribed and Paid-up Share Capital	INR 39,70,71,390 (Indian Rupees Thirty Nine Crores Seventy Lakhs Seventy One Thousand Three Hundred and Ninety only) divided into 3,97,07,139 (Three Crores Ninety Seven Lakhs Seven Thousand One Hundred and Thirty Nine) Equity Shares of INR 10 (Indian Rupees Ten only) each.

6. CHANGE IN NATURE OF BUSINESS

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

7. DETAILS OF HOLDING, SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANY(IES)

Holding Company(s)

As on March 31, 2024, Capital India Finance Limited is the holding company of the Company, holding 52.50% paid-up share capital of the Company.

Capital India Corp Private Limited is the ultimate parent entity of the Company.

Subsidiary Company(s)

As on March 31, 2024, the Company has following subsidiaries:

S. No.	Name of the Company	Percentage of Shareholding
1	NYE Investech Private Limited <i>(formerly Kuants Wealth Private Limited)</i>	100%
2	NYE Insurance Broking Private Limited	100%

Joint Venture/Associate Company(s)

The Company does not have any Joint Venture/Associate Company pursuant to the provisions of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

8. BOARD AND KEY MANAGERIAL PERSONNEL

Board Composition and Changes therein

As on March 31, 2024, the Board of the Company comprise of 1 (One) Managing Director, 2 (Two) Whole-time Directors, 3 (Three) Independent Directors and 1 (One) Non-Executive Director. None of the Directors of the Company are disqualified from being appointed as/or holding office of Director as stipulated in Section 164 of the Companies Act, 2013.

RAPIPAY FINTECH PRIVATE LIMITED

The composition of the Board of Directors as on March 31, 2024 is as under:

S. No.	Name	Designation	DIN
1.	Mr. Yogendra Singh Kashyap	Managing Director	00755017
2.	Mr. Nipun Jain	Whole-time Director & Chief Executive Officer	09493589
3.	Mr. Deepak Vaswan	Whole-time Director & Chief Business Officer	07814811
4.	Mr. Vinod Somani	Independent Director	00327231
5.	Mr. Yogendra Pal Singh	Independent Director	08347484
6.	Mrs. Rashmi Fauzdar	Independent Woman Director	07599221
7.	Mr. Keshav Porwal	Non-Executive Director	06706341

During the period under review:

- a. Mrs. Rashmi Fauzdar (DIN: 07599221), on the recommendation of the Nomination & Remuneration Committee, was appointed as an Additional Director in the category of Non-Executive Independent Woman Director on the Board of the Company w.e.f. April 25, 2023, not liable to retire by rotation, which was duly approved by the Shareholders of the Company in its 14th Annual General Meeting ("AGM") held on June 19, 2023.
- b. The Board of Directors on the recommendation of the Nomination & Remuneration Committee have appointed Mr. Deepak Vaswan, Non-Executive Director of the Company as the Chief Business Officer and re-designated him as the Whole-time Director & Chief Business Officer of the Company for a period of 3 (three) years w.e.f. January 01, 2024, liable to retire by rotation. The aforesaid appointment had been approved by the Shareholders of the Company at the Extra-Ordinary General Meeting held on December 27, 2023.

Further, in the opinion of the Board the Independent Director appointed during the period under review possess the requisite expertise, experience (including the proficiency) and integrity.

Apart from the changes mentioned hereinabove, there was no other change in the Board of Directors of the Company.

Key Managerial Personnel ("KMP") and Changes therein

As on March 31, 2024, following are the KMPs of the Company:

S. No.	Name	Designation
1.	Mr. Yogendra Singh Kashyap	Managing Director
2.	Mr. Nipun Jain	Whole-time Director & Chief Executive Officer
3.	Mr. Deepak Vaswan	Whole-time Director & Chief Business Officer
4.	Mr. Sumit Choudhary	Chief Financial Officer
5.	Mr. Tushar Goel	Company Secretary

During the period under review, Mr. Deepak Vaswan was appointed as the Whole-time Director & Chief Business Officer (Key Managerial Personnel) of the Company, with effect from January 01, 2024.

Declaration by Independent Directors

The Independent Directors of the Company have submitted the declaration of their independence in conformity with Section 149(7) of the Companies Act, 2013 and the rules made thereunder, stating that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and are not disqualified from continuing as Independent Directors.

During the period under review, the Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees for attending the meetings of the Company.

Director retiring by rotation

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Keshav Porwal (DIN: 06706341) is liable to retire by rotation at the ensuing AGM of the Company. He, being eligible for re-appointment, has offered himself for re-appointment at the AGM and the matter shall be placed before the members for their consideration at the ensuing AGM.

9. COMMITTEES OF THE BOARD

The Committees of the Board as on the financial year ended on March 31, 2024, are as under:

Audit Committee

The Audit Committee has been constituted in terms of the provisions of Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

As on March 31, 2024, the Audit Committee comprises of the following members:

S. No.	Name	Designation
1	Mr. Vinod Somani	Chairman
2	Mr. Yogendra Pal Singh	Member
3	Mrs. Rashmi Fauzdar	Member
4	Mr. Yogendra Singh Kashyap	Member

During the period under review, Mrs. Rashmi Fauzdar has been inducted as a member of the Audit Committee w.e.f. April 25, 2023.

Terms of Reference

The terms of reference of the Audit Committee of the Board include the following:

- a. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- b. review and monitor the auditors' independence and performance, and the effectiveness of the audit process;
- c. examination of the financial statements and the auditors' report thereon;
- d. approval or any subsequent modification of transactions of the Company with the related parties;
- e. scrutiny of inter-corporate loans and investments;
- f. valuation of undertakings or assets of the Company, wherever it is necessary;
- g. evaluation of internal financial controls and risk management systems;
- h. monitoring the end use of funds raised through public offers and related matters;
- i. review and ensure Information System Audit of the internal systems and processes;
- j. oversee the vigil mechanism established by the Company for the Directors and employees to report genuine concerns;
- k. any other responsibility as may be assigned by the Board, from time to time; and
- l. any other matter in relation to above which the committee deems fit and which is not reserved to be approved by the Board under the Companies Act, 2013 or any other applicable law.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee has been constituted in terms of the provisions of Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

As on March 31, 2024, the Nomination & Remuneration Committee comprises of the following members:

S. No.	Name	Designation
1.	Mr. Yogendra Pal Singh	Chairman
2.	Mr. Vinod Somani	Member
3.	Mrs. Rashmi Fauzdar	Member

During the period under review, subsequent to the appointment of Mr. Deepak Vaswan as Whole-time Director & Chief Business Officer of the Company, Mr. Vaswan ceased to be a member of the Nomination & Remuneration Committee and Mrs. Rashmi Fauzdar was inducted as a member of the Nomination & Remuneration Committee w.e.f. December 20, 2023.

Terms of Reference

The terms of reference of the Nomination & Remuneration Committee of the Board include the following:

- a. identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down;
- b. recommend to the Board the appointment and removal of persons specified in clause a;
- c. specify the manner for effective evaluation of performance of the Board, its committees and individual Directors and review its implementation and compliance;
- d. carry out the performance evaluation of the Board, its Committees and individual Directors;
- e. formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- f. ensure fit and proper status of the proposed/existing Directors;
- g. recommend to the Board, a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- h. any other responsibility as may be assigned by the Board, from time to time; and
- i. any other matter in relation to above which the committee deems fit and which is not reserved to be approved by the Board under the Companies Act, 2013 or any other applicable law.

Management Committee

As on March 31, 2024, the Management Committee comprises of the following members:

S. No.	Name	Designation
1	Mr. Deepak Vaswan	Chairman
2	Mr. Yogendra Singh Kashyap	Member
3	Mr. Nipun Jain	Member

10. MEETINGS

A. Board Meeting

During the period under review, 6 (Six) Board Meetings were held and the intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The details of the Board Meetings and the number of Directors attended the meetings is as under:

S. No.	Date of Meeting	Total no. of Directors on the date of meeting	No. of Directors present at the meeting
1.	April 25, 2023	6	6
2.	August 03, 2023	7	7
3.	November 02, 2023	7	7
4.	December 20, 2023	7	6

5.	February 05, 2024	7	7
6.	March 18, 2024	7	7

The attendance of each of the Directors in the above-mentioned Board Meetings, is as follows:

S. No.	Name of Director	No. of Board Meetings Attended/No. of Meetings held during the tenure of Director
1.	Mr. Yogendra Singh Kashyap	6/6
2.	Mr. Nipun Jain	6/6
3.	Mr. Vinod Somani	6/6
4.	Mr. Yogendra Pal Singh	6/6
5.	Mrs. Rashmi Fauzdar	5/5
6.	Mr. Keshav Porwal	6/6
7.	Mr. Deepak Vaswan	5/6

B. Committee(s) Meetings

Audit Committee:

During the period under review, 5 (Five) meetings of the Audit Committee were held on April 25, 2023, August 03, 2023, November 02, 2023, December 20, 2023 and February 05, 2024, wherein all the members of the Committee were present.

Nomination & Remuneration Committee:

During the period under review, 3 (Three) meetings of the Nomination & Remuneration Committee were held on August 03, 2023, December 20, 2023 and February 05, 2024, wherein all the members of the Committee were present, except in 1 (One) meeting which was held on December 20, 2023, wherein Mr. Deepak Vaswan was absent.

C. General Meetings

Annual General Meeting:

The Annual General Meeting of the Company was held on June 19, 2023.

Extra-Ordinary General Meeting:

During the period under review, 3 (Three) Extra-Ordinary General Meetings of the members of the Company were held on April 01, 2023, December 27, 2023, and March 18, 2024.

11. ANNUAL RETURN

The Annual Return as provided under sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 has been placed on the website of the Company www.rapipay.com.

12. DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, in the preparation of the Financial Statements for the financial year ended on March 31, 2024 and state that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

RAPIPAY FINTECH PRIVATE LIMITED

- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. CORPORATE GOVERNANCE

Effective corporate governance practice constitutes the strong foundation, on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance superintends business strategies and ensures accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company believes that governance practices enable the Management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximising value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a leading financial services Company in India.

14. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 read with the rules made thereunder, the Board has adopted a Performance Evaluation Policy specifying the manner for effective evaluation of performance of the Directors, the Board and its Committees.

The Performance Evaluation Policy aims to:

- a. establish a procedure for conducting periodical evaluation of the performance of the Directors, the Board and its Committees;
- b. ensure that the Committees to which the Board has delegated specific responsibilities, perform efficiently and in conformity with the prescribed functions and duties;
- c. adopt best practices to manage the affairs of the Company in a seamless manner;
- d. achieve good corporate governance as well as sustained long-term value creation for stakeholders of the Company; and
- e. ensure that the Directors, the Board and the Committees work efficiently and effectively in discharging their responsibilities.

15. POLICIES GOVERNING THE APPOINTMENT AND REMUNERATION OF THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Board has adopted a Policy on remuneration of the Directors, Key Managerial Personnel and other employees.

The Policy on remuneration of the Directors, Key Managerial Personnel and other employees aims:

- a. that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Executives and Other Employees of the quality required to run the Company successfully;
- b. that relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

- c. that remuneration to Directors, Executives and Other Employees involves a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals; and
- d. to enable the Company to provide a well-balanced and performance-related compensation package, taking in to account shareholder interests, industry standards and relevant Indian corporate regulations. The detailed policy on remuneration of the Directors, Key Managerial Personnel and other employees is available on the website of the Company at the URL <https://rapipay.com>.

16. STATUTORY AUDITORS

Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) was appointed as a Statutory Auditors of the Company for a period of 5 (Five) consecutive years to hold office till the conclusion of 18th (Eighteenth) AGM.

Walker Chandiook & Co LLP has conducted the Statutory Audit for the period ended March 31, 2024. The report submitted by the Statutory Auditors on the Financial Statements of the Company forms part of this Annual Report.

There have been no qualifications, reservations or adverse remarks or disclaimer given by the Statutory Auditors in their report.

17. INTERNAL AUDITORS

The Board of Directors had appointed M/s Pankaj Priti & Associates, Chartered Accountants, as the Internal Auditors to undertake internal audit of the Company for the financial year 2023-24 in terms of the provisions of Section 138 of the Companies Act, 2013 read with the rules made thereunder.

18. COST RECORDS

The provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, are not applicable on the Company, for the period under review.

19. SECRETARIAL AUDIT

Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed company shall annex with its annual report, the Secretarial Audit Report of its material subsidiaries incorporated in India. The Company being a material subsidiary of Capital India Finance Limited, which is a listed entity, is required to appoint Secretarial Auditors to conduct the secretarial audit of the Company for the period under review.

Subsequently, pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Arun Gupta & Associates, Company Secretaries as Secretarial Auditors of the Company to conduct the secretarial audit for the period ended March 31, 2024.

The Secretarial Audit Report received from the Secretarial Auditor forms part of this Annual Report as "Annexure-I". The Secretarial Audit Report does not contain any qualification, reservation, and adverse remark.

20. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The provisions of Section 135 of the Companies Act, 2013 and rules made thereunder, relating to constitution of Corporate Social Responsibility Committee, are not applicable on the Company.

21. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The provisions of Section 177 of the Companies Act, 2013 regarding vigil mechanism, are not applicable on the Company.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans, guarantees and investments as per Section 186 of the Companies Act, 2013, made by the Company, have been disclosed in the financial statements.

23. PARTICULARS OF EMPLOYEES RECEIVING REMUNERATION MORE THAN THE LIMIT PRESCRIBED

The disclosures required under Section 197 of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, is not applicable on the Company.

24. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of financial year of the Company to which these financial statements relates and the date of this report.

25. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

S. No.	Particulars	Details
A.	CONSERVATION OF ENERGY	
1.	The steps taken or impact on conservation of energy	N.A.
2.	During the year under review, measures initiated/ adopted for conservation of energy.	N.A.
3.	The capital investment on energy conservation equipment	N.A.
B.	TECHNOLOGY ABSORPTION	
1.	Efforts made towards technology absorption	N.A.
2.	Benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
3.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- a. Details of technology imported; b. Year of import; c. Whether the technology been fully absorbed; d. If not fully absorbed, areas where absorption has not taken place and the reasons thereof.	N.A.
4.	Expenditure incurred on Research and Development.	N.A.
C.	FOREIGN EXCHANGE EARNINGS AND OUTGO	
	a. Foreign Exchange earnings	NIL
	b. Foreign Exchange outgo	INR 223.34 lakhs

26. RISK MANAGEMENT

The Board of Directors periodically review the risks faced by the Company and the practices/processes followed to manage them including the risk reporting structure along with the responsibilities, mitigation, control and key risks. In the opinion of the Board there is no identified risk, which may threaten the existence of the Company.

27. DEPOSITS

The Company has neither accepted nor renewed any deposits during the period under review in terms of Chapter V of the Companies Act, 2013.

28. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Integrated Framework adopted by the Company, which is based on the applicable guidance on Internal Financial Control, is adequate and effective. The systems and procedures adopted by the Company ensures the orderly and efficient conduct of its business and adherence to the Company's policies, prevention and detection of frauds and errors, accuracy and completeness of records and timely preparation of reliable financial information.

29. DETAILS IN RESPECT OF FRAUDS, IF ANY, REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013

There was no fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013, to the Board of Directors during the period under review.

30. DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL ACT, 2013)

The Company has in place a policy on Prevention of Sexual Harassment in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("**Act**") to inter alia ensure that the employees are not subject to any form of sexual harassment and to constitute the Internal Complaints Committee. Your Company is fully committed to protect the rights of any women, of any age, whether employed or not, who alleges to have been subjected to any act of sexual harassment within the Company's premises. Your Company provides a safe and healthy work environment. As per the requirement of the said Act and the policy formulated by the Company, an Internal Complaints Committee (ICC) has been constituted by the Company.

During the period under review, there was no complaint received by the Company.

31. OTHER INFORMATION

(a) Employee Stock Option

The Company has issued employee stock options to its employees under the Rapipay Employee Stock Option Plan, 2020. The detailed disclosure as required under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 is annexed herewith as "**Annexure-II**" and forms part of this report.

(b) Details of significant and material orders passed by the regulators or courts or tribunals affecting the going concern status and company's operations in future

No significant and material orders have been passed during the period under review by the regulators or Courts or Tribunals affecting the going concern status and Company's operations in future except as specified elsewhere in this report.

RAPIPAY FINTECH PRIVATE LIMITED

Further, no penalties have been levied by the Reserve Bank of India or any other regulator during the period under review.

(c) Particulars of Contracts or Arrangements with Related Parties

None of the transactions with related party(ies) comes within the ambit of Section 188 of the Companies Act, 2013. Accordingly, the particulars of the transactions as prescribed in Form AOC - 2 of the rules prescribed under the Companies (Account) Rules, 2014 of the Companies Act, 2013 are not applicable.

(d) Compliance with Secretarial Standards

The Company complies with the provisions of Secretarial Standard - 1 (Secretarial Standard on meetings of Board of Directors) and Secretarial Standard - 2 (Secretarial Standard on General Meetings).

(e) No application has been made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year; and

(f) During the financial year 2023-24, there was no instance of one-time settlement with Banks or Financial Institutions. Therefore, as per rule 8(5)(xii) of Companies (Accounts) Rules, 2014, reasons of difference in the valuation at the time of one-time settlement and valuation done while taking loan from the Banks or Financial Institutions are not reported.

32. ACKNOWLEDGEMENT

The Board places on record its appreciation for the valuable support and co-operation from the various Government agencies, banks, customers, suppliers, client and members.

Your Directors also wish to place on record their appreciation for the valuable services rendered and the commitment displayed by the employees of the Company and look forward to their continued support in the future as well.

**On behalf of the Board of Directors of
Rapipay Fintech Private Limited**

Yogendra Singh Kashyap
Managing Director
DIN: 00755017

Nipun Jain
Whole-time Director & CEO
DIN: 09493589

Date: **May 13, 2024**

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year Ended on 31st March, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Rapipay Fintech Private Limited
(CIN: U72200DL2009PTC189149)
2nd Floor, DLF Centre, Sansad Marg,
Central Delhi, New Delhi – 110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by “**Rapipay Fintech Private Limited**” (hereinafter called the “**Company**”). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and representations made by the management. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- i) The Companies Act, 2013 (“the Act”) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder; **(Not applicable to the Company during the Audit Period)**
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;
- v) Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) to the extent applicable;
- vi) I have relied on the representation made by the Company and its officer for system and mechanism framed by the Company for compliances under the following Act, Laws & Regulations of the Company:
 - a. The Payment and Settlement Systems Act, 2007;
 - b. Master Direction on Prepaid Payment Instruments, 2021 (PPIs);
 - c. The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Provisions of The Employees State Insurance Act, 1948
 - d. The Employees Compensation Act, 1923, The Equal Remuneration Act, 1976, and all other allied Labour laws;
 - e. Income Tax Act, 1961;
 - f. The Prevention of Money Laundering Act, 2002;
 - g. The Central Goods and Service Tax Act, 2017 and the applicable State Goods and Service Tax Act(s);

RAPIPAY FINTECH PRIVATE LIMITED

- h. Delhi Shops and Establishment Act, 1954;
- i. Other State laws on Shops and Commercial Establishments, wherever applicable;
- j. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- k. Reserve Bank of India Act, 1934 and rules, regulations, circulars, notification issued by Reserve Bank of India from time to time for Prepaid Instruments Company;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable.

During the period under review the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standard, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. There are changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all Directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions were carried through with the unanimous consent, therefore dissenting members' views are not required to be captured and recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we have an opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above have occurred in the Company.

**For Arun Gupta & Associates
Company Secretaries
Firm Regn. No. I2008DE626100**

**Arun Kumar Gupta
Proprietor
Membership No.: A21227
C.P. No.: 8003
PR 1008/2020
UDIN: A021227F000292773**

Place: New Delhi
Date: 08/05/2024

Note 1: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

“ANNEXURE A”

To,
The Members,
Rapipay Fintech Private Limited
(CIN: U72200DL2009PTC189149)
2nd Floor, DLF Centre, Sansad Marg,
Central Delhi, New Delhi - 110001

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 (“CSAS”) prescribed by the Institute of Company Secretaries of India (“ICSI”). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit, including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management’s Representation Letter about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standard is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The maximum liability of my firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

For Arun Gupta & Associates
Company Secretaries
Firm Regn. No. I2008DE626100

Arun Kumar Gupta
Proprietor
Membership No.: A21227
C.P. No.: 8003
PR 1008/2020
UDIN: A021227F000292773

Place: New Delhi
Date: 08/05/2024

DISCLOSURE ON THE EMPLOYEE STOCK OPTIONS SCHEME
(Pursuant to Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014)

S. No.	Particulars	Details						
1.	Options granted	42,88,171						
2.	Options vested	22,88,719						
3.	Options exercised	NIL						
4.	The total number of shares arising as a result of exercise of option	N.A.						
5.	Options lapsed	12,00,668						
6.	Exercise Price	INR 100 / INR 300						
7.	Variation of terms of options	NIL						
8.	Money realized by exercise of options	NIL						
9.	Total number of options in force	30,87,503						
10.	Employee wise details of options granted during the financial year ended March 31, 2024							
	a) Key Managerial Personnel;	<table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Name</th> <th>No. of Options granted</th> </tr> </thead> <tbody> <tr> <td colspan="3">NIL</td> </tr> </tbody> </table>	Sr. No.	Name	No. of Options granted	NIL		
Sr. No.	Name	No. of Options granted						
NIL								
	b) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year; and	<table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Name</th> <th>No. of Options granted</th> </tr> </thead> <tbody> <tr> <td colspan="3">NIL</td> </tr> </tbody> </table>	Sr. No.	Name	No. of Options granted	NIL		
Sr. No.	Name	No. of Options granted						
NIL								
	c) Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	<table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Name</th> <th>No. of Options granted</th> </tr> </thead> <tbody> <tr> <td colspan="3">Nil</td> </tr> </tbody> </table>	Sr. No.	Name	No. of Options granted	Nil		
Sr. No.	Name	No. of Options granted						
Nil								

Walker Chandiook & Co LLP

Plot No. 19A, 2nd floor,
Sector - 16A,
Noida - 201 301
Uttar Pradesh, India

T +91 120 485 5999
F +91 120 485 5902

Independent Auditor's Report

To the Members of Rapipay Fintech Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Rapipay Fintech Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Independent Auditors Report to the members of Rapipay Fintech Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

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

4. The Company's Board of Directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors Report, but does not include the financial statements and our auditor's report 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors is 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.
7. 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

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

Independent Auditors Report to the members of Rapipay Fintech Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.

Report on Other Legal and Regulatory Requirements

11. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

Independent Auditors Report to the members of Rapipay Fintech Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

- c) The financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed an unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in note 33 (b) to the financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2024;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024.;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 44 (xiii) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 44 (xiii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year ended 31 March 2024.
 - vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on or after 1 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software.

Walker Chandiok & Co LLP

Independent Auditors Report to the members of Rapipay Fintech Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

Jyoti Vaish
Partner
Membership No.: 096521
UDIN: 24096521BKEFRF5110

Place : Noida
Date : 13 May 2024

Annexure I referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Rapipay Fintech Private Limited on the financial statements for the year ended 31 March 2024

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

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

(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment (other than Soundbox machines) and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Soundbox machines are in possession of merchants and management is of the view that it is not possible to physically verify these assets due to their nature and location. According to the information and explanations given to us, the existence of Soundbox machines is verified on the basis of the active user status in the system by the management. In accordance with this program, certain property, plant and equipment (other than Soundbox machines) and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.

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

Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Rapipay Fintech Private Limited on the financial statements for the year ended 31 March 2024

(iii)

- (a) The Company has provided loans or advance in the nature of loans, or guarantee, to Subsidiary and others during the year as per details given below:

Particulars	Guarantees (Rs. In Lakhs)	Loans (Rs. In Lakhs)
Aggregate amount provided/granted during the year (Rs.): - Others	-	2,200
Balance outstanding as at balance sheet date in respect of above cases (Rs.): - Others	25	-

- (b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.
- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.
- (e) The Company has granted loan in the nature of loans which had fallen due during the year and was repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loan in nature of loan.
- (f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Rapipay Fintech Private Limited on the financial statements for the year ended 31 March 2024

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) (a) and (b) of the Order is not applicable to the Company.
 - (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
 - (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
 - (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
 - (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiary.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
 - (b) 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, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
 - (b) According to the information and explanations given to us including the representation made to us by the management of the Company, 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 Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
 - (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
 - (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Rapipay Fintech Private Limited on the financial statements for the year ended 31 March 2024

- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the 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, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has only one (Capital India Corp Private Limited, an ultimate holding company) Core Investment Company as part of the Group.
- (xvii) The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to Rs.509.85 Lakhs and Rs.3,225.97 Lakhs respectively.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, accordingly the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

Jyoti Vaish
Partner
Membership No.: 096521
UDIN: 24096521BKEFRF5110

Place: Noida
Date: 13 May 2024

Annexure II

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

1. In conjunction with our audit of the financial statements of Rapipay Fintech Private Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements .

Annexure II to the Independent Auditor's Report of even date to the members of Rapipay Fintech Private Limited on the financial statements for the year ended 31 March 2024

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

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

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

Jyoti Vaish
Partner
Membership No.: 096521
UDIN: 24096521BKEFRF5110s

Place: Noida
Date: 13 May 2024

Rapipay Fintech Private Limited
(Company Identification No: U72200DL2009PTC189149)
Balance Sheet as at 31 March 2024
(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	600.57	885.69
(b) Right-of-use assets	4	462.81	1,407.73
(c) Other intangible assets	5	4,353.01	1,491.28
(d) Intangible assets under development	6	185.71	3,004.34
(e) Financial assets			
(i) Investments	7	2,365.60	2,133.29
(ii) Other financial assets	8	448.30	134.21
(f) Deferred tax assets (net)	9	-	11.06
(g) Other non-current assets	10	3.05	2.70
Total non-current assets		8,419.05	9,070.30
Current assets			
(a) Inventories	11	110.01	56.95
(b) Financial assets			
(i) Trade receivables	12	1,540.17	1,489.20
(ii) Cash and cash equivalents	13	12,086.24	15,808.86
(iii) Bank balances other than (ii) above	14	1,249.99	1,048.37
(iv) Other financial assets	8	1,212.69	693.05
(c) Current tax assets (net)	15	540.06	547.96
(d) Other current assets	10	855.03	503.87
Total current assets		17,594.19	20,148.26
Total assets		26,013.24	29,218.56
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	16	3,970.72	3,970.72
(b) Other equity	17	4,029.33	7,027.34
Total equity		8,000.05	10,998.06
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	36	294.25	1,184.46
(b) Provisions	18	272.57	221.23
Total non-current liabilities		566.82	1,405.69
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	36	252.27	355.82
(ii) Trade payables	19		
Total outstanding dues of micro enterprises and small enterprises		76.20	46.63
Total outstanding dues of creditors other than micro enterprises and small enterprises		401.15	429.33
(iii) Other financial liabilities	20	15,952.00	15,307.49
(b) Provisions	18	70.67	46.52
(c) Other current liabilities	21	694.08	629.02
Total current liabilities		17,446.37	16,814.81
Total equity and liabilities		26,013.24	29,218.56

The accompanying notes are an integral part of these financial statements.
This is the balance sheet referred to in our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

For and on behalf of the Board of Directors of

Rapipay Fintech Private limited

Jyoti Vaish

Partner

Membership Number: 096521

Place: Noida

Date: 13 May 2024

Nipun Jain

Whole Time Director & Chief
Executive Officer

DIN No : 09493589

Place: Noida

Date: 13 May 2024

Yogendra Singh Kashyap

Managing Director

DIN No : 00755017

Place: Noida

Date: 13 May 2024

Sumit Kumar Choudhary

Chief Financial Officer
PAN: ACVPC3264D

Place: Noida

Date: 13 May 2024

Tushar Goel

Company Secretary
Membership No.: A29374

Place: Noida

Date: 13 May 2024

Rapipay Fintech Private Limited
(Company Identification No: U72200DL2009PTC189149)

Statement of Profit and Loss for the year ended 31 March 2024
(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
INCOME			
Revenue from operations	22	41,995.42	43,920.81
Other income	23	728.33	552.56
Total income		42,723.75	44,473.37
EXPENSES			
Service and commission charges	24	31,900.06	36,079.58
Purchases of stock-in-trade	25	175.15	265.17
Changes in inventories of stock-in-trade	26	(53.06)	45.63
Employee benefits expense	27	7,297.45	11,417.08
Finance costs	28	65.62	123.89
Depreciation and amortisation expense	29	1,986.54	1,281.63
Other expenses	30	5,091.71	4,586.64
Total expenses		46,463.47	53,799.62
Loss before tax for the year		(3,739.72)	(9,326.25)
Tax expenses			
Current tax		-	-
Deferred tax	9	11.06	-
Total tax expenses		11.06	-
Loss for the year (A)		(3,750.78)	(9,326.25)
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement loss on defined benefit obligation		(13.99)	(12.68)
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income (B)		(13.99)	(12.68)
Total comprehensive loss for the year (A+B)		(3,764.77)	(9,338.93)
Earnings per share (of ₹ 10 each):			
Basic loss per share	32	(9.45)	(23.49)
Diluted loss per share	32	(9.45)	(23.49)

The accompanying notes are an integral part of these financial statements.
This is the statement of profit and loss referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number: 001076N/N500013

For and on behalf of the Board of Directors of
Rapipay Fintech Private limited

Jyoti Vaish
Partner
Membership Number: 096521

Nipun Jain
Whole Time Director & Chief Executive Officer
DIN No : 09493589

Yogendra Singh Kashyap
Managing Director
DIN No : 00755017

Place: Noida
Date: 13 May 2024

Place: Noida
Date: 13 May 2024

Place: Noida
Date: 13 May 2024

Sumit Kumar Choudhary
Chief Financial Officer
PAN: ACVPC3264D

Tushar Goel
Company Secretary
Membership No.: A29374

Place: Noida
Date: 13 May 2024

Place: Noida
Date: 13 May 2024

Rapipay Fintech Private Limited
(Company Identification No: U72200DL2009PTC189149)
Statement of cash flows for the year ended 31 March 2024
(Amount in ₹ lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
A Cash flows from operating activities		
Net loss before tax	(3,739.72)	(9,326.25)
Adjustments for:		
Depreciation and amortisation expenses	1,986.54	1,281.63
Finance costs	65.62	123.89
Interest income on bank deposits and inter corporate deposits	(357.01)	(492.18)
Interest on income tax refund	(19.94)	(16.82)
Unwinding of discount on financial assets	(6.70)	(6.29)
Loss on account of bad debts	-	12.06
Liabilities no longer required written back	(259.59)	-
Expected credit loss for financial guarantee obligation	372.66	-
Expected credit loss on trade receivable	8.31	7.77
Loss on scrap of fixed assets	-	4.27
Share based payments to employees	766.76	4,810.32
Provision for obsolete inventory	-	2.58
Gain on lease modification	(43.52)	-
Provision for doubtful advance	44.40	-
Operating loss before working capital changes	(1,182.19)	(3,599.02)
(Increase) / decrease in assets:		
Inventories	(53.06)	45.63
Trade receivables	(59.28)	(546.08)
Other current and non-current financial assets	(455.48)	(90.17)
Other current and non-current assets	(395.92)	(200.66)
Increase / (decrease) in liabilities:		
Trade payables	1.39	116.74
Other financial liabilities	531.43	1,896.41
Provisions	61.50	130.14
Other current liabilities	65.06	52.88
Cash used in operating activities	(1,486.55)	(2,194.13)
Income taxes paid (net of refunds)	7.90	(259.22)
Interest on income tax refund	19.94	16.82
Net cash used in operating activities (A)	(1,458.70)	(2,436.53)
B Cash flows from investing activities		
Purchase / development of property, plant and equipment and intangible assets	(1,418.80)	(2,907.13)
Proceeds from sale of property, plant and equipments	2.88	-
Interest received	328.62	572.42
Investments in Subsidiaries	(232.31)	(1,981.53)
Investment in fixed deposits	(3,292.27)	(6,447.61)
Redemption of fixed deposits	2,747.49	18,261.69
Loan given to related party	2,200.00	2,000.00
Loan received back from related party	(2,200.00)	(2,000.00)
Net cash used in investing activities (B)	(1,864.39)	7,497.84
C Cash flows from financing activities		
Repayment of lease liabilities	(333.91)	(323.44)
Interest paid	(65.62)	(123.89)
Net cash generated from financing activities (C)	(399.53)	(447.33)
Net increase in cash and cash equivalents (A+B+C)	(3,722.62)	4,613.98
Cash and cash equivalents at the beginning of the year	15,808.86	11,194.88
Cash and cash equivalents as at the end of the year (refer note (a))	12,086.24	15,808.86

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Rapipay Fintech Private Limited
(Company Identification No: U72200DL2009PTC189149)
Statement of cash flows for the year ended 31 March 2024
(Amount in ₹ lakhs, unless otherwise stated)

Note (a):		
Particulars	As at	As at
	31 March 2024	31 March 2023
Components of cash and cash equivalent (refer note 13)		
Balances with banks		
- on current accounts	8,780.66	9,066.03
- Escrow accounts	749.20	23.38
Other balances with banks	2,556.38	6,719.45
	12,086.24	15,808.86

Note: "The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows'.

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

This is the statement of cash flows referred to in our report of even date.

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

For and on behalf of the Board of Directors of
Rapipay Fintech Private limited

Jyoti Vaish
Partner
Membership Number: 096521
Place: Noida
Date: 13 May 2024

Nipun Jain
Whole Time Director & Chief Executive Officer
DIN No : 09493589
Place: Noida
Date: 13 May 2024

Yogendra Singh Kashyap
Managing Director
DIN No : 00755017
Place: Noida
Date: 13 May 2024

Sumit Kumar Choudhary
Chief Financial Officer
PAN: ACVPC3264D
Place: Noida
Date: 13 May 2024

Tushar Goel
Company Secretary
Membership No.: A29374
Place: Noida
Date: 13 May 2024

Rapipay Fintech Private Limited
(Company Identification No: U72200DL2009PTC189149)
Statement of Changes in Equity for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

(a) Equity share capital

Particulars	Number of shares	Amount (INR)
Balance as at 1 April 2022	3,97,07,139	3,970.72
Changes in equity share capital during the year	-	-
Balance as at 31 March 2023	3,97,07,139	3,970.72
Balance as at 1 April 2023	3,97,07,139	3,970.72
Changes in equity share capital during the year	-	-
Balance as at 31 March 2024	3,97,07,139	3,970.72

(b) Other equity

Particulars	Other Equity					Total other equity
	Retained earnings	Share based payments reserve	Capital reserve	Contribution from holding company	Securities premium	
Balance as at 01 April 2022	(6,251.74)	922.35	(883.63)	935.51	16,681.70	11,404.19
Equity share capital issued during the year	-	-	-	-	-	-
Loss for the year	(9,326.25)	-	-	-	-	(9,326.25)
Employee stock option expenses (refer note 27)	-	4,962.08	-	-	-	4,962.08
Transferred to retained earning for options forfeited	115.24	(115.24)	-	-	-	-
Other comprehensive loss for the year	(12.68)	-	-	-	-	(12.68)
Balance as at 31 March 2023	(15,475.43)	5,769.19	(883.63)	935.51	16,681.70	7,027.34
Equity share capital issued during the year	-	-	-	-	-	-
Loss for the year	(3,750.78)	-	-	-	-	(3,750.78)
Employee stock option expenses (refer note 27)	-	766.76	-	-	-	766.76
Transferred to retained earning for options forfeited	268.51	(268.51)	-	-	-	-
Other comprehensive loss for the year	(13.99)	-	-	-	-	(13.99)
Balance as at 31 March 2024	(18,971.69)	6,267.44	(883.63)	935.51	16,681.70	4,029.33

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

For Walker ChandioK & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of the Board of Directors of
Rapipay Fintech Private limited

Jyoti Vaish
Partner
Membership Number: 096521

Nipun Jain
Whole Time Director & Chief Executive Officer
DIN No : 09493589

Yogendra Singh Kashyap
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Place: Noida
Date: 13 May 2024

Place: Noida
Date: 13 May 2024

Place: Noida
Date: 13 May 2024

Sumit Kumar Choudhary
Chief Financial Officer
PAN: ACVPC3264D

Tushar Goel
Company Secretary
Membership No.: A29374

Place: Noida
Date: 13 May 2024

Place: Noida
Date: 13 May 2024

1 Corporate Information

Rapipay Fintech Private Limited ('the Company') is a company domiciled in India and incorporated on 6th April 2009 under the provisions of Companies Act, 1956. The Company had received a Certificate of Registration number 126/2017 dated 25th January 2018 from the Reserve Bank of India ('RBI') to carry on the business to setup & operate Semi Closed Prepaid Instrument Services. The Company operates on a B2B2C model, where it partners with its "Direct Business Outlet (DBO)" to offer assisted digital services such as Aadhaar Enabled Payment Systems (AEPS), Domestic Money Transfer (DMT), Micro- ATM, sale of recharges etc. The Company also provides its digital platform to Non-Banking Finance Companies for the purposes of providing digital loans. The Company is a subsidiary of Capital India Finance Limited ('CIFL'). As at 31 March 2024, CIFL owned 52.50% of the Company's equity share capital.

The Company is incorporated and domiciled in India. The registered office is situated at 2nd Floor, DLF Centre Sansad Marg, Central Delhi, New Delhi, Delhi, India, 110001, while its corporate office is situated at A-8, 8th Floor (Q-Tower) Sector 68, Noida, Uttar Pradesh, India, 201301. The Company has two wholly owned subsidiary companies naming NYE Investech Private Limited (earlier known as Kuants Wealth Private Limited) and NYE Insurance Broking Private Limited, domiciled in India.

The Board of Directors approved the standalone financial statements for the year ended 31 March 2024 and authorised for issue on 13 May 2024.

2 Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable.

2.1 Basis of preparation of financial statements

A) Basis of preparation, presentation and disclosure in financial statements

These standalone financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle.

Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents. These standalone financial statements have been prepared in Indian Rupee (₹) which is the functional currency of the Company.

The Company has opted for the exemption provide under Ind AS 110 “Consolidated Financial Statements” for non- presentation of the Consolidated Financial Statement as CIFL prepares and presents the consolidated financial statement for the group which are available for public use.

B) Use of estimates

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make judgments, estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of standalone financial statements and the reported amounts of income and expenses for the periods presented. Estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected and if material their effects are disclosed in notes to the financial statements.

The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its standalone financial statements:

(a) Revenue recognition

The Company derives its revenue primarily from rendering of financial services using a network of Direct Business Outlets (DBOs) upon satisfaction of its performance obligation, i.e., transfer of control to the customer in accordance with the principles of Ind AS 115, Revenue from Contracts with Customers (‘Ind AS 115’). The application of Ind AS 115 involves significant judgements/ material estimates relating to principal versus agent considerations, identification of distinct performance obligations, determination of transaction price, and the appropriateness of the basis used to measure revenue recognised at a point in time and over a period of time, depending upon nature of revenue stream. These judgements have been explained in detail under the revenue note (Refer note 2.12).

(b) Useful lives of property, plant and equipment

Property, plant and equipment and intangible assets represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation and amortization is derived after determining an estimate of an asset’s expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company’s assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset. The evaluation of indicators of impairment of property, plant and equipment, intangible assets and those under development requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

(c) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or Cash Generating Unit (“CGU”) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm’s length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash flow (“DCF”) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company has not yet committed to or significant future investments that will enhance the asset’s performance of the CGU being tested. The recoverable amount is sensitive to the discount

rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to intangible assets recognised by the Company.

(d) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

(e) Impairment of investment in subsidiaries

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

(f) Provision for income tax and deferred tax assets

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Recognition of deferred tax assets on unabsorbed losses and allowances is based on management estimate of availability of future taxable profit against which carry-forward tax losses can be used.

(g) Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to assess 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 the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

(h) Defined benefit obligation:

The costs of post-employment benefits are charged to the Statement of profit and loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

(i) Leases:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay

to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available.

(j) Shared based payments:

The fair value of the options granted under the equity settled transactions is measured using valuation techniques, i.e. Black Scholes model, which involve various judgements and assumptions.

(k) Capitalization of in-house software development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model.

(l) Provision for expected credit losses on financial assets and financial guarantee

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables, other contractual rights to receive cash or other financial asset and financial guarantees not designated as at FVTPL. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Company always recognizes lifetime expected credit losses (ECL) for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For measurement of loss allowance in case of financial guarantee contracts, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

C) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

D) Current Versus Non-Current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- Expected to be realized or intended to be sold or consumed in normal operating cycle

All other assets are classified as non-current.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization/settlement in cash and cash equivalents. The Company have identified twelve months as their operating cycle for classification of their current assets and liabilities.

2.2 Financial Instruments

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

a) Initial recognition–

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provision of the instruments.

b) Classification and initial measurement of financial assets –

On initial recognition, a financial asset is classified as measured at

- Amortised cost
- FVOCI – debt instruments
- FVOCI – equity instruments
- FVTPL

Amortised cost - The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures bank balances, loans, trade receivables and other financial instruments at amortised cost.

FVOCI - debt instruments - The Company measures its debt instruments at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset meet the SPPI test.

FVOCI - equity instruments - The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity

instruments at FVOCI or at cost, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

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

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

c) Subsequent measurement of financial assets

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Any gain and loss on derecognition is recognised in Statement of profit and loss.

Debt investments at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of profit and loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognised in Statement of profit and loss.

Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Statement of profit and loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of profit and loss.

d) Financial liabilities and equity instruments:

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

e) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised and the proceeds received are recognised as a collateralised borrowing.

f) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

g) Investment in Subsidiaries

Investments in subsidiary and associates are carried at cost less allowance for impairment, if any. The Company reviews its carrying value of investments in subsidiaries and associates, annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. Determining whether the investments in subsidiaries is impaired requires an estimate in the value in use of investments. The Management carries out impairment assessment for each investment by comparing the carrying value of each investment with the net worth of each company based on audited financials and comparing the performance of the investee companies with projections used for valuations, in particular those relating to the cash flows, sales growth rate, pre-tax discount rate and growth rates used and approved business plans.

2.3 Fair value measurement

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in statement of profit and loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Valuation using quoted market price in active markets: The fair value for financial instruments traded in active markets at the reporting date is based on their quoted market price, without any deduction for transaction costs. A market is regarded as active, if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

RAPIPAY FINTECH PRIVATE LIMITED

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

- Level 2 - Valuation using observable inputs: If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates most of the factors that market participants would take into account in pricing a transaction.
- Level 3 - Valuation with significant unobservable inputs: The valuation techniques are used only when fair value cannot be determined by using observable inputs. The Company regularly reviews significant unobservable inputs and valuation adjustments. Level 3 assets are typically very illiquid, and fair values can only be calculated using estimates.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.4 Effective interest Rate (EIR) method

Effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees or other income received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest Income is recognised on EIR basis for debt instruments other than those classified as at FVTPL and credit impaired assets.

2.5 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances, demand deposits with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than or equal to three months. These balances with banks are unrestricted for withdrawal and usage.

Other balances with bank includes balances and deposits with banks and others that are restricted for withdrawal and usage.

2.6 Statement of cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

2.7 Property, plant and equipment

a) Recognition and measurement

Property plant and equipment (PPE) are stated at cost less accumulated depreciation and impairment, if any. The cost of PPE comprise purchase price and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE,

RAPIPAY FINTECH PRIVATE LIMITED

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of profit and loss.

A revaluation surplus is recorded in OCI and credited to the revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognised in the revaluation surplus

The residual values and useful lives and method of depreciation of PPE are reviewed at each financial year end and adjusted prospectively.

b) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of profit and loss during the period in which they are incurred.

c) Depreciation, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives as prescribed in Part C of Schedule II to the Act. The estimated lives used and differences from the lives prescribed under Schedule II are noted in the table below:-

Type of Assets	Estimated useful life as assessed by the Company	Estimated useful life under Schedule II of the Act
Computers and servers	3 years	3 years
Computer softwares	2-4 years	3 years
Office equipments	3 years	5 years
Vehicles	5 years	5 years
Furniture and fixtures	6 years	10 years
Plant & Machinery	15 years	1.5 years
Leasehold improvements	Tenure of lease agreements	Tenure of lease agreements

Depreciation is provided on a pro-rata basis i.e. from the month in which asset is ready for use. Depreciation on assets sold during the year is recognised on a pro-rata basis in the Statement of profit and loss up to the month prior to the month in which the assets have been disposed off.

Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

2.8 Intangible assets

Intangible assets comprise of computer softwares, technology platforms (apps) which are capitalised at cost of acquisition including cost attributable to readying the asset for use. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. The useful life of these intangible assets is estimated at 2-4 years with zero residual value. Any expenses on such software for support and maintenance payable annually are charged to the statement of profit and loss.

Internally generated computer software

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use.

RAPIPAY FINTECH PRIVATE LIMITED

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

- Management intends to complete the software and use or sell it.
- There is an ability to use or sell the software.
- It can be demonstrated how the software will generate probable future economic benefits.
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available and
- The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads.

Cost of internally generated computer software not ready for use as at reporting period date are disclosed as intangible asset under development and are carried at cost comprising the aforementioned development and related cost, less impairment loss, if any.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized on a straight-line basis over the period of expected future benefit from the related project. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually

Capitalised development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

Intangible assets are amortised on straight-line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each financial year with the effect of any changes in the estimate being accounted for on a prospective basis.

2.9 Impairment of non-financial assets

The carrying values of assets at each balance sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount in statement of profit and loss. Recoverable amount is the greater of the net selling price and value in use. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

2.10 Provisions, contingent liabilities and contingent assets

The Company recognises a provision when there is a present obligation (legal or constructive) 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 a reliable estimate of the amount of the obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current market assessments of the time value of money and the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

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 may arise from past events but probably will not require an outflow of resource to settle the obligation.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resource is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements.

2.11 Foreign exchange transactions and translations

Functional and presentational currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

- a) **Initial recognition:** Transactions in foreign currencies are recognised at the prevailing exchange rates between the reporting currency and a foreign currency on the transaction date.
- b) **Conversion:** Transactions in currencies other than Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each balance sheet date, foreign currency monetary items are reported at the prevailing closing spot rate. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are generally recognised in Statement of profit and loss.

Non-monetary assets and liabilities are carried at historical cost using exchange rates as on the date of the respective transactions and are not retranslated at the reporting date.

2.12 Revenue recognition

A customer of the Company is a party that has contracted with the Company to obtain goods or services that are an output of the Company's ordinary activities in exchange for consideration. The core principle of recognizing revenue from contracts with customers is that the Company recognizes revenue to depict the transfer of promised

RAPIPAY FINTECH PRIVATE LIMITED

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

goods and services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

At contract inception, the Company assesses the goods or services promised in a contract with a customer to identify as a performance obligation each promise to transfer to the customer either a good or service (or a bundle of goods or services) that is distinct; or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

If there is variable consideration, the Company includes in the transaction price some or all of that amount of estimated variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The transaction price is allocated by the Company to each performance obligation (or distinct goods or services) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time.

The Company recognises revenue when (or as) it satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

Revenue (net of discount) from sale of electronic recharges is recognized on real time basis when the Company satisfies the performance obligation by successful facilitation of services to customers.

Fees from money remittance services, AEPS, Micro- ATM and other E-services is recognized on real time basis after completion of service delivery.

Interest income is earned on the loans to users by respective lending partners. Commission income is shared by the lending partners as per terms of agreements entered into amongst the Company and the lending partners and accounted by the Company on accrual basis. Loan facilitation fees is recognized on satisfaction of associated performance obligation i.e. on sourcing of customer for lending partners and when amount of loan or credit is transferred to the merchant's/ Direct Business Outlets (DBOs) accounts based on standard agreements entered with the respective lending partners. Servicing fee related to loan facilitation services, collection, monitoring etc. is recognized over the tenure of loan.

Income in the form of rental is a fixed amount per month charged from merchants as per standard terms and conditions of the agreements for use of soundbox.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfer goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

Information about the Company's performance obligations can be summarized as below:-

a) Payments services to Consumers

There is a single performance obligation which is said to be completed once the transaction is successful and hence the revenue recognition is done on point in time basis. The payment against facilitation of such services is generally due within 30 days of completion of services. Majorly the commission income is settled on T+1 basis and only minimal amount with respect to GST is received within a period of 30 days.

b) Sale of digital products/ services

There is a single performance obligation which is said to be completed once the transaction is successful and hence the revenue recognition is done on point in time basis. The payment against facilitation of such services is received on real time basis.

c) Others (including Financial Services)

There are two performance obligations in the complete transaction.

Upfront processing fee on sourcing of loan- The processing fee for sourcing of loan is earned on upfront basis and hence the revenue recognition is made on point in time.

Income on servicing of loans- The collection of installments on loans serviced is made on daily basis and hence the revenue recognition is made over the period of loan.

d) Sale of devices

There is a single performance obligation which is said to be completed once the transaction is successful and hence the revenue recognition is done on point in time basis. The payment against facilitation of such services is received on real time basis.

e) Service activation income

There is a single performance obligation which is said to be completed once the transaction is successful and hence the revenue recognition is done on point in time basis. The payment against facilitation of such services is received on real time basis.

f) Income from other ancillary services

There is a single performance obligation which is said to be completed once the transaction is successful and hence the revenue recognition is done on point in time basis.

2.13 Employee benefits

Short term employee benefits

Employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Long Term employee benefits

Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. Long-term employee benefit primarily consists of Leave encashment benefits wherein employees are entitled to accumulate leave subject to certain limits for future encashment/availment. Long-term compensated absences are provided for on the basis of an actuarial valuation at the end of each financial year using Projected Unit Credit (PUC) Method. Actuarial gains/losses, if any, are recognised immediately in the statement of profit and loss.

The Company also has liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment benefits

a) Defined contribution Plans

Provident fund: Contributions as required under the statute, made to the Provident Fund (Defined Contribution Plan) are recognised immediately in the statement of profit and loss. There is no obligation other than the monthly contribution payable to the Regional Provident Fund Commissioner.

Employees State Insurance Corporation The Company's contribution paid/payable during the year to Employee state insurance scheme are recognised in the statement of Profit and Loss.

b) Defined benefit Plans

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation performed by an independent actuary based on projected unit credit method, at the end of each financial year.

Defined benefit costs are categorised as follows:

- i) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)
- ii) Net interest expense or income
- iii) Re-measurement

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI, net of taxes. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

The Company's net obligation in respect of gratuity (defined benefit plan), is calculated by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the company's defined benefit plans. Any surplus

resulting from this calculation is recognised as an asset to the extent of present value of any economic benefits available in the form of refunds from the plans or reductions in the future contribution to the plans.

c) Share based payments

The Company operates equity settled employee share-based compensation plan, under which the Company receives services from employees as consideration for stock options towards shares of the Company. The fair value of stock options (at grant date) is recognised as an expense in the statement of profit and loss within employee benefits as employee share-based payment expenses over the vesting period, and in case of options granted to the employees of the group the same is recognised as investment in subsidiaries with a corresponding increase in share-based payment reserve (a component of equity).

The total amount so expensed is determined by reference to the grant date fair value of the stock options granted, which includes the impact of any market performance conditions and non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions. However, the non-market performance vesting and service conditions are considered in the assumption as to the number of options that are expected to vest. The forfeitures are estimated at the time of grant and reduce the said expense ratably over the vesting period.

The expense so determined is recognised over the requisite vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. As at each reporting date, the Company revises its estimates of the number of options that are expected to vest, if required.

It recognises the impact of any revision to original estimates in the period of change. Accordingly, no expense is recognised for awards that do not ultimately vest, except for which vesting is conditional upon a market performance / non vesting condition. These are treated as vested irrespective of whether or not the market /non-vesting condition is satisfied, provided that service conditions and all other non-market performance are satisfied.

Where the terms of an award are modified, in addition to the expense pertaining to the original award, an incremental expense is recognised for any modification that results in additional fair value or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled (including due to non-vesting conditions not being met), it is treated as if it is vested thereon, and any un-recognised expense for the award is recognised Immediately. In case of cancellation of cash-settled award, change in the value of the liability, if any, is recognised in statement of profit and loss.

In case of lapse or cancellation of the option after the expiry of the vesting period, expense recorded share based payment reserve will transfer to the retained earnings.

2.14 Leases

The Company's lease asset classes primarily consist of leases of buildings and leasehold premises. The Company, at the inception of a contract, assesses whether the contract is, or contains, a lease a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

2.15 Income Tax

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

a) Current tax:

Current tax comprises of the expected tax payable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of earlier years. The amount of current tax reflects the best estimate of the tax amount to be paid, measured in accordance with the tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period. Current tax items are recognised in correlation to the underlying transaction either in the statement of profit and loss, other comprehensive income or directly in equity.

Income tax assets and liabilities are measured at the amount expected to be recovered from or payable to the taxation authorities.

b) Deferred Tax:

Deferred tax is recognised using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax items are recognised in correlation to the underlying transaction either in the statement of profit and loss, other comprehensive income or directly in equity.

Any change in the deferred taxes due to a change in tax rates is recognised in the statement of profit and loss in the period of enactment of the change.

Tax assets and 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 tax assets against tax liabilities.

Minimum Alternate Tax (MAT) credit entitlement (i.e. excess of amount of MAT paid for a year over normal tax liability for that year) eligible for set-off in subsequent years is recognised as an asset in accordance with Ind AS 12, Income Taxes, if there is convincing evidence of its realisation.

MAT credit is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

2.16 Earnings per equity share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year (see note 32).

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Segment reporting

The chief operating decision maker (CODM) examines the Company's performance from a service perspective and has identified the 'business of providing services in digital payment solution space' as a single business segment. As part of reporting for geographical segments, the Company operates in India only. The aforesaid is in line with review of operating results by the CODM. As such, there are no separate reportable segments as per the requirements of Ind AS 108 - 'Operating Segments Reporting' notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

2.18 Inventories

Inventories are stated at the lower of cost (determined using the first-in-first-out method) and net realizable value. The costs comprise its purchase price and any directly attributable cost of bringing the inventories to its present

location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.19 Impairment of financial assets and financial guarantee

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Company uses the Expected Credit Loss model to assess any required allowances and uses a provision matrix to compute the expected credit loss allowance for trade receivables.

The Company defines default as an event when the financial asset is past due for more than 365 days. This definition is based on management's expectation of the time period beyond which if a receivable is outstanding, it is an objective evidence of impairment.

For financial guarantee contracts, the date that the Company becomes a party to the commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Company considers the changes in the risk that the specified merchant will default on the contract. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. The Company applies a three-stage approach to measure ECL on financial guarantee contracts. The underlying receivables of merchants migrate through the following three stages based on the change in credit quality since initial recognition.

- a) Stage 1: 0-30 days past due loans
- b) Stage 2: More than 30 and up to 60 days past due loans
- c) Stage 3: More than 60 and up to 90 days past due loans
- d) Stage 4: Above 90 days past due loans

Stage 1: No ECL for exposures where there has not been a credit risk since initial recognition.

Stage 2: 12-months ECL for exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognized.

RAPIPAY FINTECH PRIVATE LIMITED

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

Stage 3: 12-months ECL for exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognized.

Stage 4: Lifetime ECL for exposures where there has been a significant increase in credit risk since initial recognition.

The Company uses the Expected Credit Loss model to assess and compute the expected credit loss allowance for First Loss Default Guarantee (FLDG). For the year ended 31 March 2024, the Company has developed an ECL Model that takes into consideration the stage of delinquency, Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD). As the Company pays for FLDG obligation on monthly basis, therefore it adjusts the amount already paid with total amount of ECL. Hence the balance ECL is disclosed in notes.

- (i) Probability of Default (PD): represents the likelihood of default over a defined time horizon.
- (ii) Exposure at Default (EAD): represents what is the user's likely borrowing at the time of default.
- (iii) Loss Given Default (LGD): represents expected losses on EAD given the event of default.

2.20 Events occurring after the balance sheet date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.21 Rounding of amounts

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

Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Furniture & fixtures	Plant & Machinery	Vehicles	Office equipments	Leasehold improvements	Computer & Server	Total
Gross carrying amount							
Balance as at 1 April 2022	133.05	-	168.62	139.75	515.66	305.00	1,262.08
Additions	0.76	-	-	41.43	1.79	230.16	274.14
Disposals / adjustments	1.86	-	-	6.90	-	7.59	16.35
Balance as at 31 March 2023	131.95	-	168.62	174.28	517.45	527.57	1,519.87
Additions for the year	1.01	45.69	-	3.73	3.47	15.50	69.40
Disposals/adjustments during the year	-	-	-	2.97	-	0.46	3.43
Balance as at 31 March 2024	132.96	45.69	168.62	175.04	520.92	542.61	1,585.84
Accumulated depreciation							
Balance as at 1 April 2022	33.79	-	10.53	57.06	121.11	101.97	324.46
Depreciation charge for the year	22.21	-	33.72	45.94	86.22	133.71	321.80
Disposals during the year	0.89	-	-	6.86	-	4.33	12.08
Balance as at 31 March 2023	55.11	-	44.25	96.14	207.33	231.35	634.18
Depreciation charge for the year	22.07	5.21	33.72	46.99	86.54	157.12	351.65
Disposals during the year	-	-	-	0.10	-	0.46	0.56
Balance as at 31 March 2024	77.18	5.21	77.97	143.03	293.87	388.01	985.27
Net block							
As at 31 March 2023	76.84	-	124.37	78.14	310.12	296.22	885.69
As at 31 March 2024	55.78	40.48	90.65	32.01	227.05	154.60	600.57

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4 Right of use assets

Particulars	Building	Lease deposits	Total
Gross carrying amount			
Balance as at 1 April 2022	1,853.36	32.42	1,885.78
Additions/adjustments	275.97	7.43	283.40
Balance as at 31 March 2023	2,129.33	39.85	2,169.18
Additions/adjustments during the year	(605.44)	(10.90)	(616.34)
Balance as at 31 March 2024	1,523.89	28.95	1,552.84
Accumulated depreciation			
Balance as at 1 April 2022	385.99	6.37	392.36
Depreciation for the year	362.02	7.07	369.09
Balance as at 31 March 2023	748.01	13.44	761.45
Depreciation for the year	322.00	6.58	328.58
Balance as at 31 March 2024	1,070.01	20.02	1,090.03
Net block			
As at 31 March 2023	1,381.32	26.41	1,407.73
As at 31 March 2024	453.88	8.93	462.81

Notes:

(a) The Company as a lessee has obtained certain assets such as immovable properties on various leasing arrangements for the purposes of setting up of offices. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the balance sheet as a right-to-use asset and a lease liability. The Company has presented its right-of-use assets separately from other assets. Each lease generally imposes a restriction that unless there is a contractual right for the Company to sub-lease the asset to another party, the right-of-use asset can only be used by the Company. Some lease contain an option to extend the lease for a further term.

(b) There are no leases which are yet to commence as on 31 March 2024

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

5 Other intangible assets

Particulars	Internally generated softwares (Technology platforms)	Computer softwares (Acquired)	Total
Gross Block			
Balance as at 1 April 2022	1,612.13	4.14	1,616.27
Additions during the year	823.47	16.62	840.09
Balance as at 31 March 2023	2,435.60	20.76	2,456.36
Additions during the year	4,168.04	-	4,168.04
Balance as at 31 March 2024	6,603.64	20.76	6,624.40
Accumulated amortisation			
Balance as at 1 April 2022	371.99	2.35	374.34
Amortisation for the year	585.71	5.03	590.74
Balance as at 31 March 2023	957.70	7.38	965.08
Amortisation for the year	1,299.98	6.33	1,306.31
Balance as at 31 March 2024	2,257.68	13.71	2,271.39
Net block			
As at 31 March 2023	1,477.90	13.38	1,491.28
As at 31 March 2024	4,345.96	7.05	4,353.01

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Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
6 Intangible assets under development		
Balance as at the beginning of the year	3,004.34	1,137.99
Additions for the year	1,349.41	2,689.82
Capitalised during the year	(4,168.04)	(823.47)
Balance as at the end of the year	185.71	3,004.34

Notes:

(a) Intangible assets under development ageing schedule :

Particulars	Amount of Intangible assets under development for a period of			
	Less than 1 year	1-2 years	More than 2 years	Total
As at 31 March 2024:				
Projects in progress	155.83	4.54	25.34	185.71
	155.83	4.54	25.34	185.71
As at 31 March 2023:				
Projects in progress	2,512.99	491.35	-	3,004.34
	2,512.99	491.35	-	3,004.34

Note:

- (a) There are no projects which are either overdue or have exceeded their cost compared to their original plan as at 31 March 2024 and 31 March 2023.
(b) There are no projects where activity has been suspended.

7 Investments

	As at 31 March 2024	As at 31 March 2023
Investments in equity instruments of subsidiary at cost (Fully paid equity shares (Unquoted))		
48,61,111 (March 31, 2023: 41,07,125) equity shares with face value of of ₹ 10 each and with premium of ₹ 36.42 each (31 March 2023: Rs 36.42 each) in NYE Investech Private Limited (formerly known as Kuants Wealth Private Limited)	2,256.53	1,906.53
7,50,000 (March 31, 2023: 7,50,000) equity shares with face value of of ₹ 10 each in NYE Insurance Broking Private Limited	75.00	75.00
Deemed investment in wholly owned subsidiary companies (refer note (a) below)	34.07	151.76
	2,365.60	2,133.29

Notes:

- (a) The Company has granted employees stock option to the eligible employees of its wholly owned subsidiary companies. This has been treated as deemed investment in respective subsidiary by the Company as per guidance under IND AS. The outstanding option as at 31 March 2024 are 18,000 options (31 March 2023 : 1,38,300 options).

8 Other financial assets

At amortised cost

Unsecured, considered good unless otherwise stated

	Non-Current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Security deposits	74.59	103.66	3.29	3.29
Bank deposits with maturity of more than 12 months (note (a) & note (b))	373.71	30.55	-	-
Unbilled revenue	-	-	160.31	175.28
Interest accrued but not due on bank deposits	-	-	48.99	20.60
Receivables from service providers (refer note (c))	-	-	940.83	303.22
Amount recoverable from agents (DBO's)	-	-	59.27	190.66
	448.30	134.21	1,212.69	693.05

Note:

- (a) Bank deposits of Rs. 25 (31 March 2023: Rs. 25) is pledged as security against bank guarantee at the end of 31 March 2024.
(b) Bank deposit of Rs. 321.44 (31st March 2023- Rs. Nil) are marked under lien by banks and a few service providers as per the contractual agreement.
(c) In respect of settlements done between the Company and Direct Business Outlets (DBO's), these amounts are settled by the service provider within T+1 days.

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Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
9 Deferred tax assets (net)		
Deferred tax assets on account of :		
Business loss	2,982.47	2,306.51
Balance of employee stock option	1,577.39	1,451.99
MAT credit entitlement	11.06	11.06
Others	177.96	129.27
Sub total (A)	4,748.88	3,898.83
Deferred tax liabilities	-	-
Sub total (B)	-	-
Deferred tax assets / Liabilities (net)*	-	11.06

*Considering that nature of the Company's operations and history of past tax losses, deferred tax assets (including MAT credit) are recognized to the extent that it is probable that taxable profit will be generated in future against which the deductible temporary differences, carry forward of unabsorbed depreciation and tax losses can be utilised. Accordingly, it is considered prudent to recognize the deferred tax assets only to the extent of deferred tax liabilities and hence the Company has not recognised deferred tax assets of Rs 4,748.88 (31 March 2023 : Rs. 3,898.83).

A Movement in deferred tax assets and liabilities for the year ended 31 March 2024 :-

Particulars	As at 1 April 2023	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	As at 31 March 2024
Deferred tax assets arising on account of				
MAT credit entitlement	11.06	(11.06)	-	-
Sub total (A)	11.06	(11.06)	-	-
Deferred tax liabilities arising on account of:				
Sub total (B)	-	-	-	-
Deferred tax assets (net) (A+B)	11.06	(11.06)	-	-

B Movement in deferred tax assets and liabilities for the year ended 31 March 2023 :-

Particulars	As at 1 April 2022	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	As at 31 March 2023
Deferred tax assets arising on account of				
Finance lease obligations	23.74	(23.74)	-	-
MAT credit entitlement	11.06	-	-	11.06
Others	14.42	(14.42)	-	-
Sub total (A)	49.22	(38.16)	-	11.06
Deferred tax liabilities arising on account of:				
Property, plant and equipment and other intangible assets	(38.16)	38.16	-	-
Sub total (B)	(38.16)	38.16	-	-
Deferred tax assets (net) (A+B)	11.06	-	-	11.06

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Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

10 Other non-current and current assets

Particulars	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Capital advances	-	2.70	-	-
Advances other than capital advances	-	-	772.82	412.73
Less: Provision for doubtful advances (refer note 33(b))	-	-	(23.02)	(23.02)
Balance with statutory/government authorities	-	-	10.29	21.59
Prepaid expenses	3.05	-	94.94	92.57
	3.05	2.70	855.03	503.87

11 Inventories (lower of cost and net realisable value)	As at	As at
	31 March 2024	31 March 2023
Stock-in-trade (refer note (a) below)	110.01	56.95
	110.01	56.95

Note (a):

- (i) The cost of inventories recognised as an expense during the year in respect of continuing operations was Rs. 122.09 (31 March 2023: Rs. 310.80) (refer note 25 and 26).
- (ii) The cost of inventories recognised includes Rs. Nil (31 March 2023: Rs. 2.58) in respect of write downs / (write-up) of inventory to net realisable value. This was recognised as an expense during the year ended 31 March 2023 in the statement of profit and loss.

12 Trade receivables

	As at	As at
	31 March 2024	31 March 2023
Trade receivables from contract with customers billed (unsecured, considered good)	1,320.39	1,375.03
Trade receivables from contract with customers billed (credit impaired)	16.08	7.77
Trade receivable from contract with related parties	219.78	114.17
	1,556.25	1,496.97
Less: Allowance for expected credit loss (refer note 30)	(16.08)	(7.77)
Total trade receivables	1,540.17	1,489.20
Current portion	1,540.17	1,489.20
Non-current portion	-	-
	1,540.17	1,489.20

(a) Trade receivables ageing schedule is as follows:

Balance as at 31 March 2024

Particular	Unbilled	Outstanding for following periods from due date of payment						Total
		Not due	<6 Months	6 months -1 year	1-2 years	2-3 years	>3 years	
(i) Undisputed trade receivables – considered good	160.17	1,200.72	336.84	1.79	0.82	-	-	1,540.17
(ii) Undisputed trade Receivables – credit impaired	-	-	-	-	-	16.08	-	16.08
Total	160.17	1,200.72	336.84	1.79	0.82	16.08	-	1,556.25

Balance as at 31 March 2023

Particular	Unbilled	Outstanding for following periods from due date of payment						Total
		Not due	<6 Months	6 months -1 year	1-2 years	2-3 years	>3 years	
(i) Undisputed trade receivables – considered good	175.28	1,181.07	298.59	-	9.54	-	-	1,489.20
(ii) Undisputed trade Receivables – credit impaired	-	-	-	-	7.77	-	-	7.77
Total	175.28	1,181.07	298.59	-	17.31	-	-	1,496.97

Notes:

- a) Trade receivables are non-interest bearing and are generally on credit terms of 30 to 60 days. For terms and conditions relating to related party receivables, refer note 38.
- b) During the period ended March 31, 2024 & March 31, 2023; there were no balances of trade receivables with a significant increase in credit risk.
- c) No trade or other receivables are due from directors or any other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

	As at	As at
	31 March 2024	31 March 2023
13 Cash and cash equivalents		
Balances with banks		
- on current accounts (refer note (a))	8,780.66	9,066.03
- Escrow account (refer note (b))	749.20	23.38
Other balances with banks (refer note (c))	2,556.38	6,719.45
	12,086.24	15,808.86

Notes

(a) The amount of Rs. 1,750 (31 March 2023 : Nil) is under freeze with certain banks, bank balance amounts Rs.232.6 (31 March 2023: Nil) are lien with banks.

(b) The balance in Escrow account is maintained under the guidelines of Reserve Bank of India for operating of semi closed Prepaid Payment Instruments and can be used only for the specified purposes.

(c) The amount includes balances of Rs. 2,522.99 (31 March 2023: Rs. 6,676.63) with payment banks and wallet balances of Rs. 33.39 (31 March 2023: Rs. 42.82).

	As at	As at
	31 March 2024	31 March 2023
14 Other bank balances		
Bank deposits with original maturity of more than three month but less than twelve months (note (a) and (b))	1,249.99	1,048.37
	1,249.99	1,048.37

Notes

(a) The company has entered into agreements with certain banks whereby it acts as aggregator by providing services to various merchants in relation to facilitating electronic payments by their customers using debit cards and credit cards. The company settles these transactions through nodal bank accounts where applicable as per local regulations. Amount received in these accounts, which are payable to merchants for settlement are restricted and cannot be used for general purpose. Hence, this included earmarked balance amounting Rs. 2.77 (31 March 2023: Rs. 1.52).

(b) Bank deposit of Rs. 1,235.24 (31 March 2023: Rs. 438.80) are marked as lien with scheduled banks consequent to the contractual agreements with the NBFC lenders pursuant to the "Digital Lending" guidelines issued by the Reserve Bank of India.

	As at	As at
	31 March 2024	31 March 2023
15 Current tax assets (net)		
Advance tax and tax deducted at source	540.06	547.96
	540.06	547.96

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16 Equity Share capital

	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Authorised equity share capital				
Equity shares of ₹ 10 each	6,50,00,000	6,500.00	6,50,00,000	6,500.00
	6,50,00,000	6,500.00	6,50,00,000	6,500.00
Issued, subscribed and fully paid up shares				
Equity shares of ₹ 10 each fully paid up	3,97,07,139	3,970.72	3,97,07,139	3,970.72
	3,97,07,139	3,970.72	3,97,07,139	3,970.72

A. Reconciliation of the number of equity shares outstanding at the beginning and end of the year

	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Opening Balance	3,97,07,139	3,970.72	3,97,07,139	3,970.72
Shares issued during the year	-	-	-	-
Closing Balance	3,97,07,139	3,970.72	3,97,07,139	3,970.72

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. The holders of equity shares are entitled to receive dividends and are entitled to one vote per share. In the event of liquidation, equity shareholders will be entitled to receive assets of the Company in proportion to the number of shares held to the total equity shares outstanding as on that date.

C. Shares reserved for issue under options

Information relating to Rapipay Employee Stock Option Plan 2020, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 37.

D. Shares held by holding company and/or its subsidiary

Out of the equity shares issued by the Company, shares held by its holding company and its subsidiary are as below:

Name of Shareholder	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Capital India Corp Private Limited, ultimate holding Company Equity shares of ₹ 10 each fully paid up	84,75,000	847.50	84,75,000	847.50
Capital India Finance Limited, holding Company (subsidiary of Capital India Corp Private Limited)(formerly known as Capital India Corp LLP) Equity shares of ₹ 10 each fully paid up	2,08,46,273	2,084.63	2,08,46,273	2,084.63

E. Details of shareholders holdings more than 5% shares

Name of Shareholder	As at 31 March 2024		As at 31 March 2023	
	Number	% of holding	Number	% of holding
Capital India Finance Limited (Holding Company)	2,08,46,273	52.50%	2,08,46,273	52.50%
Capital India Corp Private Limited (Ultimate Holding Company -erstwhile)	84,75,000	21.34%	84,75,000	21.34%
Capital India Corp LLP)	23,50,000	5.92%	23,50,000	5.92%

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

Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date is Nil.

F. Details of shares held by promoter and promoter group

As at 31 March 2024

Promoter name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of total shares	% change during the year
Capital India Finance Limited (Holding Company)	2,08,46,273	-	2,08,46,273	52.50%	0.00%
Capital India Corp Private Limited (Ultimate Holding Company -erstwhile)	84,75,000	-	84,75,000	21.34%	0.00%
Capital India Corp LLP)					

As at 31 March 2023

Promoter name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of total shares	% change during the year
Capital India Finance Limited (Holding Company)	2,08,46,273	-	2,08,46,273	52.50%	0.00%
Capital India Corp Private Limited (Ultimate Holding Company -erstwhile)	84,75,000	-	84,75,000	21.34%	0.00%
Capital India Corp LLP)					

Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

17 Other equity

	As at 31 March 2024	As at 31 March 2023
Retained earnings	(18,971.69)	(15,475.43)
Securities premium	16,681.70	16,681.70
Share based payment reserve	6,267.44	5,769.19
Capital reserve	(883.63)	(883.63)
Contribution from holding company	935.51	935.51
Total	4,029.33	7,027.34

(i) Retained earnings

	As at 31 March 2024	As at 31 March 2023
Opening balance	(15,475.43)	(6,251.74)
Loss for the year	(3,750.78)	(9,326.25)
Other comprehensive income/(loss)	(13.99)	(12.68)
Transferred from share based payment reserve for options forfeited	268.51	115.24
Closing balance	(18,971.69)	(15,475.43)

(ii) Securities premium

	As at 31 March 2024	As at 31 March 2023
Opening balance	16,681.70	16,681.70
Increase/decrease during the year	-	-
Closing balance	16,681.70	16,681.70

(iii) Share based payment reserve

	As at 31 March 2024	As at 31 March 2023
Opening balance	5,769.19	922.35
Compensation options granted during the year	766.76	4,962.08
Transferred to retained earning for options forfeited	(268.51)	(115.24)
Closing balance	6,267.44	5,769.19

(iv) Capital Reserve

	As at 31 March 2024	As at 31 March 2023
Opening balance	(883.63)	(883.63)
Increase/decrease during the year	-	-
Closing balance	(883.63)	(883.63)

(v) Contribution from holding company

	As at 31 March 2024	As at 31 March 2023
Opening balance	935.51	935.51
Increase/decrease during the year	-	-
Closing balance	935.51	935.51

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Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

Nature and purpose of other equity

Retained earnings

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Securities premium

Securities premium represents the amount received in excess of par value of equity shares. Section 52 of Companies Act, 2013 specifies restriction and utilisation of security premium.

Share based payment reserve

The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under employee stock option plan.

Capital reserve

(a) The Board of Directors of Rapipay Fintech Private Limited (RFPL) ("the Company/the Transferee Company") in their meeting held on January 27, 2020, approved the Scheme of Amalgamation between the Company and Rapipay Fintech Holding Private Limited (RFHPL) ("the Transferor Company") and their respective Shareholders and Creditors ("the Scheme") under section 230 to 232 of Companies Act, 2013 and other applicable provisions of the Companies Act 2013 for Amalgamation of the businesses from the Transferor Company, inter alia, consisting of entire undertaking, business, activities and operations pertaining to the business and its transfer as a going concern to the Transferee Company as per Ind AS 103 "Business Combinations of entities under common control".

(b) The Scheme was sanctioned by National Company Law Tribunal, New Delhi (NCLT) vide its order dated March 1, 2021. The Scheme, which became operative upon filing of the certified copy of the Order of the NCLT with the Registrar of Companies in Delhi & Haryana, is effective from June 30, 2019 (being the date of common control established). The Transferor Company was engaged in similar nature of business as in transferor company.

Consequent to the accounting of aforesaid transactions (a) and (b), the company had recognised capital reserve in accordance with Appendix C of IndAS 103 "Business Combination".

Contribution from holding company

The effective date of merger has been taken as 30 June 2019 as per Ind AS 103. Post merger date against conversion of optional convertible debentures including interest on those debentures, equity shares of RFHPL were issued to Capital India Finance Limited (CIFL) (the Debenture Holder). To take effect of this transaction 'Contribution from Holding Company' has been credited in the books of RFPL to be part of other equity.

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Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

18 Provisions	As at 31 March 2024		As at 31 March 2023	
	Non-current	Current	Non-current	Current
Provision for employee benefits				
Provision for gratuity (refer note 34)	180.69	28.67	124.37	3.69
Provision for compensated absences	91.88	42.00	96.86	42.83
	272.57	70.67	221.23	46.52

19 Trade payables	As at	As at
	31 March 2024	31 March 2023
Total outstanding dues of micro and small enterprises (refer note (a) and (b) below)	76.20	46.63
Total outstanding dues of creditors other than micro enterprises and small enterprises*	401.15	429.33
	477.35	475.96

Notes:

* *inter-alia*, includes Rs 19.62 (31 March 2023 : Rs 26.22) payable to related parties (refer note 38).

(a) Ageing schedule of trade payables as on 31 March 2024

Particulars						Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables:						
(i) Undisputed dues of micro enterprises and small enterprises	30.95	45.25	-	-	-	76.20
(ii) Undisputed dues of creditors other than micro enterprises and small enterprises	340.82	60.33	-	-	-	401.15
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	371.77	105.58	-	-	-	477.35

(b) Ageing schedule of trade payables as on 31 March 2023

Particulars						Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables:						
(i) Undisputed dues of micro enterprises and small enterprises	-	46.63	-	-	-	46.63
(ii) Undisputed dues of creditors other than micro enterprises and small enterprises	91.38	30.58	307.37	-	-	429.33
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	91.38	77.21	307.37	-	-	475.96

(c) Disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 due to Micro, Small and Medium Enterprises

Particulars	As at	As at
	31 March 2024	31 March 2023
i The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
- Principal amount due to micro and small enterprises	76.20	46.63
- Interest due on above	-	-
ii The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	0.08
iii The 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;	-	-
iv The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Rapipay Fintech Private Limited**(Company Identification No: U72200DL2009PTC189149)****Summary of material accounting policies and other explanatory information for the year ended 31 March 2024***(Amount in ₹ lakhs, unless otherwise stated)***20 Other current financial liabilities**

	As at	As at
	31 March 2024	31 March 2023
Direct business outlets' (DBO) wallet balances	11,285.25	11,659.95
Employee benefits payable	18.68	19.55
Payable to capital creditors	0.44	-
Amount payable to DBO (pending credit)	3,382.45	3194.92
Financial guarantee obligation (refer note 40)	372.66	-
Others	892.52	433.07
	15,952.00	15,307.49

21 Other current liabilities

	As at	As at
	31 March 2024	31 March 2023
Advances received from customers	14.63	0.79
Statutory dues payable	679.45	628.23
	694.08	629.02

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Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
22 Revenue from operations		
Revenue from contracts with customers		
Commission income from rendering of services	28,617.67	29,613.86
Sale of digital recharges and other services	12,880.86	13,670.14
Sale of devices	145.29	356.63
Other operating revenue		
Service activation income	55.96	1.15
Income from other ancillary services	295.64	279.03
	41,995.42	43,920.81

Below is the disaggregation of the Company's revenue from contracts with customers

(a) Disaggregated revenue information

	For the year ended 31 March 2024	For the year ended 31 March 2023
(i) Nature of services		
Commission for acting as business correspondent	25,694.30	28,936.14
Income from providing digital recharges	11,851.55	12,612.27
Commission from financial services- digital lending	2,857.02	635.89
Sale of Point of Sale (POS) devices	145.29	356.63
Income from other services	1,095.66	1,099.70
	41,643.82	43,640.63

(ii) Geographical location

	For the year ended 31 March 2024	For the year ended 31 March 2023
In India	41,643.82	43,640.63
Outside	-	-
	41,643.82	43,640.63

(iii) Timing of revenue recognition

	For the year ended 31 March 2024	For the year ended 31 March 2023
Services provided at a point in time	39,853.44	43,220.56
Services provided over a period of time	1,790.38	420.07
	41,643.82	43,640.63

(iv) Reconciliation of revenue recognition in Statement of Profit and Loss with contracted price:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue as per contracted price	41,643.82	43,640.63
Less: Variable Consideration (including consideration payable to customer)	-	-
	41,643.82	43,640.63

(b) Contract Balances

	As at 31 March 2024	As at 31 March 2023
Trade receivables (refer note 12)	1,540.17	1,489.20

(c) Contract Assets (Unbilled Revenue)

A contract asset is the right to consideration that is conditional upon factors other than the passage of time. Contract assets are recognised where there is excess of revenue over billings.

Changes in unbilled revenue is as follows

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	175.28	39.65
Revenue recognised during the year	551.51	1,279.57
Invoices raised during the year	566.49	1,143.94
Balance at the end of the year	160.30	175.28

(d) Contract Liabilities (Advance from customer)

	For the year ended 31 March 2024	For the year ended 31 March 2023
Advance from customers	14.63	0.79
	14.63	0.79
Current	14.63	0.79
Non-Current	-	-

Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

Changes in advance from customers are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	0.79	1.49
Advance received during the year	14.63	0.79
Advance adjusted against invoices during the year	0.79	1.49
Balance at the end of the year	14.63	0.79

Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

23 Other income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on financial assets measured at amortised cost:		
Bank deposits	118.32	182.51
Inter corporate deposit	238.69	309.67
Income tax refund	19.94	16.82
Unwinding of discount on financial assets	6.70	6.29
Liabilities no longer required written back	259.59	-
Lease modification income	54.75	-
Miscellaneous income	30.34	37.27
	728.33	552.56

24 Service and commission charges

	For the year ended 31 March 2024	For the year ended 31 March 2023
Commission distributed to direct business outlets	19,957.32	23,299.79
Digital recharge expense	11,654.78	12,427.95
Other service charges	287.96	351.84
	31,900.06	36,079.58

25 Purchases of stock-in-trade

	For the year ended 31 March 2024	For the year ended 31 March 2023
Purchases of stock-in-trade	175.15	265.17
	175.15	265.17

26 Changes in inventories of stock-in-trade

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening Stock in Trade	56.95	102.58
Less : Closing Stock in Trade	110.01	56.95
	(53.06)	45.63

27 Employee benefits expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and wages	5,955.82	6,190.91
Gratuity expense (refer note 34(b))	69.27	54.16
Contribution to provident and other funds (refer note 34(a))*	270.43	255.14
Share based payments to employees (refer note 37)	884.44	4,810.32
Staff welfare expenses	117.49	106.55
	7,297.45	11,417.08

*Includes administration charges of Rs 17.74 (for the year ended 31 March 2023 : Rs 16.55)

28 Finance cost

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on lease liabilities	65.62	123.89
	65.62	123.89

29 Depreciation and amortisation expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (refer note 3)	351.65	321.80
Depreciation of right-of-use assets (refer note 4)	328.58	369.09
Amortisation of intangible assets (refer note 5)	1,306.31	590.74
	1,986.54	1,281.63

Rapipay Fintech Private Limited**(Company Identification No: U72200DL2009PTC189149)****Summary of material accounting policies and other explanatory information for the year ended 31 March 2024***(Amount in ₹ lakhs, unless otherwise stated)*

30 Other expenses	For the year ended 31 March 2024	For the year ended 31 March 2023
Rent	7.03	12.64
Expense for financial guarantee obligation (as per expected credit loss model)(refer note 40)	372.66	-
Expense for financial guarantee obligation	939.49	114.20
Rates and taxes	43.09	41.72
Repairs and maintenance	141.12	73.25
Office expenses	76.80	68.16
Power and fuel	38.51	41.82
Communication costs	82.30	76.51
Bank charges	309.04	361.73
Insurance	80.42	83.21
Travelling & conveyance	629.07	643.55
Advertisement, marketing & business promotion expenses	24.61	640.02
Legal and professional fees (including payment to statutory auditor, refer note (a))	871.06	1,507.02
Transaction loss	470.03	228.96
SMS usage charges	108.63	55.00
Provision for doubtful advances	44.40	-
Directors sitting fees	15.50	10.50
Provision for obsolete inventory	-	2.58
Expected credit loss on trade receivable (refer note 39 C.1 b (ii))	8.31	7.77
Loss on account of bad debts	-	12.06
Server usage charges	562.67	422.86
Credit verification charges	118.96	20.27
Fees and Subscription	128.73	138.16
Miscellaneous expenses	19.28	24.65
	5,091.71	4,586.64
Note:		
(a) Payments to auditors (excluding applicable taxes)		
Statutory audit	14.00	14.00
Tax audit	2.00	2.00
Limited review	12.00	9.50
Certification and other services	4.00	4.00
Out of pocket expenses	3.42	3.42
	35.42	32.92

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Rapipay Fintech Private Limited
(Company Identification No: U72200DL2009PTC189149)
Summary of material accounting policies and other explanatory information for the year ended 31 March 2024
(Amount in ₹ lakhs, unless otherwise stated)

31. Income tax expense

The major component of income tax expense for the period ended 31 March 2024 and 31 March 2023 are as follows:

(a) Statement of profit and loss:

(i) Profit or loss section

	For the year ended 31 March 2024	For the year ended 31 March 2023
Current income tax:		
Current tax on loss for the year	-	-
Adjustments in respect of current income tax of prior periods	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit and loss	-	-

(ii) Other comprehensive income (OCI) section:

Deferred tax relating to items in OCI in the year:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Net income/(expense) on measurement of defined benefit plans	-	-
Total	-	-

(b) Reconciliation of tax expense and the accounting profit multiplied by the applicable tax rate(s):

Particular	For the year ended 31 March 2024	For the year ended 31 March 2023
Loss before tax	(3,739.72)	(9,326.25)
Enacted tax rate in India (%)	25.17%	25.17%
Computed expected tax expenses	(941.21)	(2,347.23)
Tax effect due to non-taxable income for Indian tax purposes		
Effect of unrecognised business tax loss and other deductible temporary differences including reversal of previously recognised deferred tax assets on business losses	(942.90)	(2,347.74)
Effect of non-deductible expenses	(1.69)	(0.51)
Income Tax expense recognised in profit and loss	-	-

(c) Tax losses

	As at 31 March 2024	As at 31 March 2023
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been recognised	11,850.26	9,164.45
Potential tax benefit at 25.168%	2,982.47	2,306.51

The aforementioned tax losses and unabsorbed depreciation will lapse in the subsequent years as follows:-

Particulars	As at 31 March 2024	As at 31 March 2023
Within 0-5 years	2,315.35	1,637.19
From 5-8 years	6,538.40	6,018.48
Unlimited	2,996.51	1,508.78
	11,850.26	9,164.45

32 Earnings per equity share (EPS)

Particulars		For the year ended 31 March 2024	For the year ended 31 March 2023
i. Net loss for the year	(A)	(3,750.78)	(9,326.25)
ii. Weighted average number of equity shares of ₹ 10 each for basic earnings per share:			
Weighted average number of equity shares for basis EPS	(B)	3,97,07,139	3,97,07,139
iii. Weighted average number of equity shares of ₹ 10 each for diluted earnings per share:			
Effect of employee stock options	(C)	15,70,635	23,44,041
Weighted average number of equity shares for diluted EPS	(D = B+C)	4,12,77,774	4,20,51,180
iv. Basic loss per share (₹)	(A) / (B)	(9.45)	(23.49)
v. Diluted loss per share (₹) (Refer note ii below)	(A) / (B)	(9.45)	(23.49)

Note:

(i) The basic earnings per share has been computed by dividing the net loss after tax attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the year.

(ii) As the Company has incurred loss during the year, dilutive effect on weighted average number of shares would have an anti-dilutive impact and hence, not considered while calculating diluted loss per share.

33 Contingent liabilities and commitments

(a) **Corporate guarantees:** Pursuant to the Business Associate Agreement entered into with its lending partners, the Company is facilitating the lending business of its lending partners through its loan management platform in return for an agreed coupon rate on such loans disbursed. The Company provides financial guarantee (First Loss Default Guarantee i.e. FLDG) to lending partners to cover the loss on the credit extended to its merchants by its lending partner. Financial guarantee is capped @ 5% with all the lending partners. The Company has recognised "Expense for financial guarantee obligation" and "Expected credit loss for financial guarantee obligation" for Rs. 372.66 and 939.49 respectively.

(b) **Claims against the company which are not acknowledged as debts**

	As at 31 March 2024	As at 31 March 2023
Claims from a vendor not acknowledged as debts	22.07	-

(c) There is no capital commitment as at 31 March 2024 and 31 March 2023 respectively.

34 Employee benefits

(a) **Defined contribution plans - Provident Fund (PF), Employee State Insurance (ESI) Contribution and Labour Welfare Fund (LWF)**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and ESI, which are defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense are as under.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Employer's contribution to provident fund*	252.05	237.80
Employer's contribution to Employee State Insurance	0.58	0.78
Labour welfare fund	0.06	-
Total	252.69	238.58

*Contribution are made to recognised provident fund administered by the Government of India for employees at the rate of 12% of basic salary as per regulations. The obligations of the Company is limited to the amount contributed and it has no further contractual or constructive obligation.

(b) **Defined Benefit Plan - Gratuity**

The Company operates defined benefit gratuity plan. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days basic salary for each year of completed service at the time of retirement/exit.

The estimates of the future salary increases, considered in actuarial valuation, include inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The discount rate is based on the prevailing market yield on government securities as at the balance sheet date for the estimated average remaining service. The present value of defined obligations and the related current service cost and past service cost were measured using the projected unit credit method.

The disclosures as required by Indian Accounting Standard (Ind AS) -19 "Employee Benefits" are as under:

i) **Amounts recognized in the balance sheet**

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current liabilities	180.69	124.37
Current liabilities	28.67	3.69
	209.36	128.06

ii) Movement in the present value of defined benefit obligation recognised in the balance sheet

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of defined benefit obligation as at the beginning of the year	128.06	61.22
Interest cost	9.60	3.52
Current service cost	59.67	50.64
Benefits Paid	(1.96)	-
Actuarial Loss	13.99	12.68
Balance at the end of the year	209.36	128.06

iii) Expenses recognised in profit and loss account are as under:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	59.67	50.64
Net interest expense	9.60	3.52
Net impact on profit before tax	69.27	54.16

iv) Breakup of actuarial loss recognised in the other comprehensive income:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial (gain)/ loss from changes in financial assumptions	(3.37)	(12.31)
Actuarial loss from experience adjustment	17.36	24.99
Total actuarial loss	13.99	12.68

Actuarial assumptions

	As at 31 March 2024	As at 31 March 2023
Discount rate	7.25%	7.50%
Salary growth rate	6.00%	7.00%
Attrition rate	30.00%	30.00%
Retirement age (in years)	60	60
Average future service (in years)	27.2 Years	27.2 Years
Mortality rate	IALM 2012-14	IALM 2012-14

v) Sensitivity analysis for gratuity liability

The sensitivity analysis done below is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method (present value of the defined benefit obligation calculation with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined obligation liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change when as compared to prior period.

Particulars	As at 31 March 2024	As at 31 March 2023
Impact of change in discount rate		
Present value of obligation at the end of the year		
- Impact due to increase of 3 %	203.41	124.35
- Impact due to decrease of 3 %	215.67	132.00
Impact of change in future salary growth rate		
Present value of obligation at the end of the year		
- Impact due to increase of 3 %	215.68	131.99
- Impact due to decrease of 3 %	203.28	124.30

- vi) The plan exposes the company to actuarial risks such as interest rate risk and inflation risk.

Interest rate risk

The present value of the defined benefit liability is calculated using a discount rate determined by reference to market yields of risk free securities.

Inflation risk

A significant proportion of the defined benefit liability is linked to inflation. An increase in the inflation rate will increase the Company's liability.

vii) Maturity profile of defined benefit obligation	As at 31 March 2024	As at 31 March 2023
0 to 1 Year	28.67	3.69
1 to 2 Year	13.24	6.05
2 to 3 Year	15.06	6.96
3 to 4 Year	14.57	7.01
4 to 5 Year	22.30	6.63
6 Year onwards	115.52	97.72
Gross Total	209.36	128.06

35 Disclosure pursuant to Ind AS 108 "Operating Segment"

(a) The chief operating decision maker (CODM) examines the Company's performance from a service perspective and has identified the 'business of providing services in digital payment solution space' as a single business segment. As part of reporting for geographical segments, the Company operates in India only. The aforesaid is in line with review of operating results by the CODM. As such, there are no separate reportable segments as per the requirements of Ind AS 108 - 'Operating Segments Reporting' notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

(b) Information about services, products and geographical location

The Company has revenues primarily from customers domiciled in India. Substantially all of the Company's non-current operating assets are domiciled in India. Refer note 22 for revenue from each services and products as recognised in the financial statements.

(c) Information about major customers

There are 5 (31 March 2023: 2) major external customers with whom the company has earned revenue of more than 10% during the year amounting to ₹ 24,323.75 (31 March 2023: ₹ 20,806.25).

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Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

36 Leases

(a) Amounts recognised in the balance sheet:

	As at 31 March 2024		As at 31 March 2023
(i) Carrying amount of Right of Use Assets	462.81		1,407.73
Total	462.81		1,407.73
	Building	Lease deposits	Total
Cost			
Balance at 1 April 2022	1,853.36	32.42	1,885.78
Additions	275.97	7.43	283.40
Balance at 31 March 2023	2,129.33	39.85	2,169.18
Additions	-	-	-
Deletions	(605.44)	(10.90)	(616.34)
Balance at 31 March 2024	1,523.89	28.95	1,552.84
Accumulated Depreciation			
Balance at 1 April 2022	385.99	6.37	392.36
Charge for the year	362.02	7.07	369.09
Balance at 31 March 2023	748.01	13.44	761.45
Charge for the year	322.00	6.58	328.58
Balance at 31 March 2024	1,070.01	20.02	1,090.03
Carrying Amount			
Balance at 1 April 2022	1,467.37	26.05	1,493.42
Additions	275.97	7.43	283.40
Charge for the year	362.02	7.07	369.09
Balance at 31 March 2023	1,381.32	26.41	1,407.73
Additions	-	-	-
Deletions	(605.44)	(10.90)	(616.34)
Charge for the year	322.00	6.58	328.58
Balance at 31 March 2024	453.88	8.93	462.81

(ii) The break-up of current and non-current lease liabilities as at 31 March 2024 and 31 March 2023 is as follows :

Particulars	As at 31 March 2024	As at 31 March 2023
Non-Current Lease Liabilities	294.25	1,184.46
Current Lease Liabilities	252.27	355.82
	546.52	1,540.28

The movement in lease liabilities during the years ended 31 March 2024 and 31 March 2023 is as follows :

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance at the beginning	1,540.28	1,587.73
Additions	-	275.17
Finance Cost during the Year	65.62	123.89
Deletions	(659.85)	-
Payment of Lease Liabilities	(399.53)	(446.51)
Balance at the end	546.52	1,540.28

Rapipay Fintech Private Limited**(Company Identification No: U72200DL2009PTC189149)****Summary of material accounting policies and other explanatory information for the year ended 31 March 2024***(Amount in ₹ lakhs, unless otherwise stated)***36 Leases (Cont'd)**

(iii) The Company has taken premises on operating leases for a period of 1-5 years. The maturity analysis of lease liabilities are as follows:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Maturity Analysis:		
Not later than 1 year	284.62	399.53
Later than 1 year and not later than 5 years	316.09	600.71
More than 5 years	-	-
	<u>600.71</u>	<u>1,000.24</u>
Less: Unearned interest	54.19	(540.04)
	<u>546.52</u>	<u>1,540.28</u>
Long Term Lease liability	294.25	1,184.46
Short Term Lease liability	252.27	355.82
	<u>546.52</u>	<u>1,540.28</u>

Note:

(a) The Company does not face significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the lease liabilities as and when they fall due.

(b) As at 31 March 2024, potential future cash outflows of Rs 600.71 (Previous year: Rs 1,000.24)(undiscounted) have not been included in the lease liability because it is not reasonable to certain that the leases will be extended (or not terminated).

c. Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(b) Amounts recognised in the statement of profit and loss

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation expense on right-of-use assets	328.58	369.09
Interest expense on lease liabilities	65.62	123.89

Note:

a. The Company also has certain leases of buildings with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases. Expense related to short term leases amounts to Rs 7.03 (31 March 2023: Rs. 12.64).

b. The total cash outflow for leases for the year was Rs 399.53 (31 March 2023: 446.51).

Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

37 Share-based payment plans

The Company has in place an employee stock option scheme (ESOP scheme) under the name Rapipay Employee Stock Option Plan 2020 duly approved by the shareholders of the Company. Under the scheme, eligible employee(s) are granted an option to purchase the shares of the Company, in accordance with the terms and conditions of the scheme. The Company recognises this scheme as an equity settled share based payments arrangement in accordance with IND AS 102 - Share Based Payment. Options granted under ESOP scheme on or before 31 March 2022 vests on expiry of 12 months, 24 months, 36 months, 48 months from the date of grant whereas Options granted after 31 March 2022 vests on expiry of 12 months, 24 months, 36 months from the date of grant. The options are exercisable after a minimum period of 1 year from the date of grant subject to vesting. Such ESOP expense in respect of employees of the Company is charged over the vesting period. The charge is based on fair value of options calculated using Black-Scholes Option Pricing Model. The fair value charge is recognised as share based payment expenses under Employee Benefit Expenses.

(i) Employee stock option schemes:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Date of grant	2 May 2023	01 May 2022 04 July 2022 01 August 2022 05 August 2022 20 September 2022 01 October 2022 16 January 2023 13 February 2023 03 March 2023
Vesting requirements	Stock options due for vesting on each vesting date shall vest on the basis of time i.e. mere continuance of employment as on relevant date of vesting.	Stock options due for vesting on each vesting date shall vest on the basis of time i.e. mere continuance of employment as on relevant date of vesting.
Vesting conditions	- 33.33% on expiry of 12 months from the date of grant - 33.33% on expiry of 24 months from the date of grant - 33.34% on expiry of 36 months from the date of grant	- 33.33% on expiry of 12 months from the date of grant - 33.33% on expiry of 24 months from the date of grant - 33.34% on expiry of 36 months from the date of grant
Method of settlement	Equity	Equity

The fair value of options, based on the valuation of the independent valuer as on the date of grant are:

Grant date	Year ended 31 March 2024			Year ended 31 March 2023		
	No. of years vesting	Fair value per share	Exercise Price	No. of years vesting	Fair value per share	Exercise Price
12 November 2020 to 10 February	-	-	-	4 years	148	100
12 May 2021 to 28 October 2021	-	-	-	4 years	159	100
8 January 2022 to 04 March 2022	-	-	-	4 years	496	100
04 March 2022	-	-	-	1 year	496	100
01 May 2022 to 20 September 2022	-	-	-	3 years	496	300
01 October 2022 to 03 March 2023	-	-	-	3 years	506	300
02 May 2022	3 years	508	300	-	-	-

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Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

37 Share-based payment plans (cont'd)

(ii) Details of grant and outstanding options during the period:-

	Year ended 31 March 2024	Year ended 31 March 2023
Number of options granted	3,000	11,54,170
Outstanding number of options	3,000	10,32,812

(iii) The weighted average exercise price and remaining contractual life of the ESOP Scheme are as follows:

Grant Dates	Exercise Price (₹)	For the year ended 31 March 2024		For the year ended 31 March 2023	
		No. of Options outstanding	Weighted average remaining contractual life (in years)	No. of Options outstanding	Weighted average remaining contractual life (in years)
12 November 2020	100	6,00,002	0.62	6,18,184	1.62
12 May 2021	100	54,545	1.12	54,545	2.12
09 August 2021	100	25,000	1.36	25,000	2.36
20 August 2021	100	5,00,000	1.39	5,00,000	2.39
12 October 2021	100	55,000	1.53	91,363	2.53
28 October 2021	100	50,000	1.58	50,000	2.58
08 January 2022	100	15,000	1.78	55,000	2.78
04 March 2022	100	-	1.93	20,000	2.93
04 March 2022	100	10,00,000	-	10,00,000	-
01 May 2022	300	28,000	1.08	1,28,000	2.08
04 July 2022	300	-	1.26	8,300	2.26
01 August 2022	300	1,54,000	1.34	1,68,600	2.34
05 August 2022	300	4,000	1.35	4,000	2.35
20 September 2022	300	10,000	1.47	10,000	2.47
01 October 2022	300	5,67,956	1.50	6,92,912	2.50
16 January 2023	300	11,000	1.80	11,000	2.80
13 February 2023	300	10,000	1.87	10,000	2.87
03 May 2023	300	3,000	2.08	-	-

(iv) Employee wise details of options granted

For the year ended 31 March 2024			
Particulars	S. No	Name	Number of options granted
a) Key Managerial Personnel;		Nil	
Particulars	S. No	Name	Number of options granted
b) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year; and		Nil	
Particulars	S. No	Name	Number of options granted
c) Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.		Nil	

For the year ended 31 March 2023			
Particulars	S. No	Name	Number of options granted
a) Key Managerial Personnel;	1	Yogendra Singh Kashyap	93,333
	2	Nipun Jain	72,000
	3	Sumit Choudhary	23,333
Particulars	S. No	Name	Number of options granted
b) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year; and	1	Himanshu Nazkani	1,00,000
	2	Bharat Balachandran	1,50,000
	3	Yogendra Singh Kashyap	93,333
	4	Nipun Jain	72,000
Particulars	S. No	Name	Number of options granted
c) Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.		Nil	

Rapipay Fintech Private Limited**(Company Identification No: U72200DL2009PTC189149)****Summary of material accounting policies and other explanatory information for the year ended 31 March 2024***(Amount in ₹ lakhs, unless otherwise stated)***(v) Reconciliation of stock options:**

Particulars	Number of Options
Outstanding as at 31 March 2022	27,09,637
Stock option issued during the year	11,54,170
Exercised and vested	-
Forfeited/ lapsed	4,16,903
Outstanding as at 31 March 2023	34,46,904
Stock option issued during the year	3,000
Exercised and vested	-
Forfeited/ lapsed	3,62,401
Outstanding as at 31 March 2024	30,87,503
Exercisable at the end of the period	
- 31 March 2024	22,88,719
- 31 March 2023	17,51,092

(vi) The Company has recognised share based payment expense of ₹ 884.44 (31 March 2023: ₹ 4,810.32) during the year as proportionate cost.

(vii) The fair value of the options granted is determined on the date of the grant using the “Black-Scholes option pricing model” with the following assumptions, as certified by an independent valuer.

Particulars	As at 31 March 2024	As at 31 March 2023
Expected volatility (%)	16.22 to 21.56	20.93 to 27.80
Expected option life (weighted average)	3 Years and 1 year	3 Years and 1 year
Expected dividends yield (%)	-	-
Risk free interest rate (%)	6.81 to 6.87	6.70 to 7.22

Note: The expected volatility was determined based on historical volatility data of the other comparable Company's shares listed on the Stock Exchange.

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Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

*(Amount in ₹ lakhs, unless otherwise stated)***38 Related party disclosures (as per Ind AS 24)****A. List of related parties and their relationship**

Nature of relationship	Name of the related party
(i) Ultimate Holding Company	Capital India Corp Private Limited
(ii) Holding Company	Capital India Finance Limited
(iii) Subsidiary Company	NYE Investech Private Limited (erstwhile Kuants Wealth Private Limited till 09th October 2023) NYE Insurance Broking Private Limited
(iv) Key Management Personnel	Mr. Yogendra Singh Kashyap, Managing Director Mr. Nipun Jain, Whole Time Director and Chief Executive Officer Mr. Deepak Vaswan, Whole Time Director and Chief Business Officer (w.e.f. 01st January 2024, erstwhile Director) Mr. Yogendra Pal Singh, Independent Director Mr. Vinod Somani, Independent Director Mr. Keshav Porwal, Non-Executive Director Mrs. Rashmi Fauzdar, Independent Director (w.e.f. 25 April 2023) Mr. Sumit Choudhary, Chief Financial Officer Mr. Tushar Goel, Company Secretary
(v) Entity Under control of a person having joint control over the company	Credenc Web Technologies Private Limited

B. Transactions with Key management personnel including Directors:

Nature of transaction	Transaction Value	
	31 March 2024	31 March 2023
Salary and remuneration - Short term benefits*	528.38	506.72
Salary and remuneration - Post employment benefits	38.25	35.28
Share based payment**	259.88	3,941.88
Consulting fees	3.00	76.00
Reimbursement of expenses	19.84	14.37
Director's sitting fees	15.50	10.50
	864.85	4,584.75

*Excludes amounts pertaining to gratuity and compensated absences, which are actuarially valued at the company level.

** No options have been exercised by the KMPs and expense recognized based on IndAS-102 (refer note-37) has been reported here.

C. Transactions with related enterprises (on arm length basis):

Nature of transaction	Transaction Value	
	31 March 2024	31 March 2023
Capital India Finance Limited		
- Rendering of services	1,421.67	499.77
- Reimbursement of expenses	677.57	144.07
	2,099.24	643.84
Credenc Web Technologies Private Limited		
- Inter corporate deposit given	2,200.00	2,000.00
- Refund of Inter corporate deposit given	(2,200.00)	(2,000.00)
- Interest income on Inter corporate deposit	238.69	154.60
	238.69	154.60

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Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024*(Amount in ₹ lakhs, unless otherwise stated)*

Nature of transaction	Transaction Value	
	31 March 2024	31 March 2023
Capital India Corp Private Limited		
- Acquisition of Kuants Wealth Private Limited from Capital India Corp Private Limited	-	1,406.53
	<u>-</u>	<u>1,406.53</u>
NYE Investech Private Limited		
- Investment in Equity shares	350.00	500.00
- Rendering of services	10.29	33.51
	<u>360.29</u>	<u>533.51</u>
NYE Insurance broking Private Limited		
- Investment in Equity shares	-	75.00
	<u>-</u>	<u>75.00</u>
D .Outstanding Balances		
Name of Party	As at	
	31 March 2024	31 March 2023
Trade Receivables		
Capital India Finance Limited	220.00	114.17
Total	<u>220.00</u>	<u>114.17</u>
Investment		
Nye Investec Private Limited-Equity	2,256.53	1,906.53
Nye Investec Private Limited-Deemed Investment	34.07	151.49
Nye Insurance Broking Private Limited	75.00	75.00
Total	<u>2,365.60</u>	<u>2,133.02</u>
Trade Payables		
Capital India Finance Limited	3.00	26.22
Total	<u>3.00</u>	<u>26.22</u>
Financial Guarantee Obligation excluding expected credit loss		
Capital India Finance Limited	16.62	-
Total	<u>16.62</u>	<u>-</u>
Unbilled Revenue		
Capital India Finance Limited	15.15	15.32
Nye Investec Private Limited	23.83	13.55
Total	<u>38.98</u>	<u>28.87</u>

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39 Financial Risk Management**Risk Management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, and other financial assets measured at FVTPL.	Ageing analysis	Credit and payment track records .
Liquidity risk	Trade ayables, lease liabilities and other financial liabilities	Rolling cash flow forecasts	Adequate reserves and bank balances by continuing monitoring forecasted and actual cashflows.

The Company's risk management is carried out under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

C.1 Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by trade receivables and other financial assets measured at FVTPL. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(a) Credit risk management

The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of its customers. Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made (if any) are recognised in statement of profit and loss.

The Company provides for expected credit loss based on the following:

Credit risk from balances with banks and financial institutions is managed by Treasury in accordance with the Company's policy. Investments of surplus funds are only made in bank deposits. Hence the Company is not exposed to any significant credit risk in this respect. Credit risk of trade receivables are assessed on the basis of past trends and their ageing.

Financial assets that expose the entity to credit risk –

Particulars	At at 31 March 2024	At at 31 March 2023
Low credit risk		
Cash and cash equivalents	12,086.24	15,808.86
Other bank balances	1,249.99	1,048.37
Other financial assets	1,660.99	827.26
Trade receivables	1,540.17	1,489.20
Total	16,537.39	19,173.69

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

Trade receivables are generally unsecured and non-interest bearing. There is no significant concentration of credit risk. The Company's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored. The Company's credit risk is mainly confined to the risk of customers defaulting against credit sales made. In respect of trade receivables, the Company recognises a provision for lifetime expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Company.

Other financial assets

Other financial assets are considered to have low credit risk since there is a low risk of default by the counterparties owing to their strong capacity to meet contractual cash flow obligations in the near term. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

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Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(b) Expected credit losses for financial assets

(i) Financial assets (other than trade receivables)

Company provides for expected credit losses on financial assets other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

- For cash and cash equivalents, other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

- For other financial assets (including unbilled revenue) - Credit risk is evaluated based on Company knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Company policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

As at 31 March 2024	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash	12,086.24	-	12,086.24
Other bank balances	1,249.99	-	1,249.99
Other financial assets	1,660.99	-	1,660.99

As at 31 March 2023	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash	15,808.86	-	15,808.86
Other bank balances	1,048.37	-	1,048.37
Other financial assets	827.26	-	827.26

(ii) Expected credit loss for trade receivables under simplified approach

As at 31 March 2024	Gross carrying value	% of expected credit losses	Expected credit losses (impairment)	Carrying amount net of impairment
Not due	1,200.71	-	-	1,200.71
Due for less than 6 months	336.84	-	-	336.84
Due for more than 6 months but less than 1 year	1.79	-	-	1.79
Due for more than 1 year but less than 2 years	0.83	-	-	0.83
Due for more than 2 year but less than 3 years	16.08	100.00%	16.08	-
Due for more than 3 years	-	-	-	-
Total	1,556.25		16.08	1,540.17

As at 31 March 2023	Gross carrying value	% of expected credit losses	Expected credit losses (impairment)	Carrying amount net of impairment
Not due	1,181.06	-	-	1,181.06
Due for less than 6 months	298.60	-	-	298.60
Due for more than 6 months but less than 1 year	-	-	-	-
Due for more than 1 year but less than 2 years	17.31	44.89%	7.77	9.54
Due for more than 2 year but less than 3 years	-	-	-	-
Due for more than 3 years	-	-	-	-
Total	1,496.97		7.77	1,489.20

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Reconciliation of expected credit loss for trade receivables for contract with customers and contract assets

Reconciliation of loss allowance	Trade receivables
Loss allowance as at 1 April 2022	-
Allowance for expected credit losses	7.77
Loss allowance as at 31 March 2023	7.77
Charge in statement of profit and loss	8.31
Loss allowance on 31 March 2024	16.08

*During the year, the Company has written-off uncollectible trade receivables amounting to Rs. 8.31 (31 March 2023: 7.77). It does not expect to receive future cash flows against such write off or recover from collection of cash flows previously written off.

C.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

(a) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

31 March 2024	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease liabilities	-	284.62	171.78	137.56	6.74	600.70
Trade payables	371.77	105.58	-	-	-	477.35
Other financial liabilities	-	15,952.00	-	-	-	15,952.00
Total	371.77	16,342.20	171.78	137.56	6.74	17,030.05

31 March 2023	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease liabilities	-	386.42	386.77	396.05	745.70	1,914.94
Trade payables	91.38	77.21	307.37	-	-	475.96
Other financial liabilities	-	15,307.49	-	-	-	15,307.49
Total	91.38	15,771.12	694.14	396.05	745.70	17,698.39

C.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

(a) Interest rate risk

(i) Financial liabilities

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any long-term debt and short-term obligation and hence no risk exists. The Company's policy is to minimise interest rate cash flow risk exposures on financial liabilities.

(ii) Financial assets

The Company's deposits with banks are carried at amortised cost and are fixed rate instruments. They are, therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(b) Foreign currency risk

The Company is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like purchases, recognized financial assets and liabilities (monetary items). Certain transactions of the Company act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. Foreign currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Foreign currency	Amount (₹ in lakhs)	Foreign currency	Amount (₹ in lakhs)
Assets				
Trade Payables	USD	2.46	USD	-
		<u>2.46</u>		<u>-</u>

39 Capital Management

The Company's objectives when managing its capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders and maintain an optimal capital structure. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders. Consistent with others in the industry, the Company monitors capital based on the following gearing ratio:

Gearing ratio

Particulars	As at 31 March 2024	As at 31 March 2023
Equity share capital	3,970.72	3,970.72
Other equity	4,029.33	7,027.34
Equity (A)	8,000.05	10,998.06
Cash and cash equivalents	12,086.24	15,808.86
Other bank balances	1,249.99	1,048.37
Total fund (B)	13,336.23	16,857.23
Borrowings	-	-
Lease liabilities	546.52	1,540.28
Total debt (C)	546.52	1,540.28
Net debt (D=C-B)	(12,789.71)	(15,316.95)
Net debt to equity ratio (E=D/A)	*	*

* Net debt is negative and hence not applicable

40 Financial Guarantee

The Company provides financial guarantee (First Loss Default Guarantee i.e. FLDG) to lending partners to cover the loss on the credit extended to its merchants by its lending partner. Financial guarantee is capped @ 5% with all the lending partners.

The Company has established a credit quality review process to provide early warning signals to identify the changes in the creditworthiness of its merchants and business users. The credit quality review process enables the periodic assessment of the potential loss to which the Company is exposed thereby allowing it to take corrective actions. The Company has, based on current available information and based on the policy determined the provision for FLDG obligation.

Expected credit loss on FLDG contract :- Based on simplified approach, the Company though does not hold any assets directly, has, based on current available information and based on the policy, has done a parallel calculation for impairment loss allowance using the Expected Credit Loss (ECL) model to cover the guarantees provided to its lending partners.

Expected credit loss (ECL) methodology :- The Company has assessed the credit risk associated with its FLDG contracts for provision of Expected Credit Loss (ECL) as at the reporting dates. The Company makes use of various reasonable supportive forward-looking parameters which are both qualitative as well as quantitative while determining the change in credit risk and the probability of default. The underlying ECL parameters have been detailed out in the note on Summary of significant accounting policies.

For the year ended 31 March 2024, the Company has developed an ECL Model that takes into consideration the stage of delinquency, Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD).

I. Probability of Default (PD): represents the likelihood of default over a defined time horizon.

II. Exposure at Default (EAD): represents what is the user's likely borrowing at the time of default.

III. Loss Given Default (LGD): represents expected losses on EAD given the event of default.

Each financial guarantee contract is classified into (a) Stage 1, (b) Stage 2 and (c) Stage 3 (Default or Credit Impaired). Delinquency buckets have been considered as the basis for the staging of all credit exposure under the guarantee contract in the following manner:

- Stage 1: 0-30 days past due loans
- Stage 2: More than 30 and up to 60 days past due loans
- Stage 3: More than 60 and up to 90 days past due loans
- Stage 4: Above 90 days past due loans

Inputs, assumptions and estimation techniques used to determine expected credit loss :-

The Company's ECL provision are made on the basis of the Company's historical loss experience and future expected credit loss, after factoring in various macroeconomic parameter. In calculating the ECL, given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information up to the date of approval of these financial statements. The selection of variables was made purely based on business sense. Default rates are used with the same LGD and EAD to arrive at the expected credit loss for all three cases. The three cases were then assigned weights and a final probability-weighted expected credit loss estimate was computed.

(in INR Lakhs)

Particulars	Gross exposure	Expected credit loss allowance (ECL)	Net carrying amount (financial guarantee obligation)	Impact on profit or loss
As at 31 March 2024				
Where credit risk has not significantly increased from initial recognition (Stage 1)	1,567.67	-	-	-
Where credit risk has not significantly increased from initial recognition (Stage 2)	479.90	24.82	24.82	24.82
Where credit risk has increased significantly but are not credit impaired (Stage 3)	495.87	84.16	84.16	84.16
Where credit risk has increased significantly and are credit impaired (Stage 4)	903.94	263.68	263.68	263.68
Total	3,447.38	372.66	372.66	372.66

Notes:

- Gross exposure at default represents the maximum amount the Company has guaranteed under the respective financial guarantee contracts including amount outstanding, accrued interest, future interest due and any expected drawdowns in future from the sanctioned loan limits as on the reporting date.
- The Expected Credit Loss allowance is computed as a product of PD, LGD and EAD.
- Net Carrying Amount represents the Expected Credit Loss (ECL) recognized on financial guarantee contracts.
- Impact on Statement of profit or loss is the loss allowance recognized during the financial year. Reconciliation of expected credit Loss (ECL) allowance on financial guarantee contracts.

(in INR Lakhs)

Particulars	Financial guarantee obligation where credit risk has not significantly increased from initial recognition (Stage 1)	Financial guarantee obligation where credit risk has not significantly increased from initial recognition (Stage 2)	Financial guarantee obligation Where credit risk has increased significantly but are not credit impaired (Stage 3)	Financial guarantee obligation where credit risk has increased significantly and are credit impaired (Stage 4)	Total
As at 31 March 2024					
New credit exposures during the year, net of repayments	1,567.67	479.90	495.87	903.94	3,447.38
Contracts settled during the year	-	-	-	-	-
Transfer between stages during the year	-	-	-	-	-
Financial guarantee contract obligations accrued but not settled (Refer note below)	-	-	-	-	-
As at 31 March 2024	1,567.67	479.90	495.87	903.94	3,447.38

Financial Year 2022-23 being the initial year of business and low volumes, the expense towards FLDG was recognized based on actual expenses as the resultant impact of ECL model was not material to the financial statements.

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Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

41 Fair value measurement

i) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial instruments, including their levels in the fair value hierarchy. The Company has disclosed financial instruments, not measured at fair value, at carrying values because their carrying amounts are a reasonable approximation of the fair values.

	Note	Carrying amount		Amortised cost
		Fair value through profit or loss (FVTPL)	Fair value through Other Comprehensive Income (FVOCI)	
As at 31 March 2024				
Financial assets				
Investments	7	-	-	2,365.60
Trade receivables	12	-	-	1,540.17
Cash and cash equivalents	13	-	-	12,086.24
Other bank balances	14	-	-	1,249.99
Other financial assets	8	-	-	1,660.99
		-	-	18,902.99
Financial liabilities				
Lease liabilities	36	-	-	546.52
Trade payables	19	-	-	477.35
Other financial liabilities	20	-	-	15,952.00
		-	-	16,975.87
As at 31 March 2023				
Financial assets				
Investments	7	-	-	2,133.29
Trade receivables	12	-	-	1,489.20
Cash and cash equivalents	13	-	-	15,808.86
Other bank balances	14	-	-	1,048.37
Other financial assets	8	-	-	827.26
Total		-	-	21,306.98
Financial liabilities				
Lease liabilities	36	-	-	1,540.28
Trade Payables	19	-	-	475.96
Other financial liabilities	20	-	-	15,307.49
Total		-	-	17,323.73

ii) Measurement of fair values

The fair values of current trade receivables, cash and cash equivalents, other bank balances, other current financial assets, trade payables and other current financial liabilities are the same as their carrying amount, due to their short-term nature.

The fair value of lease liabilities were calculated based on cash flows discounted using the lending rate.

The fair value of non-current security deposit was calculated based on cash flows discounted using the fixed deposit interest rate.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Fair value hierarchy	Description
Level 1	Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2	Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.
Level 3	Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

42. Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
a) Current ratio (in times)	Current assets	Current liabilities	1.01	1.20	-16%	N.A.
b) Debt-equity ratio (in times)	Total debt = long term borrowings + short term borrowings	Shareholder's equity	-	-	0%	N.A.
c) Debt service coverage ratio (in times)	Earning for debt service = Net profit/(loss) before taxes + non-cash operating expenses like depreciation and other amortisations + Interest	Debt service = Interest payments + principal repayments	-	-	0%	N.A.
d) Return on equity ratio (in %)	Net profits/(loss) after taxes – preference dividend (if any)	Average shareholder's equity	-39.49%	-70.73%	-44%	The Company has improved its margins and hence loss has decreased.
e) Inventory turnover ratio (in times)	Cost of goods sold	Average inventory = (Opening + closing balance / 2)	1.46	3.83	-62%	The Company is continuously monitoring the inventory turnover cycle and accordingly maintains the inventory.
f) Trade receivables turnover ratio (in times)	Revenue from operations	Average accounts receivables	27.73	36.00	-23%	N.A.
g) Trade payables turnover ratio (in times)	cost of goods purchase	Average trade payables	10.68	10.98	-3%	N.A.
h) Net capital turnover ratio (in times)	Net sales	Average working capital (i.e. total current assets less total current liabilities)	284.10	13.18	2056%	Cash & Bank balance is decreased due to utilisation in its operations.
i) Net profit ratio (in %)	Net profit/(loss) for the year	Revenue from operations	-8.93%	-21.23%	-58%	The Company has improved its margins and hence loss has decreased.
j) Return on capital employed (in %)	Earning before interest and taxes (EBIT)	Capital employed= Tangible networth+ total debt+ deferred tax liability	-127%	-185.49%	-32%	The Company has improved its margins and hence loss has decreased.
k) Return on Investment (in %)	Income generated from investments (fixed deposits)	Time weighted average investments (fixed deposits)	8.76%	2.61%	235%	The company had matured the deposits in previous year for business operations.

Note:

(i) Explanations have been furnished for change in ratio by more than 25% as compared to the preceeding year as stipulated in Schedule III to the Act.

Rapipay Fintech Private Limited**(Company Identification No: U72200DL2009PTC189149)****Summary of material accounting policies and other explanatory information for the year ended 31 March 2024***(Amount in ₹ lakhs, unless otherwise stated)*

- 43 The Company has granted loan to entity under control of a person having joint control over the company for general corporate purposes and made investment in it's wholly owned subsidiary company. Details of these Loans and investments for the year ended 31 March 2024 and 31 March 2023 are as follows:

For the year ended 31 March 2024					
Name of party	Relation with Company	Type	Date	Amount	Repayment
Credenc Web Technologies Private Limited	Entity under control of a person having joint control over the company	Loan -Other Financial Assets	03-Apr-23	2200.00	(2,200.00)
NYE Investech technologies Private Limited	Wholly Owned Subsidiary	Investment In Subsidiaries	28-Apr-23	50.00	N.A.
NYE Investech technologies Private Limited	Wholly Owned Subsidiary	Investment In Subsidiaries	29-May-23	100.00	N.A.
NYE Investech technologies Private Limited	Wholly Owned Subsidiary	Investment In Subsidiaries	29-Aug-23	50.00	N.A.
NYE Investech technologies Private Limited	Wholly Owned Subsidiary	Investment In Subsidiaries	29-Nov-23	100.00	N.A.
NYE Investech technologies Private Limited	Wholly Owned Subsidiary	Investment In Subsidiaries	13-Mar-24	50.00	N.A.

For the year ended 31 March 2023					
Name of intermediary	Relation with company	Type	Date	Amount	Repayment
Credenc Web Technologies Private Limited	Entity under control of a person having joint control over the company	Loan -Other Financial Assets	18-Apr-22	1,500.00	(1,500.00)
Credenc Web Technologies Private Limited	Entity under control of a person having joint control over the company	Loan -Other Financial Assets	26-Aug-22	500.00	(500.00)
Romano Infrastructure Private Limited	Unrelated	Loan -Other Financial Assets	22-Jun-22	2,000.00	(2,000.00)
NYE Investech technologies Private Limited	Wholly Owned Subsidiary	Investment In Subsidiaries	18-Apr-22	1,406.53	N.A.
NYE Investech technologies Private Limited	Wholly Owned Subsidiary	Investment In Subsidiaries	24-May-22	200.00	N.A.
NYE Investech technologies Private Limited	Wholly Owned Subsidiary	Investment In Subsidiaries	19-Sep-22	100.00	N.A.
NYE Investech technologies Private Limited	Wholly Owned Subsidiary	Investment In Subsidiaries	15-Dec-22	200.00	N.A.
NYE Insurance Broking Private Limited	Wholly Owned Subsidiary	Investment In Subsidiaries	30-Aug-22	74.00	N.A.
NYE Insurance Broking Private Limited	Wholly Owned Subsidiary	Investment In Subsidiaries	12-Jul-22	1.00	N.A.

44 Other statutory information :

- The Company does not hold any benami property and no proceedings have been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act,1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.
- The Company has balance with the below-mentioned company struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding		Relationship with the Struck off company, if any, to be disclosed
Anant Entrepreneurs Private Limited	Commission expenses	-	-	Vendor
RMS Financial Services	Commission expenses	-	-	Vendor

- The Company has not traded or invested in Cryptocurrency transactions / balances or Virtual Currency during the financial year ended 31 March 2024 and 31 March 2023.
- There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- The Company has not received any fund from any person or any entity, including foreign entities (Funding Party) 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 a or on behalf of the Funding Party (Ultimate Beneficiaries); or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

- vii The Company has not advanced or loaned or invested funds to any person or any entity, including foreign entities (Intermediaries) with the understanding that the intermediary shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a 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.
- viii The Company has not availed any borrowings from banks and financial institutions during the current year and previous year.
- ix The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- x The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- xi The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).
- xii 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 or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company ("Ultimate Beneficiaries"). The Company has not received any fund from any party ("Funding Party") with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- xiii The Company does not have any charges or satisfaction (including in respect of fixed deposits under lien with banks as at year end) which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period as at 31 March 2024.
- 45 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Account) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall only use such accounting software which has a feature for recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 1 April 2023 and the company has complied with such requirement in relation to its accounting software and other application related to recognition of revenue and commission.
- 46 The Code of Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Presidential assent in September 2020. Subsequently, the Ministry of Labour and Employment had released the draft rules on the aforementioned code, which are yet to be notified. The Company will evaluate the impact and make necessary adjustments to the financial statements in the period when the code will come into effect.
- 47 Previous year figures have been regrouped/reclassified wherever necessary, to confirm to the current year's grouping and classification. The impact of such regrouping/reclassification is not material to the financial statements.

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Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(Amount in ₹ lakhs, unless otherwise stated)

48 The financial statements were approved for issue by the board of directors on 13 May 2024.

49 The company does not have any post balance sheet date event to be reported.

As per our report of even date

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

For and on behalf of the Board of Directors of

Rapipay Fintech Private limited

Jyoti Vaish

Partner

Membership Number: 096521

Place: Noida

Date: 13 May 2024

Nipun Jain

Whole Time Director &
Chief Executive Officer

DIN No : 09493589

Place: Noida

Date: 13 May 2024

Yogendra Singh Kashyap

Managing Director

DIN No : 00755017

Place: Noida

Date: 13 May 2024

Sumit Kumar Choudhary

Chief Financial Officer

PAN: ACVPC3264D

Place: Noida

Date: 13 May 2024

Tushar Goel

Company Secretary

Membership No. : A29374

Place: Noida

Date: 13 May 2024