



# Rapipay Fintech Private Limited

16<sup>th</sup> Annual Report  
2024-25

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

<b><u>NAME</u></b>	<b><u>DESIGNATION / DIN</u></b>
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)**

<b><u>NAME</u></b>	<b><u>DESIGNATION</u></b>
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

**KEY COMMITTEE(S) OF BOARD**

<b><u>AUDIT COMMITTEE</u></b>		<b><u>NOMINATION &amp; REMUNERATION COMMITTEE</u></b>	
Mr. Vinod Somani	Chairman	Mr. Yogendra Pal Singh	Chairman
Mr. Yogendra Pal Singh	Member	Mr. Vinod Somani	Member
Mrs. Rashmi Fauzdar	Member	Mrs. Rashmi Fauzdar	Member
Mr. Yogendra Singh Kashyap	Member		

**STATUTORY AUDITORS**

Nangia & Co LLP  
Chartered Accountants  
Firm Registration No. 002391C/N500069  
Nangia Towers, A-10, Sector 136, Noida-201304

**SECRETARIAL AUDITORS**

Arun Gupta & Associates  
Company Secretaries  
59, Ground Floor, St. No. 3, Madan Park,  
East Punjabi Bagh, New Delhi-110026

**INTERNAL AUDITORS**

Pankaj Priti & Associates  
Chartered Accountants  
1027, 10<sup>th</sup> Floor, Roots Tower, District Centre,  
Laxmi Nagar, New Delhi-110092

**REGISTRAR & SHARE TRANSFER AGENT**

KFin Technologies Limited  
KFin Selenium Tower B, Plot 31-32, Gachibowli,  
Financial District, Nanakramguda,  
Hyderabad-500032

**REGISTERED OFFICE**

701, 7th Floor, Aggarwal Corporate Tower,  
Plot No. 23, District Centre, Rajendra Place,  
New Delhi-110008

**CORPORATE OFFICE**

A-8, 8<sup>th</sup> Floor (Q-Tower),  
Sector-68,  
Noida-201301 (UP)

CIN: U72200DL2009PTC189149

Website: [www.rapipay.com](http://www.rapipay.com)

**BOARD'S REPORT**

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

Your Board of Directors ("**Board**") takes pride in presenting the 16<sup>th</sup> (Sixteenth) Annual Report of the Company together with the Audited Financial Statements for the Financial Year ("**FY**") ended March 31, 2025 ("**period under review**").

**1. FINANCIAL SUMMARY**

The Company's financial performance for the FY ended March 31, 2025, along with previous FY ended March 31, 2024, are hereunder:

Particulars	(in INR Lakh)	
	FY Ended March 31, 2025	FY Ended March 31, 2024
Total Income	36,003.06	42,723.75
Total Expenditure	38,427.47	46,463.47
<b>Profit/(Loss) before tax</b>	(2,424.41)	(3,739.72)
Provision for tax (including Deferred Tax)	-	11.06
<b>Profit/(Loss) after tax</b>	(2,424.41)	(3,750.78)
Other comprehensive income	32.89	(13.99)
<b>Total comprehensive income for the period</b>	(2,391.52)	(3,764.77)
Add: Profit and Loss account balance brought forward from previous year	-	-
Add: Retained earnings from amalgamation	-	-
<b>Balance carried to Balance Sheet</b>	(2,391.52)	(3,764.77)

**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 the 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 36,003.06 Lakhs, Total Expenditure of the Company was INR 38,427.47 Lakhs and Profit/(Loss) after Tax was INR (2,424.41 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 one year till March 31, 2026.

**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, 2025.

**5. SHARE CAPITAL**

During the period under review, there has been no change in the capital structure of the Company. As of March 31, 2025, the Capital structure stands as follows:

<b>Particulars</b>	<b>Type of Shares</b>	<b>No. of Shares</b>	<b>Face Value (in INR)</b>	<b>Amount (in INR)</b>
Authorised Share Capital	Equity	6,50,00,000	10	65,00,00,000
Issued, Subscribed and Paid-up Share Capital	Equity	3,97,07,139	10	39,70,71,390

**6. CHANGE IN THE NATURE OF BUSINESS**

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

**7. AMENDMENT IN OBJECT CLAUSE**

During the period under review, the Company, after attaining requisite approvals, amended its Object Clause of the Memorandum of Association of the Company by:

- modifying the existing Object clause to gain a clearer understanding of the current business landscape of the Company; and
- inserting a new Object clause to enter the business of Payment Aggregator (PA) and Payment Gateway services sector.

**8. CHANGE OF REGISTERED OFFICE OF THE COMPANY**

During the period under review, the Company has shifted its registered office from 2<sup>nd</sup> Floor, DLF Centre, Sansad Marg, New Delhi – 110001 to 701, 7<sup>th</sup> Floor, Aggarwal Corporate Tower, Plot No. 23, District Centre, Rajendra Place, New Delhi – 110008, effective July 01, 2024.

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

- **Holding Company(s)**

As on March 31, 2025, Capital India Finance Limited, holding 52.50% of the paid-up share capital, continues to serve as the holding company of the Company.

Capital India Corp Private Limited which is the holding company of Capital India Finance Limited, is the ultimate parent entity of the Company.

- **Subsidiary Company(s)**

As on the year ended on March 31, 2025, the Company has 2 (two) subsidiaries, as per the details hereunder:

<b>S. No.</b>	<b>Name of the Company</b>	<b>Percentage of Shareholding</b>
1	NYE Investech Private Limited	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.

**10. BOARD AND KEY MANAGERIAL PERSONNEL****Board Composition and Changes therein**

As on March 31, 2025, the Board of the Company comprises 7 (Seven) Directors viz.:

- 1 (One) Managing Director;
- 2 (Two) Whole-time Directors;
- 3 (Three) Independent Directors;
- 1 (One) Non-Executive Director.

Pursuant to the provisions of Section 164 of the Companies Act, 2013, none of the Directors of the Company are disqualified from being appointed as/or holding office of Director in the Company.

The composition of the Board of Directors as on March 31, 2025, is as under:

<b>S. No.</b>	<b>Name</b>	<b>Designation</b>	<b>DIN</b>
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, basis the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company:

- a. Mr. Yogendra Singh Kashyap (DIN: 00755017), was re-appointed as Managing Director of the Company, liable to retire by rotation, for a period of 3 (three) consecutive years, with effect from September 01, 2024.
- b. Mr. Vinod Somani (DIN: 00327231) and Mr. Yogendra Pal Singh (DIN: 08347484), were re-appointed as Independent Directors of the Company for a second term of 5 (five) consecutive years, w.e.f. January 06, 2025, not liable to retire by rotation.
- c. Mr. Nipun Jain (DIN: 09493589), was re-appointed as Whole-time Director & Chief Executive Officer of the Company, liable to retire by rotation, for a period of 3 (three) consecutive years, with effect from February 04, 2025.

Further, in the opinion of the Board the Independent Directors re-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, 2025, the 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

During the period under review, Mr. Tushar Goel, Company Secretary of the Company, resigned and ceased to be associated with the Company w.e.f. the close of business hours on March 31, 2025.

**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. Nipun Jain (DIN: 09493589) 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.

**11. COMMITTEES OF THE BOARD**

The Committees of the Board as on the financial year ended on March 31, 2025, 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, 2025, 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

**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, 2025, the Nomination & Remuneration Committee comprises of the following members:

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

**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, 2025, 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

**12. MEETINGS**

**A. Board Meeting**

During the period under review, 4 (four) 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 are as under:

S. No.	Date of Meeting	Total no. of Directors on the date of meeting	No. of Directors present at the meeting
1.	May 13, 2024	7	7
2.	August 06, 2024	7	7
3.	October 28, 2024	7	7
4.	January 29, 2025	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	7/7
2.	Mr. Nipun Jain	7/7
3.	Mr. Deepak Vaswan	7/7
4.	Mr. Vinod Somani	7/7
5.	Mr. Yogendra Pal Singh	7/7
6.	Mrs. Rashmi Fauzdar	7/7
7.	Mr. Keshav Porwal	7/7

**B. Committee(s) Meetings**

The details of the Audit Committee Meetings and the Nomination & Remuneration Committee Meetings and the attendance of its members are as under:

<b>S. No.</b>	<b>Name of the Committee &amp; Date of its Meetings</b>	<b>Committee Members</b>	<b>No. of Meetings Attended / No. of Meetings held during the tenure of Member</b>
1.	<b>Audit Committee</b> - May 13, 2024 - August 06, 2024 - October 28, 2024 - January 29, 2025	Mr. Vinod Somani	4/4
		Mr. Yogendra Pal Singh	4/4
		Mrs. Rashmi Fauzdar	4/4
		Mr. Yogendra Singh Kashyap	4/4
2.	<b>Nomination &amp; Remuneration Committee</b> - August 06, 2024 - October 28, 2024	Mr. Yogendra Pal Singh	2/2
		Mr. Vinod Somani	2/2
		Mrs. Rashmi Fauzdar	2/2

**C. General Meetings**

The details of the General Meetings held during the financial year ended on March 31, 2025, are as under:

<b>S. No.</b>	<b>Type of Meeting</b>	<b>Date of Meeting</b>
1.	Annual General Meeting	June 20, 2024
2.	Extra-Ordinary General Meeting	August 30, 2024
3.	Extra-Ordinary General Meeting	November 29, 2024

**13. 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](http://www.rapipay.com).

**14. 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, 2025, 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;
- 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.

## **15. 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.

## **16. 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.

The Independent Directors in terms of Schedule IV to the Act, at its separate meeting, evaluated the performance of the Chairman, Non-Independent Directors, the Board as a whole and the flow of information between the management and the Board.

The Board has carried out the performance evaluation of each of the Directors, without the presence of the Director being evaluated and carried out a formal evaluation of its own performance and the Board Committees. The Board of Directors has expressed their satisfaction with the evaluation process.

## **17. 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>.

## **18. STATUTORY AUDITORS**

Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), vide their letter dated August 06, 2024, resigned from their position and ceased to be the Statutory Auditors of the Company effective from that date.

The Board of Directors of the Company, in its meeting held on August 06, 2024, basis the recommendation of the Audit Committee of the Board, recommended the appointment of Nangia & Co LLP, Chartered Accountants (Firm Registration No. 002391C/N500069), as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of erstwhile Statutory Auditors of the Company. The aforesaid appointment was approved by the shareholders of the Company in its Extra-Ordinary General Meeting held on August 30, 2024.

Nangia & Co LLP has conducted the Statutory Audit for the period ended March 31, 2025. 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.

## **19. INTERNAL AUDITORS**

In terms of the provisions of Section 138 of the Companies Act, 2013, read with the rules made thereunder, 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 2024-25.

## **20. COST RECORDS**

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

## **21. 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, 2025.

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, or adverse remark.

**22. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

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

**23. VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

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

**24. 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.

**25. 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, are not applicable to the Company.

**26. 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.

**27. 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
<b>A.</b>	<b>CONSERVATION OF ENERGY</b>	
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>B.</b>	<b>TECHNOLOGY ABSORPTION</b>	
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.
<b>C.</b>	<b>FOREIGN EXCHANGE EARNINGS AND OUTGO</b>	
	a. Foreign Exchange earnings	NIL
	b. Foreign Exchange outgo	INR 1,10,83,250

**28. RISK MANAGEMENT**

The Board of Directors periodically reviews 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.

**29. 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.

**30. 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.

**31. 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.

**32. 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 were no complaint received by the Company.

**33. 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.

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 2024-25, 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.

**34. 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 05, 2025**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For The Financial Year Ended on 31<sup>st</sup> March, 2025**

*[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)**  
701, 7<sup>th</sup> Floor, Aggarwal Corporate Tower,  
Plot No. 23, District Centre, Rajendra Place,  
Patel Nagar (Central Delhi), New Delhi-110008

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 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 31<sup>st</sup> March, 2025, 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 31<sup>st</sup> March, 2025 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);

- 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 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 has occurred in the Company except as below:

- a) The Company has altered the provisions of Memorandum of Association with respect to Object Clause in the Board Meeting dated 28<sup>th</sup> October, 2024 and approved by shareholders in the Extra-Ordinary General Meeting dated 29<sup>th</sup> November, 2024.

**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: A021227G000272720**

Place: New Delhi  
Date: 05/05/2025

**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)**  
701, 7<sup>th</sup> Floor, Aggarwal Corporate Tower,  
Plot No. 23, District Centre, Rajendra Place,  
Patel Nagar (Central Delhi), New Delhi-110008

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: A021227G000272720**

Place: New Delhi  
Date: 05/05/2025

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

<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>						
1.	Options granted	42,88,171						
2.	Options vested	22,45,942						
3.	Options exercised	NIL						
4.	The total number of shares arising as a result of exercise of option	N.A.						
5.	Options lapsed	18,44,732						
6.	Exercise Price	INR 100 per option & INR 300 per option						
7.	Variation of terms of options	NIL						
8.	Money realized by exercise of options	NIL						
9.	Total number of options in force	24,43,439						
10.	Employee wise details of options granted during the financial year ended March 31, 2025							
	a) Key Managerial Personnel;	<table border="1"> <thead> <tr> <th><b>Sr. No.</b></th> <th><b>Name</b></th> <th><b>No. of Options granted</b></th> </tr> </thead> <tbody> <tr> <td colspan="3">NIL</td> </tr> </tbody> </table>	<b>Sr. No.</b>	<b>Name</b>	<b>No. of Options granted</b>	NIL		
<b>Sr. No.</b>	<b>Name</b>	<b>No. of Options granted</b>						
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><b>Sr. No.</b></th> <th><b>Name</b></th> <th><b>No. of Options granted</b></th> </tr> </thead> <tbody> <tr> <td colspan="3">NIL</td> </tr> </tbody> </table>	<b>Sr. No.</b>	<b>Name</b>	<b>No. of Options granted</b>	NIL		
<b>Sr. No.</b>	<b>Name</b>	<b>No. of Options granted</b>						
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><b>Sr. No.</b></th> <th><b>Name</b></th> <th><b>No. of Options granted</b></th> </tr> </thead> <tbody> <tr> <td colspan="3">NIL</td> </tr> </tbody> </table>	<b>Sr. No.</b>	<b>Name</b>	<b>No. of Options granted</b>	NIL		
<b>Sr. No.</b>	<b>Name</b>	<b>No. of Options granted</b>						
NIL								

**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 March 31, 2025, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement for the year then ended, notes to financial statements, including a summary of material accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2025, and its loss including other comprehensive income (financial performance including other comprehensive income), statement of changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

3. We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information Other than the financial statements and Auditor's Report Thereon**

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's 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, 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 as no other information is made available to us at the date of this auditor's report

### **Responsibilities of management and Those Charged with Governance for the Financial Statements**

5. The Company's Board of Directors is 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 state of affairs (financial position), profit & loss (financial performance including other comprehensive income), statement of changes in equity and cash flows of the Company in accordance with the Indian accounting standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended 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, 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 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 are 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 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 of 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.
9. As part of an audit in accordance with Standards of Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional scepticism 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 system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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

#### **Other Matter**

12. The financial statements of the Company for the year ended March 31, 2024 were audited by the predecessor auditor, Walker Chandiook & Co LLP Chartered Accountants, who have expressed an unmodified opinion on those financial statements vide their audit report dated May 13, 2024.

Our opinion is not qualified in respect of the this matter.

#### **Report on Other Legal and Regulatory Requirements**

13. 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 of the Act.
14. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the “Annexure A”, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. 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;
  - 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 the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;

- 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 March 31, 2025, 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 statement of the Company as on March 31, 2025 and operating effectiveness of such controls, refer to our separate Report in “Annexure B” wherein we have expressed unmodified opinion;
- 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 disclosed in Note 33 to the Financial Statements, has disclosed the impact of pending litigations on its financial position as at March 31, 2025 .
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2025.
  - 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 March 31, 2025.
  - iv.
    - (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 45(vi) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 45(vii) to the financial statements, no funds have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year ended March 31, 2025.
  - vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with

**NANGIA & CO LLP**  
CHARTERED ACCOUNTANTS

and the audit trail has been preserved by the Company as per the statutory requirements for record retention.”

**For Nangia & Co LLP**  
**Chartered Accountants**  
**ICAI Firm Registration Number 002391C/N500069**

**Vikas Gupta**  
**Partner**  
**Membership # 076879**

**UDIN: 25076879BMJCAU5649**

**Signed at NOIDA on 05/May/2025**

**Annexure A 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 on March 31, 2025**

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 details of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment (other than Soundbox machines) under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, in reasonable having regard of the size of the Company and the nature of it's assets. For Soundbox machines, 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 Sounbox machines) and 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 favor of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The Management has conducted the 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.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has made investments in subsidiary Company and granted unsecured loans to other parties, during the year, in respect of which:
  - (a) The Company has provided loans during the year, details of which are given below:

# NANGIA & CO LLP

CHARTERED ACCOUNTANTS

Particulars	Loans (INR in Lakh)
<b>A. Aggregate amount during the year</b>	
- Subsidiary	-
- Other	1,000.00
<b>B. Balance outstanding as at balance sheet date in respect of above cases</b>	
- Subsidiary	-
- Other	-

- (b) In our opinion, and according to the information and explanations given to us, the investments made, the terms and conditions of grant of loans is not, prima facie, prejudicial to the Company's interest.
- (c) In respect of loans and advance in the nature of loan granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated, and the repayment/receipt of principal and interest are regular.
- (d) There is no overdue amount in respect of loans or advance in the nature of loan granted to such other parties.
- (e) The Company has granted loan or advance in the nature of loan which has 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 loans/advances in nature of loan.
- (f) The Company has not granted loans or advances in 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 Section 185 and Section 186 of the Act in respect of loans and investments, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of guarantees and security.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanation given to us, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of business activities carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the company.
- (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, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess 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.

# NANGIA & CO LLP

CHARTERED ACCOUNTANTS

- (b) According to the information and explanations given to us and the records of the company examined by us, statutory dues referred to in clause (vii) (a) above which have not been deposited on account of any dispute are as under:

Name of the statute	Nature of dues	Amount (INR in lakh)	Amount paid under Protest (Lakh)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	160.40	-	AY 2020-21	Commissioner of Income tax (Appeals)
CGST Act 2017	GST	170.05	-	FY 2020-21	Appeal to be filed u/s 107 of CGST Act, 2017 on or before 19/05/2025.
CGST Act 2017	Penalty	16.98	-	FY 2020-21	Appeal to be filed u/s 107 of CGST Act, 2017 on or before 19/05/2025.

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix) According to the information and explanations given to us, the Company does not have any loans or other borrowing from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.
- (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, 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) During the course of our examination of the books of accounts and records carried out in accordance with the generally accepted auditing practices and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (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 during the year and upto the date of this report.
- (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.

# NANGIA & CO LLP

CHARTERED ACCOUNTANTS

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with section 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 as required under section 138 of the Act which is commensurate with the size and nature of its business.  
  
(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, reporting under clause (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 provision of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable on the Company. Accordingly, the requirement to report on clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.  
  
b) 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) any Core Investment Company as part of the Group.
- (xvii) The Company has incurred cash losses in the current and immediately preceding financial year amounting to INR 617.50 lakh and INR 509.85 lakh respectively.
- (xviii) There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**NANGIA & CO LLP**  
C H A R T E R E D   A C C O U N T A N T S

- (xx) According to the information and explanations given to us, the Company does not fulfil the criteria as specified under section 135(1) 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.

**For Nangia & Co LLP**  
**Chartered Accountants**  
**ICAI Firm Registration Number 002391C/N500069**

**Vikas Gupta**  
**Partner**  
**Membership # 076879**

**UDIN :25076879BMJCAU5649**

**Signed at NOIDA on 05/May/2025**

# **NANGIA & CO LLP**

CHARTERED ACCOUNTANTS

## **Annexure B 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 on March 31, 2025**

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting ("IFCoFR") of **Rapipay Fintech Private Limited ("the Company")** as of March 31, 2025 in conjunction with our audit of financial statements of the Company for the year ended on that date.

### **Management's and Board of Directors' Responsibility for Internal Financial Controls**

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

### **Auditors' Responsibility**

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 Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was 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 included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
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.

### **Meaning of Internal Financial Controls over Financial Reporting**

6. A company's internal financial control 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 control with reference to Financial Statements includes

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LLP Registration NO. AAJ-1379

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the said Guidance Note issued by the ICAI.

**For Nangia & Co LLP**  
**Chartered Accountants**  
**ICAI Firm Registration Number 002391C/N500069**

**Vikas Gupta**  
**Partner**  
**Membership # 076879**

**UDIN :25076879BMJCAU5649**

**Signed at NOIDA on 05/May/2025**

**Rapipay Fintech Private Limited**  
(Company Identification No: U72200DL2009PTC189149)  
**Balance Sheet as at 31st March 2025**  
(Amount in INR lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	438.47	600.57
(b) Right-of-use assets	4	1,074.29	462.81
(c) Other intangible assets	5	3,399.35	4,353.01
(d) Intangible assets under development	6	76.09	185.71
(e) Financial assets			
(i) Investments	7	2,356.53	2,365.60
(ii) Other financial assets	8	776.01	448.30
(f) Deferred tax assets (net)	9	-	-
(g) Other non-current assets	10	1.52	3.05
<b>Total non-current assets</b>		<b>8,122.26</b>	<b>8,419.05</b>
<b>Current assets</b>			
(a) Inventories	11	98.22	110.01
(b) Financial assets			
(i) Trade receivables	12	2,669.03	1,540.17
(ii) Cash and cash equivalents	13	4,651.68	12,086.24
(iii) Bank balances other than (ii) above	14	1,862.01	1,249.99
(iv) Other financial assets	8	1,015.21	1,212.69
(c) Current tax assets (net)	15	265.01	540.06
(d) Other current assets	10	383.18	855.03
<b>Total current assets</b>		<b>10,944.34</b>	<b>17,594.19</b>
<b>Total assets</b>		<b>19,066.60</b>	<b>26,013.24</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	16	3,970.72	3,970.72
(b) Other equity	17	1,609.16	4,029.33
<b>Total equity</b>		<b>5,579.88</b>	<b>8,000.05</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	36	980.34	294.25
(b) Provisions	18	282.18	272.57
<b>Total non-current liabilities</b>		<b>1,262.52</b>	<b>566.82</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	36	140.65	252.27
(ii) Trade payables	19		
Total outstanding dues of micro enterprises and small enterprises		8.87	76.20
Total outstanding dues of creditors other than micro enterprises and small enterprises		494.66	401.15
(iii) Other financial liabilities	20	11,022.76	15,952.00
(b) Provisions	18	169.07	70.67
(c) Other current liabilities	21	388.19	694.08
<b>Total current liabilities</b>		<b>12,224.20</b>	<b>17,446.37</b>
<b>Total equity and liabilities</b>		<b>19,066.60</b>	<b>26,013.24</b>
Summary of material accounting policies	2		

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 Nangia & Co. LLP**  
Chartered Accountants  
FRN No. 002391C/N500069

**Vikas Gupta**  
Partner  
Membership No. : 076879  
Place: Noida  
Date: 05 May 2025

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

**Yogendra Singh Kashyap**  
Managing Director  
DIN No : 00755017  
Place: Noida  
Date: 05 May 2025

**Nipun Jain**  
Whole Time Director & Chief Executive Officer  
DIN No : 09493589  
Place: Noida  
Date: 05 May 2025

**Sumit Kumar Choudhary**  
Chief Financial Officer  
PAN: ACVPC3264D  
Place: Noida  
Date: 05 May 2025

**Rapipay Fintech Private Limited**  
(Company Identification No: U72200DL2009PTC189149)  
**Statement of Profit and Loss for the year ended 31 March 2025**  
*(Amount in INR lakhs, unless otherwise stated)*

Particulars	Note	For the year ended 31 March 25	For the year ended 31 March 24
<b>INCOME</b>			
Revenue from operations	22	35,420.20	41,995.42
Other income	23	582.86	728.33
<b>Total income</b>		<b>36,003.06</b>	<b>42,723.75</b>
<b>EXPENSES</b>			
Service and commission charges	24	24,647.04	31,795.31
Purchases of stock-in-trade	25	56.52	175.15
Changes in inventories of stock-in-trade	26	11.79	(53.06)
Employee benefits expense	27	5,915.23	7,297.45
Finance cost	28	59.28	65.62
Depreciation and amortisation expense	29	2,185.39	1,986.54
Other expenses	30	5,552.22	5,196.46
<b>Total expenses</b>		<b>38,427.47</b>	<b>46,463.47</b>
<b>Loss before tax</b>		<b>(2,424.41)</b>	<b>(3,739.72)</b>
<b>Tax expense</b>			
Current tax	31	-	-
Deferred tax	9	-	11.06
<b>Total tax expense/(credit)</b>		<b>-</b>	<b>11.06</b>
<b>Loss for the year (A)</b>		<b>(2,424.41)</b>	<b>(3,750.78)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Remeasurement gain/(loss) on defined benefit obligation		32.89	(13.99)
Income tax relating to above item		-	-
<b>Other comprehensive income/(loss) for the year (B)</b>		<b>32.89</b>	<b>(13.99)</b>
<b>Total comprehensive loss for the year (A+B)</b>		<b>(2,391.52)</b>	<b>(3,764.77)</b>
<b>Earnings per share (of INR 10 each):</b>			
Basic loss per share	32	(6.11)	(9.45)
Diluted loss per share	32	(6.11)	(9.45)

Summary of material accounting policies

2

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

This is the statement of profit and loss referred to in our audit report of even date

**For Nangia & Co. LLP**  
Chartered Accountants  
Firm Registration Number: 001076N/N500013

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

**Vikas Gupta**  
Partner

**Yogendra Singh Kashyap**  
Managing Director

**Nipun Jain**  
Whole Time Director & Chief  
Executive Officer

Membership No. : 076879  
Place: Noida  
Date: 05 May 2025

DIN No : 00755017  
Place: Noida  
Date: 05 May 2025

DIN No : 09493589  
Place: Noida  
Date: 05 May 2025

**Sumit Kumar Choudhary**  
Chief Financial Officer  
PAN: ACVPC3264D  
Place: Noida  
Date: 05 May 2025

Rapipay Fintech Private Limited  
(Company Identification No: U72200DL2009PTC189149)  
Statement of Cash Flows for the year ended 31 March 2025  
(Amount in INR lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>A Cash flows from operating activities</b>		
Net loss before tax	(2,424.41)	(3,739.72)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	2,185.39	1,986.54
Finance cost	59.28	65.62
Interest income on bank deposits, inter corporate deposits and income tax refund	(275.64)	(376.95)
Unwinding of discount on financial assets	(6.93)	(6.70)
Liabilities written back	(262.09)	(259.59)
Expense for financial guarantee obligation	(302.66)	372.66
Impairment loss on trade receivable	-	8.31
Share based payments to employees	5.42	884.44
Gain on lease modification	(32.39)	(43.52)
Provision for doubtful advances	18.31	44.40
Advances written off	16.89	-
CWIP written off	58.83	-
<b>Operating loss before working capital changes</b>	<b>(960.00)</b>	<b>(1,064.51)</b>
<b>(Increase) / decrease in assets:</b>		
Inventories	11.79	(53.06)
Trade receivables	(1,128.86)	(59.28)
Other current and non-current financial assets	308.83	(455.48)
Other current and non-current assets	438.20	(395.92)
<b>Increase / (decrease) in liabilities:</b>		
Trade payables	26.18	1.39
Other financial liabilities	(4,364.49)	531.43
Provisions	140.90	61.50
Other current liabilities	(305.89)	65.07
<b>Cash used in operating activities</b>	<b>(5,833.34)</b>	<b>(1,368.86)</b>
Income taxes paid ( net of refunds)	299.06	27.84
<b>Net cash used in operating activities (A)</b>	<b>(5,534.28)</b>	<b>(1,341.02)</b>
<b>B Cash flows from investing activities</b>		
Purchase / development of property, plant and equipment, intangible assets and capital advances	(798.30)	(1,418.80)
Proceeds from sale of property, plant and equipments	-	2.88
Interest received	186.89	328.62
Investments in Subsidiaries	(25.00)	(349.99)
(Investment)/Proceeds of fixed deposits (Net)	(979.41)	(544.78)
Inter Corporate Deposit given to related party	1,000.00	2,200.00
Inter Corporate Deposit received back from related party	(1,000.00)	(2,200.00)
<b>Net cash used in investing activities (B)</b>	<b>(1,615.82)</b>	<b>(1,982.07)</b>
<b>C Cash flows from financing activities</b>		
Repayment of lease liabilities	(225.18)	(333.91)
Interest paid	(59.28)	(65.62)
<b>Net cash used in financing activities (C)</b>	<b>(284.46)</b>	<b>(399.53)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(7,434.56)</b>	<b>(3,722.62)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>12,086.24</b>	<b>15,808.86</b>
<b>Cash and cash equivalents as at the end of the year (refer note a below)</b>	<b>4,651.68</b>	<b>12,086.24</b>

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**Rapipay Fintech Private Limited**  
(Company Identification No: U72200DL2009PTC189149)  
**Statement of Cash Flows for the year ended 31 March 2025**  
(Amount in INR lakhs, unless otherwise stated)

**Note a: Components of cash and cash equivalent (refer note 13)**

<b>Particulars</b>	<b>For the year ended 31 March 2025</b>	<b>For the year ended 31 March 2024</b>
Balances with banks		
- on current accounts	3,575.04	8,780.66
- Escrow accounts	340.87	749.20
Other balances with banks	735.77	2,556.38
	<b>4,651.68</b>	<b>12,086.24</b>

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

**Note c:** Figure in bracket represents cash outflow.

Summary of material accounting policies

2

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

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

**For Nangia & Co. LLP**  
Chartered Accountants  
FRN No. 002391C/N500069

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

**Vikas Gupta**  
Partner

**Yogendra Singh Kashyap**  
Managing Director

**Nipun Jain**  
Whole Time Director & Chief  
Executive Officer

Membership No. : 076879  
Place: Noida  
Date: 05 May 2025

DIN No : 00755017  
Place: Noida  
Date: 05 May 2025

DIN No : 09493589  
Place: Noida  
Date: 05 May 2025

**Sumit Kumar Choudhary**  
Chief Financial Officer  
PAN: ACVPC3264D  
Place: Noida  
Date: 05 May 2025

**Rapipay Fintech Private Limited**  
(Company Identification No: U72200DL2009PTC189149)  
**Statement of Changes in Equity for the year ended 31 March 2025**  
(Amount in INR lakhs, unless otherwise stated)

**(a) Equity share capital**

Balance as at April 01, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
3,970.72	-	3,970.72	-	3,970.72

**(b) Other equity**

Particulars	Reserve & Surplus				Contribution from holding company	Total other equity
	Retained earnings	Share based payments reserve	Capital reserve	Securities premium		
<b>Balance as at April 01, 2023</b>	<b>(15,475.43)</b>	<b>5,769.19</b>	<b>(883.63)</b>	<b>16,681.70</b>	<b>935.51</b>	<b>7,027.34</b>
Loss for the year	(3,750.78)	-	-	-	-	(3,750.78)
Employee stock option expense (refer note 27)	-	884.44	-	-	-	884.44
Reversal on account of forfeiture of Employee stock option expense granted to employees of Subsidiary	-	(117.68)	-	-	-	(117.68)
Transferred to retained earning for options forfeited	268.51	(268.51)	-	-	-	-
Remeasurement of defined benefit obligation	(13.99)	-	-	-	-	(13.99)
<b>Balance as at March 31, 2024</b>	<b>(18,971.69)</b>	<b>6,267.44</b>	<b>(883.63)</b>	<b>16,681.70</b>	<b>935.51</b>	<b>4,029.33</b>
Loss for the year	(2,424.41)	-	-	-	-	(2,424.41)
Employee stock option expense (refer note 27)	-	5.42	-	-	-	5.42
Reversal on account of forfeiture of Employee stock option expense granted to employees of Subsidiary	-	(34.07)	-	-	-	(34.07)
Transferred to retained earning for options forfeited	638.48	(638.48)	-	-	-	-
Remeasurement of defined benefit obligation	32.89	-	-	-	-	32.89
<b>Balance as at March 31, 2025</b>	<b>(20,724.73)</b>	<b>5,600.31</b>	<b>(883.63)</b>	<b>16,681.70</b>	<b>935.51</b>	<b>1,609.16</b>

Summary of material accounting policies

2

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

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

**For Nangia & Co. LLP**  
Chartered Accountants  
FRN No. 002391C/N500069

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

**Vikas Gupta**  
Partner

Membership No. : 076879  
Place: Noida  
Date: 05 May 2025

**Yogendra Singh Kashyap**  
Managing Director

DIN No : 00755017  
Place: Noida  
Date: 05 May 2025

**Nipun Jain**  
Whole Time Director & Chief  
Executive Officer

DIN No : 09493589  
Place: Noida  
Date: 05 May 2025

**Sumit Kumar Choudhary**  
Chief Financial Officer  
PAN: ACVPC3264D  
Place: Noida  
Date: 05 May 2025

## **1 Corporate Information**

Rapipay Fintech Private Limited ('the Company') is a company domiciled in India and incorporated on 6<sup>th</sup> April 2009 under the provisions of Companies Act, 1956. The Company had received a Certificate of Registration number 126/2017 dated 25<sup>th</sup> 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 2025, 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 701, 7<sup>th</sup> Floor, Plot Number 23, Aggarwal Corporate Tower, Rajendra Place, New Delhi - 110008 while its corporate office is situated at A-8, 8th Floor (Q-Tower) Sector 68, Noida, Uttar Pradesh, India, 201309. 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 financial statements for the year ended 31st March, 2025 were authorized for issue by the company's Board of Directors on 5 May 2025..

## **2 Statement of compliance**

These 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 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 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 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 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 an 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 financial statements unless when an inflow of economic benefits is probable.

**(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, 2025, 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.

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, 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:-

<b>Type of Assets</b>	<b>Estimated useful life as assessed by the Company</b>	<b>Estimated useful life under Schedule II of the Act</b>
Computers and servers	3 years	3 years
Computer softwares	2-4 years	3 years
Office equipments	3 years	5 years
Vehicles	5 years	8 years
Furniture and fixtures	6 years	10 years
Plant & Machinery	1.5 years	15 years

Leasehold improvements	Tenure of lease agreements	Tenure of lease agreements
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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.
- 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 financial statements unless when an inflow of economic benefits is probable.

## **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

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 the equity shareholders of the Company
- by the weighted average number of equity shares outstanding during the financial year (see note 32).

### **(ii) Diluted earnings per share**

For the purpose of calculating diluted earnings per share:

- the net profit for the period attributed to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all potentially dilutive equity shares.

## **2.17 Segment reporting**

Segments have been identified in accordance with Accounting Standard on Segment Reporting (Ind AS 108) taking into account the organization structures as well as differential risks and returns of these segments.

The Company has identified business segments as its reporting segment which is classified into CICO and Digital Lending. Revenues and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable and allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

The Company operates mainly in India, hence there is no separate reportable geographical segment.

## **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: 1-30 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.

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.

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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 2025

(Amount in INR lakhs, unless otherwise stated)

**3 Property, plant and equipment**

Particulars	Furniture & fixtures	Plant & machinery	Vehicles	Office equipments	Leasehold improvements	Computer and server	Total
<b>Gross carrying amount</b>							
<b>Balance as at 1 April 2023</b>	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 for the year	-	-	-	2.97	-	0.46	3.43
<b>Balance as at 31 March 2024</b>	<b>132.96</b>	<b>45.69</b>	<b>168.62</b>	<b>175.04</b>	<b>520.92</b>	<b>542.61</b>	<b>1,585.84</b>
Additions for the year	1.71	60.25	122.08	8.28	3.63	4.76	200.71
Disposals for the year	-	-	-	1.98	-	15.99	17.97
<b>Balance as at 31 March 2025</b>	<b>134.67</b>	<b>105.94</b>	<b>290.70</b>	<b>181.34</b>	<b>524.55</b>	<b>531.38</b>	<b>1,768.58</b>
<b>Accumulated depreciation</b>							
<b>Balance as at 1 April 2023</b>	55.11	-	44.25	96.14	207.33	231.35	634.18
Depreciation for the year	22.07	5.21	33.72	46.99	86.54	157.12	351.65
Disposals for the year	-	-	-	0.10	-	0.46	0.56
<b>Balance as at 31 March 2024</b>	<b>77.18</b>	<b>5.21</b>	<b>77.97</b>	<b>143.03</b>	<b>293.87</b>	<b>388.01</b>	<b>985.27</b>
Depreciation for the year	22.35	60.50	53.32	27.08	87.22	112.12	362.59
Disposals for the year	-	-	-	1.76	-	15.99	17.75
<b>Balance as at 31 March 2025</b>	<b>99.53</b>	<b>65.71</b>	<b>131.29</b>	<b>168.35</b>	<b>381.09</b>	<b>484.14</b>	<b>1,330.11</b>
<b>Net block</b>							
<b>As at 31 March 2024</b>	<b>55.78</b>	<b>40.48</b>	<b>90.65</b>	<b>32.01</b>	<b>227.05</b>	<b>154.60</b>	<b>600.57</b>
<b>As at 31 March 2025</b>	<b>35.14</b>	<b>40.23</b>	<b>159.41</b>	<b>12.99</b>	<b>143.46</b>	<b>47.24</b>	<b>438.47</b>

**Rapipay Fintech Private Limited**

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2025

(Amount in INR lakhs, unless otherwise stated)

**4 Right of use assets**

Particulars	Building	Lease deposits	Total
<b>Gross carrying amount</b>			
<b>Balance as at 1 April 2023</b>	<b>2,129.33</b>	<b>39.85</b>	<b>2,169.18</b>
Additions/disposals (adjustments) for the year	(1,255.05)	(22.50)	(1,277.55)
<b>Balance as at 31 March 2024</b>	<b>874.28</b>	<b>17.35</b>	<b>891.63</b>
Additions/disposals (adjustments) for the year	719.81	10.87	730.68
<b>Balance as at 31 March 2025</b>	<b>1,594.09</b>	<b>28.22</b>	<b>1,622.31</b>
<b>Accumulated depreciation</b>			
<b>Balance as at 1 April 2023</b>	<b>748.01</b>	<b>13.44</b>	<b>761.45</b>
Depreciation for the year	322.00	6.58	328.58
Disposals (adjustments) for the year	(649.61)	(11.60)	(661.21)
<b>Balance as at 31 March 2024</b>	<b>420.40</b>	<b>8.42</b>	<b>428.82</b>
Depreciation for the year	216.03	4.53	220.55
Disposals (adjustments) for the year	(97.47)	(3.88)	(101.35)
<b>Balance as at 31 March 2025</b>	<b>538.96</b>	<b>9.07</b>	<b>548.02</b>
<b>Net block</b>			
<b>As at 31 March 2024</b>	<b>453.88</b>	<b>8.93</b>	<b>462.81</b>
<b>As at 31 March 2025</b>	<b>1,055.14</b>	<b>19.15</b>	<b>1,074.29</b>

**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 2025.

**5 Other intangible assets**

Particulars	Computer Software	Total
<b>Gross block</b>		
<b>Balance as at 31 March 2023</b>	<b>2,456.36</b>	<b>2,456.36</b>
Additions for the year	4,168.04	4,168.04
<b>Balance as at 31 March 2024</b>	<b>6,624.40</b>	<b>6,624.40</b>
Additions for the year	648.60	648.60
<b>Balance as at 31 March 2025</b>	<b>7,273.00</b>	<b>7,273.00</b>
<b>Accumulated amortisation</b>		
<b>Balance as at 1 April 2023</b>	<b>965.08</b>	<b>965.08</b>
Amortisation for the year	1,306.31	1,306.31
<b>Balance as at 31 March 2024</b>	<b>2,271.39</b>	<b>2,271.39</b>
Amortisation for the year	1,602.25	1,602.25
<b>Balance as at 31 March 2025</b>	<b>3,873.64</b>	<b>3,873.64</b>
<b>Net block</b>		
<b>As at 31 March 2024</b>	<b>4,353.01</b>	<b>4,353.01</b>
<b>As at 31 March 2025</b>	<b>3,399.35</b>	<b>3,399.35</b>

**Rapipay Fintech Private Limited**

(Company Identification No: U72200DL2009PTC189149)

**Summary of material accounting policies and other explanatory information for the year ended 31 March 2025***(Amount in INR lakhs, unless otherwise stated)***6 Intangible assets under development**

Particulars	As at	As at
	31 March 2025	31 March 2024
<b>Balance as at the beginning of the year</b>	185.71	3,004.34
Additions for the year	582.61	1,349.41
Capitalization for the year	(633.40)	(4,168.04)
Written off during the year	(58.83)	-
<b>Balance as at the end of the year</b>	<b>76.09</b>	<b>185.71</b>

**Notes:****(a) Intangible assets under development ageing schedule :**

Particulars	Amount of Intangible assets under development for a period of			Total
	Less than 1 year	1-2 years	More than 2 years	
<b>As at 31 March 2025:</b>				
Projects in progress	76.09	-	-	76.09
<b>As at 31 March 2024:</b>				
Projects in progress	155.83	4.54	25.34	185.71

**Note:**

(a) There are no projects which are either overdue or have exceeded their cost compared to their original plan as at 31 March 2025 and 31 March 2024.

(b) There are 2 projects (Previous Year: Nil) where activity has been suspended.

(c) In FY 2024-25, the Company has capitalised employee benefit expenses amounting to INR 571.61 lakhs (March 31, 2024: INR 1,270.01 lakh) which are directly attributable to assets.

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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 2025**

(Amount in INR lakhs, unless otherwise stated)

**7 Investments**

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Non- Current</b>		
<b>Investments in equity instruments of subsidiary at cost</b>		
<b>(Fully paid equity shares (Unquoted))</b>		
49,14,967 (March 31, 2024: 48,61,111) equity shares with face value of INR 10 each in NYE Investech Private Limited (earlier known as Kuants Wealth Private Limited)**	2,281.53	2,256.53
7,50,000 (March 31, 2024: 7,50,000) equity shares with face value of INR 10 each in NYE Insurance Broking Private Limited	75.00	75.00
Deemed investment in direct subsidiary company and step down subsidiaries of direct subsidiary*	-	34.07
	<b>2,356.53</b>	<b>2,365.60</b>
Aggregate carrying value of unquoted investment	2,356.53	2,365.60

\* The Company had granted employees stock option to the selected employees of its direct subsidiary. This has been treated as deemed investment in respective subsidiary by the Company as per guidance under IND AS.

\*\* During the year, the Company made investment in NYE Investech Private Limited by subscribing to 53,856 equity shares at an issue price of INR 46.42 per share, which includes a share premium of INR 36.42 over the face value of INR 10.

**8 Other financial assets**

Particulars	Non-current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
<b>Unsecured, considered good unless otherwise stated</b>				
Security deposits	34.91	74.59	13.39	3.29
Bank deposits with maturity of more than 12 months (Note 1, Note 2 & Note 3)	741.10	373.71	-	-
Unbilled revenue	-	-	256.48	160.31
Interest accrued but not due on bank deposits	-	-	113.73	48.99
Other receivables from service providers (Note 4 & Note 5)	-	-	631.61	1,000.10
	<b>776.01</b>	<b>448.30</b>	<b>1,015.21</b>	<b>1,212.69</b>

Note 1 - Bank deposits of INR 25 lakhs (31 March 2024: INR 25 lakhs) is pledged as security against bank guarantee at the end of 31 March 2025.

Note 2 - Bank deposit of INR 661.10 Lakhs (31st March 2024 - INR 285.00 Lakhs) are marked under 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.

Note 3 - Bank deposit of INR NIL (31st March 2024 :INR 36.44 Lakhs) are marked under lien by banks and a few service providers as per the contractual agreement.

Note 4 - 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.

Note 5 - Includes amount of INR 10 lakh for which legal petition has been filed before the District Court at Udaipur.

**9 Deferred tax assets (net)**

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Deferred tax assets on account of :</b>		
Business loss	3,958.03	2,982.47
Balance of employee stock option	1,747.30	1,577.39
MAT credit entitlement	-	11.06
Others	421.29	177.96
<b>Sub total (A)</b>	<b>6,126.62</b>	<b>4,748.88</b>
<b>Deferred tax liabilities</b>	-	-
<b>Sub total (B)</b>	-	-
<b>Deferred tax assets / Liabilities (net)*</b>	-	-

\*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 INR 6,126.62 Lakhs ( 31 March 2024 : INR 4,748.88 Lakhs)

Rapipay Fintech Private Limited

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2025

(Amount in INR lakhs, unless otherwise stated)

9 Deferred tax assets (net) (continued...)

A Movement in deferred tax assets and liabilities for the year ended 31 March 2025 :-

Particulars	As at 1 April 2024	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	As at 31 March 2025
<b>Deferred tax assets arising on account of</b>				
MAT credit entitlement	-	-	-	-
<b>Sub total (A)</b>	-	-	-	-
<b>Deferred tax liabilities arising on account of:</b>				
Property, plant and equipment and other intangible assets	-	-	-	-
<b>Sub total (B)</b>	-	-	-	-
<b>Deferred tax assets (net) (A+B)</b>	-	-	-	-

B 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
<b>Deferred tax assets arising on account of</b>				
MAT credit entitlement	11.06	(11.06)	-	-
<b>Sub total (A)</b>	<b>11.06</b>	<b>(11.06)</b>	-	-
<b>Deferred tax liabilities arising on account of:</b>				
Property, plant and equipment and other intangible assets	-	-	-	-
<b>Sub total (B)</b>	-	-	-	-
<b>Deferred tax assets (net) (A+B)</b>	<b>11.06</b>	<b>(11.06)</b>	-	-

10 Other non-current and current assets

Particulars	Non-current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Advances other than capital advances	0.12	-	307.76	772.82
Less: Provision for doubtful advances	-	-	(41.33)	(23.02)
Balance with statutory/government authorities	-	-	23.62	10.29
Prepaid expense	1.40	3.05	93.13	94.94
	<b>1.52</b>	<b>3.05</b>	<b>383.18</b>	<b>855.03</b>

11 Inventories

Particulars	As at 31 March 2025	As at 31 March 2024
Stock-in-trade	98.22	110.01
	<b>98.22</b>	<b>110.01</b>

12 Trade receivable

Particulars	As at 31 March 2025	As at 31 March 2024
<u>Related Parties</u>		
Unsecured, considered good*	193.05	219.78
Unsecured, credit impaired	-	-
<u>Other</u>		
Unsecured, considered good	2,475.98	1,320.39
Unsecured, credit impaired	16.08	16.08
	<b>2,685.11</b>	<b>1,556.25</b>
Less: Allowance for expected credit loss	(16.08)	(16.08)
<b>Total trade receivables</b>	<b>2,669.03</b>	<b>1,540.17</b>

\* Refer note 38 for balance outstanding with related parties.

12 Trade receivable (continued...)

(a) Trade receivables ageing schedule is as follows:

Balance as at 31 March 2025

Particular	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	1,050.34	1,382.89	235.15	0.34	0.31	-	2,669.03
(iii) Undisputed trade Receivables – credit impaired	-	-	-	-	-	16.08	16.08
<b>Total</b>	<b>1,050.34</b>	<b>1,382.89</b>	<b>235.15</b>	<b>0.34</b>	<b>0.31</b>	<b>16.08</b>	<b>2,685.11</b>

Balance as at 31 March 2024

Particular	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	1,200.72	336.84	1.79	0.82	-	-	1,540.17
(ii) Undisputed trade Receivables – credit impaired	-	-	-	-	16.08	-	16.08
<b>Total</b>	<b>1,200.72</b>	<b>336.84</b>	<b>1.79</b>	<b>0.82</b>	<b>16.08</b>	<b>-</b>	<b>1,556.25</b>

Notes:

- 1) Trade receivables are non-interest bearing and are generally on credit terms of 30 to 60 days.
- 2) During the period ended March 31, 2025 & March 31, 2024; there were no balances of trade receivables with a significant increase in credit risk.
- 3) 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.

13 Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with banks		
- on current accounts (note 1)	3,575.04	8,780.66
- Escrow account (note 2)	340.87	749.20
Other balances with bank (note 3)	735.77	2,556.38
	<b>4,651.68</b>	<b>12,086.24</b>

Note 1 - The amounts of INR 872.82 Lakhs (March 31, 2024: INR 1,750 Lakhs) is under freeze with certain banks, bank balance amounts INR 739 Lakhs (March 31, 2024: INR 232.6 Lakhs) are lien with banks.

Note 2 - 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.

Note 3 - The amount includes balances of INR 712.77 Lakhs (March 31, 2024: INR 2,522.99 Lakhs) with payment banks and wallet balance of INR NIL (March 31, 2024: INR 33.39 Lakhs). As of March 31, 2025, the balance in the nodal accounts earmarked for merchant settlements is INR 23 Lakhs.

14 Bank balances other than cash & cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Bank deposits with original maturity of more than three month but less than twelve months (refer note 1, 2 & 3)	1,862.01	1,249.99
	<b>1,862.01</b>	<b>1,249.99</b>

Note 1 - Bank deposits of INR 1,561.89 Lakhs (31st March 2024 - INR 972.88 Lakhs) are marked under 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.

Note 2 - Bank deposits of INR 300.26 Lakhs (31st March 2024 :INR 262.36 Lakhs) are marked under lien by banks and a few service providers as per the contractual agreement.

Note 3 -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 to INR NIL (March 31, 2024: INR 2.77 Lakhs).

15 Current tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance tax and tax deducted at source*	265.01	540.06
	<b>265.01</b>	<b>540.06</b>

\*Include INR 16.13 lakhs in relation to the financial year 2022-23. In respect of which the company has filed an appeal with CIT(A).

**Rapipay Fintech Private Limited**

(Company Identification No: U72200DL2009PTC189149)

**Summary of material accounting policies and other explanatory information for the year ended 31 March 2025***(Amount in INR lakhs, unless otherwise stated)***16 Equity Share capital**

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
<b>Authorised equity share capital</b>				
Equity shares of INR 10 each	6,50,00,000	6,500.00	6,50,00,000	6,500.00
	<b>6,50,00,000</b>	<b>6,500.00</b>	<b>6,50,00,000</b>	<b>6,500.00</b>
<b>Issued, subscribed and fully paid up shares</b>				
Equity shares of INR 10 each fully paid up	3,97,07,139	3,970.72	3,97,07,139	3,970.72
	<b>3,97,07,139</b>	<b>3,970.72</b>	<b>3,97,07,139</b>	<b>3,970.72</b>

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

Particulars	As at 31 March 2025		As at 31 March 2024	
	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	<b>3,97,07,139</b>	<b>3,970.72</b>	<b>3,97,07,139</b>	<b>3,970.72</b>

**B. Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of INR 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 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 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
<b>Capital India Corp Private Limited, ultimate holding company</b>				
Equity shares of INR 10 each fully paid up	84,75,000	847.50	84,75,000	847.50
<b>Capital India Finance Limited, holding company (subsidiary of Capital India Corp Private Limited)</b>				
Equity shares of INR 10 each fully paid up	2,08,46,273	2,084.63	2,08,46,273	2,084.63

**D. Details of shareholders holdings more than 5% shares**

Name of Shareholder	As at 31 March 2025		As at 31 March 2024	
	Number	% of holding	Number	% of holding
(Equity shares of INR 10 each fully paid)				
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)				
Capital India Corp LLP)	84,75,000	21.34%	84,75,000	21.34%
Ms. Rekha kashyap	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.

**E. 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.

F. 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.

16 Equity Share capital (continued...)

G. Details of shares held by promoter and promoter group

As at 31 March 2025

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

As at 31 March 2024

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

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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 2025

*(Amount in INR lakhs, unless otherwise stated)***17 Other equity**

Particulars	As at	As at
	31 March 2025	31 March 2024
Retained earnings	(20,724.73)	(18,971.69)
Securities premium	16,681.70	16,681.70
Share based payment reserve	5,600.31	6,267.44
Capital reserve	(883.63)	(883.63)
Contribution from holding company	935.51	935.51
<b>Total</b>	<b>1,609.16</b>	<b>4,029.33</b>

**(i) Retained earnings**

Particulars	As at	As at
	31 March 2025	31 March 2024
<b>Opening balance</b>	<b>(18,971.69)</b>	<b>(15,475.43)</b>
Loss for the year	(2,424.41)	(3,750.78)
Other comprehensive income/(loss)	32.89	(13.99)
Transferred from Share based payment reserve for options forfeited	638.48	268.51
<b>Closing balance</b>	<b>(20,724.73)</b>	<b>(18,971.69)</b>

**(ii) Securities premium**

Particulars	As at	As at
	31 March 2025	31 March 2024
<b>Opening balance</b>	16,681.70	16,681.70
Increase/decrease during the year	-	-
<b>Closing balance</b>	<b>16,681.70</b>	<b>16,681.70</b>

**(iii) Share based payment reserve**

Particulars	As at	As at
	31 March 2025	31 March 2024
<b>Opening balance</b>	6,267.44	5,769.19
Employee Stock options granted during the year	5.42	884.44
Reversal on account of forfeiture of ESOP's granted to employees of Subsidiary	(34.07)	(117.68)
Transferred to retained earning for options forfeited	(638.48)	(268.51)
<b>Closing balance</b>	<b>5,600.31</b>	<b>6,267.44</b>

**(iv) Capital reserve**

Particulars	As at	As at
	31 March 2025	31 March 2024
<b>Opening balance</b>	(883.63)	(883.63)
Increase/decrease during the year	-	-
<b>Closing balance</b>	<b>(883.63)</b>	<b>(883.63)</b>

**(v) Contribution from holding company**

Particulars	As at	As at
	31 March 2025	31 March 2024
<b>Opening balance</b>	935.51	935.51
Increase/decrease during the year	-	-
<b>Closing balance</b>	<b>935.51</b>	<b>935.51</b>

**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

**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.

**Rapipay Fintech Private Limited**

**(Company Identification No: U72200DL2009PTC189149)**

**Summary of material accounting policies and other explanatory information for the year ended 31 March 2025**

*(Amount in INR lakhs, unless otherwise stated)*

**17 Other equity (continued...)**

**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 Ind AS 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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Summary of material accounting policies and other explanatory information for the year ended 31 March 2025  
(Amount in INR lakhs, unless otherwise stated)

18 Provisions

Particulars	As at 31 March 2025		As at 31 March 2024	
	Non- current	Current	Non- current	Current
<b>Provision for employee benefits</b>				
Provision for gratuity (refer note 34)	139.22	55.86	180.69	28.67
Provision for compensated absences	142.96	113.21	91.88	42.00
	<b>282.18</b>	<b>169.07</b>	<b>272.57</b>	<b>70.67</b>

19 Trade payables

Particulars	As at	As at
	31 March 2025	31 March 2024
Total outstanding dues of micro enterprises and small enterprises (refer disclosures below)	8.87	76.20
Total outstanding dues of creditors other than micro enterprises and small enterprises*	494.66	401.15
	<b>503.53</b>	<b>477.35</b>

Notes:

\* *inter-alia*, includes INR 0.63 lakhs (31 March 2024 :INR 19.62 Lakhs) payable to related parties (refer note 38).

(a) Ageing schedule of trade payables as on 31 March 2025

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Trade payables:</b>						
(i) Undisputed dues of micro enterprises and small enterprises	-	8.87	-	-	-	8.87
(ii) Undisputed dues of creditors other than micro enterprises and small enterprises	358.11	70.13	5.04	59.29	2.09	494.66
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>358.11</b>	<b>79.00</b>	<b>5.04</b>	<b>59.29</b>	<b>2.09</b>	<b>503.53</b>

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

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Trade payables:</b>						
(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	252.41	64.09	81.98	2.67	-	401.15
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>283.36</b>	<b>109.34</b>	<b>81.98</b>	<b>2.67</b>	<b>-</b>	<b>477.35</b>

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Summary of material accounting policies and other explanatory information for the year ended 31 March 2025  
(Amount in INR lakhs, unless otherwise stated)

19 Trade payables (continued...)  
(c) Disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006\*

Particulars	As at	As at
	31 March 2025	31 March 2024
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 Enterprises and Small Enterprises	8.87	76.20
- 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	-	-
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.	-	-

\*The information has been given in respect of such vendor to the extent they could be identified as "Micro Enterprises and Small Enterprises" on the basis of information available with the company.

20 Other current financial liabilities

Particulars	As at	As at
	31 March 2025	31 March 2024
Direct business outlets' (DBO) balances	8,291.34	11,285.25
Employee benefits payable	23.46	18.68
Payable to capital creditors	0.44	0.44
Amount payable to DBO	930.36	3,382.45
Financial guarantee obligation (refer note 41)	1,297.29	372.66
Other payable	479.87	892.52
	<b>11,022.76</b>	<b>15,952.00</b>

21 Other current liabilities

Particulars	As at	As at
	31 March 2025	31 March 2024
Advances received from customers	-	14.63
Statutory dues payable	388.19	679.45
	<b>388.19</b>	<b>694.08</b>

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**22 Revenue from operations**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Revenue from contracts with customers</b>		
Commission income	23,021.96	28,617.67
Sale of digital products/ services	12,010.00	12,880.86
Sale of devices	78.61	145.29
<b>Other operating revenue</b>		
Service activation income	45.40	55.96
Income from other ancillary services	264.23	295.64
	<b>35,420.20</b>	<b>41,995.42</b>

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

**(a) Disaggregated revenue information**

	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>(i) Nature of services</b>		
Commission for acting as business correspondent	18,629.85	25,694.30
Income from providing digital recharges	11,034.49	11,851.55
Commission from financial services- digital lending	4,342.80	2,857.02
Sale of Point of Sale (POS) devices	78.61	145.29
Income from other services	1,024.82	1,095.66
	<b>35,110.57</b>	<b>41,643.82</b>
<b>(ii) Geographical location</b>		
Within India	35,110.57	41,643.82
Outside India	-	-
	<b>35,110.57</b>	<b>41,643.82</b>
<b>(iii) Timing of revenue recognition</b>		
Services provided at a point in time	31,105.08	39,853.44
Services provided over a period of time	4,005.49	1,790.38
	<b>35,110.57</b>	<b>41,643.82</b>
<b>(iv) Reconciliation of revenue recognition in Statement of Profit and Loss with contracted price:</b>		
Revenue as per contracted price	35,110.57	41,643.82
Less: Variable consideration (including consideration payable to customer)	-	-
	<b>35,110.57</b>	<b>41,643.82</b>

**(b) Contract assets and liabilities related to contracts with customers**

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.

Description	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Contract asstes</b>		
Trade receivables (refer note 12)	2,685.11	1,556.25
Less:- Allowances for expected credit loss	(16.08)	(16.08)
<b>Net trade receivables</b>	<b>2,669.03</b>	<b>1,540.17</b>

**Unbilled revenue**

Changes in unbilled revenue is as follows

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Balance at the beginning of the year	160.31	175.29
Revenue recognised during the year	35,110.57	41,643.82
Invoices billed during the year	(35,014.40)	(41,658.80)
Balance at the end of the year (refer note 8)	<b>256.48</b>	<b>160.31</b>

**Rapipay Fintech Private Limited**

(Company Identification No: U72200DL2009PTC189149)

**Summary of material accounting policies and other explanatory information for the year ended 31 March 2025***(Amount in INR lakhs, unless otherwise stated)***22 Revenue from operations (continued...)**

<b>(c) Contract liabilities (Advance from customer)</b>	<b>For the year ended 31 March 2025</b>	<b>For the year ended 31 March 2024</b>
Advance from customers	-	14.63
	<u>-</u>	<u>14.63</u>

**Changes in advance from customers are as follows:**

<b>Particulars</b>	<b>For the year ended 31 March 2025</b>	<b>For the year ended 31 March 2024</b>
Balance at the beginning of the year	14.63	0.79
Add: Advance received during the year	-	14.63
Less: Revenue recognised during the year	14.63	0.79
<b>Balance at the end of the year (refer note 21)</b>	<u>-</u>	<u>14.63</u>

**23 Other income**

<b>Particulars</b>	<b>For the year ended 31 March 2025</b>	<b>For the year ended 31 March 2024</b>
Interest income on :		
-Bank deposits	191.79	118.32
-Income tax refund	24.01	19.94
-financial assets measured at amortised cost:		
-Unwinding of discount on financial assets	6.93	6.70
-Inter corporate deposit	59.84	238.69
Liabilities written back	262.09	259.59
Lease modification income	16.35	54.75
Miscellaneous income	21.85	30.34
	<u>582.86</u>	<u>728.33</u>

**24 Service and commission charges**

<b>Particulars</b>	<b>For the year ended 31 March 2025</b>	<b>For the year ended 31 March 2024</b>
Commission distributed to direct business outlets	13,252.09	19,852.57
Service charges	11,394.95	11,942.74
	<u>24,647.04</u>	<u>31,795.31</u>

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**Rapipay Fintech Private Limited**  
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**Summary of material accounting policies and other explanatory information for the year ended 31 March 2025**  
*(Amount in INR lakhs, unless otherwise stated)*

**25 Purchases of stock-in-trade**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Purchases of stock-in-trade	56.52	175.15
	<u>56.52</u>	<u>175.15</u>

**26 Changes in inventories of stock-in-trade**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening stock-in-trade	110.01	56.95
Less : Closing stock-in-trade	98.22	110.01
	<u>11.79</u>	<u>(53.06)</u>

**27 Employee benefits expense**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries and wages*	5,532.42	5,955.88
Gratuity expense (refer note 34)	56.82	69.27
Contribution to provident and other funds (refer note 34)**	224.85	270.37
Share based payments to employees (refer note 37)	5.42	884.44
Staff welfare expenses	95.72	117.49
	<u>5,915.23</u>	<u>7,297.45</u>

\* In FY 24-25, the Company has capitalised employee benefit expenses amounting to INR 571.61 lakhs (March 31, 2024: INR 1,270.01 lakh) which are directly attributable to assets.

\*\* Includes administration charges of INR 14.92 Lakhs (31 March 2024: INR 17.74 Lakhs).

**28 Finance cost**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on lease liabilities	59.28	65.62
	<u>59.28</u>	<u>65.62</u>

**29 Depreciation and amortisation expense**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of property, plant and equipment (refer note 3)	362.59	351.65
Depreciation of right-of-use assets (refer note 4)	220.55	328.58
Amortisation of intangible assets (refer note 5)	1,602.25	1,306.31
	<u>2,185.39</u>	<u>1,986.54</u>

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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 2025**  
*(Amount in INR lakhs, unless otherwise stated)*

**30 Other expenses**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Rent	4.21	7.03
Expense for financial guarantee obligation (refer note 41)	1,882.38	1,312.15
Collection expenses	221.44	104.75
Rates and taxes	15.39	43.09
Repairs and maintenance	174.86	141.12
Office expenses	55.29	76.80
Power and fuel	32.81	38.51
Communication costs	102.53	82.30
Bank charges	333.74	309.04
Insurance	84.22	80.42
Travelling & conveyance	527.42	629.07
Advertisement, marketing & business promotion expenses	73.81	30.81
Outsource service cost	407.36	591.39
Legal and professional fees (including payment to statutory auditor, refer detail below)*	283.76	273.47
Transaction loss	95.38	470.03
SMS usage charges	113.36	108.63
Provision for doubtful advances	18.31	44.40
Advances written off	16.89	-
Directors sitting fees (refer note 38)	11.25	15.50
Impairment loss on trade receivable (refer note 39)	-	8.31
Server usage charges	770.97	562.67
Credit verification charges	115.51	118.96
Fees and subscription	115.47	128.73
CWIP written off	58.83	-
Miscellaneous expenses	37.03	19.28
	<b>5,552.22</b>	<b>5,196.46</b>
<b>Note:</b>		
<b>*(a) Payments to auditors (excluding applicable taxes)</b>		
<b>As auditor</b>		
Statutory audit	10.00	14.00
Tax audit	2.00	2.00
Limited review	8.00	12.00
Certification and other services	3.90	4.00
Out of pocket expenses	0.68	3.42
	<b>24.58</b>	<b>35.42</b>

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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 2025**  
(Amount in INR lakhs, unless otherwise stated)

**31. Income tax**

**(a) Income tax expense/ (credit) recognised in statement of profit and loss:**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Current income tax:</b>		
Current income tax for the year	-	-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	-	-
<b>Total income tax expense/ (credit)</b>	<b>-</b>	<b>-</b>

**(b) The income tax expense for the year can be reconciled to the profit and loss before tax as follows:**

Particular	For the year ended 31 March 2025	For the year ended 31 March 2024
Loss before tax	(2,424.41)	(3,739.72)
Enacted tax rate in India (%)	31.20%	25.17%
<b>Computed expected tax expenses (refer breakup below)</b>	(756.42)	(941.21)
<b>Tax effect due to non-taxable income for Indian tax purposes</b>		
Effect of unrecognised business loss and other deductible temporary differences on which no deferred tax was recognised including reversal of previously recognised deferred tax assets on business losses	(740.23)	(942.90)
Effect of non-deductible expenses	(16.19)	1.69
<b>Income tax expense recognised in profit and loss</b>	<b>(0.00)</b>	<b>0.00</b>

Breakup	For the year ended 31 March 2025	For the year ended 31 March 2024
Deferred tax asset not created on the income tax loss	(406.26)	(675.97)
Deferred tax assets not created on other deductible differences	(333.96)	(266.93)
Effect of non-deductible expenses	(16.19)	1.69
	<b>(756.42)</b>	<b>(941.21)</b>

(c) Tax losses	As at 31 March 2025	As at 31 March 2024
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been recognised	12,685.99	11,850.26
Potential tax benefit at 31.20%	3,958.03	2,982.47

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

Particulars	As at 31 March 2025	As at 31 March 2024
Within 0-5 years	4,246.33	2,315.35
From 5-8 years	4,143.31	6,538.40
Unlimited	4,296.35	2,996.51
	<b>12,685.99</b>	<b>11,850.26</b>

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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 2025**

(Amount in INR lakhs, unless otherwise stated)

**32 Earnings per equity share (EPS)**

Particulars		For the year ended 31 March 2025	For the year ended 31 March 2024
i. Net loss for the year	(A)	(2,424.41)	(3,750.78)
ii. Weighted average number of equity shares of INR 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 INR 10 each for diluted earnings per share: Effect of employee stock options	(C)	18,07,906	21,69,508
Weighted average number of equity shares for diluted EPS	(D = B+C)	4,15,15,045	4,18,76,647
iv. Basic loss per share (INR)	(A) / (B)	(6.11)	(9.45)
v. Diluted loss per share (INR) (Refer note ii below)	(A) / (B)	(6.11)	(9.45)

**Note:**

(i) The basic earnings per share have 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.

**33 Contingent liabilities and commitments**

(a) **Corporate guarantee:** 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 are capped to the extent agreed with the respective lending partner in line with the digital lending guidelines issued by RBI. The Company has booked expense for "Expense for financial guarantee obligation" for INR 1,882.38 Lakhs.

(b) Claims against the company which are not acknowledged as debts	For the year ended 31 March 2025	For the year ended 31 March 2024
Claims from a vendor not acknowledged as debts (refer note (i) below)	35.09	35.09

(i) XP Wallet has filed a legal suit against the Company alleging unauthorized decompilation, modification, and commercial use of its software, claiming damages of INR 35.09 lakhs. The Company denies receiving any such software and refutes the allegations. The matter is currently pending before the District Court, Saket.

(c) There is no capital commitment as at 31 March 2025 and 31 March 2024 respectively.

**34 Employee benefits**

**Defined contribution plans - Provident Fund (PF) and Employee State Insurance (ESI) Contribution**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and ESI, which is a 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 2025	For the year ended 31 March 2024
Employer's contribution to provident fund*	209.10	252.05
Employer's contribution to Employee State Insurance	0.74	0.58
Labour welfare fund	0.09	0.06
	<u>209.93</u>	<u>252.69</u>

\*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.

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**34 Employee benefits (continued...)**

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

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 disclosure as required by Indian Accounting Standard (Ind AS) -19 "Employee Benefits" is as under.

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

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current liabilities	139.22	180.69
Current liabilities	55.86	28.67
	<b>195.08</b>	<b>209.36</b>

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

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of defined benefit obligation as at the beginning of the year	209.36	128.06
Interest cost	15.18	9.60
Current service cost	41.64	59.67
Benefits paid	(38.21)	(1.96)
Actuarial loss/(gain)	(32.89)	13.99
Balance at the end of the year	<b>195.08</b>	<b>209.36</b>

**iii) Expenses recognised in profit and loss account under**

Particulars	As at 31 March 2025	As at 31 March 2024
Current service cost	41.64	59.67
Net interest expense	15.18	9.60
Net impact on profit before tax	<b>56.82</b>	<b>69.27</b>

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

Particulars	As at 31 March 2025	As at 31 March 2024
Actuarial (gain)/ loss from changes in financial assumptions	(12.38)	(3.37)
Actuarial loss from experience adjustment	(20.51)	17.36
Total actuarial (gain)/loss	<b>(32.89)</b>	<b>13.99</b>

Actuarial assumptions	As at 31 March 2025	As at 31 March 2024
Discount rate	7.00%	7.25%
Salary growth rate	6.00%	6.00%
Attrition rate	43.00%	30.00%
Retirement age (in years)	60	60
Average future service (in years)	26.4 Years	27.2 Years
Mortality rate	IALM 2012-14	IALM 2012-14

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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 2025***(Amount in INR lakhs, unless otherwise stated)***34 Employee benefits (continued...)****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 2025	As at 31 March 2024
<b>Impact of change in discount rate</b>		
<b>Present value of obligation at the end of the year</b>		
- Impact due to increase of 2 %	191.08	203.41
- Impact due to decrease of 2 %	199.25	215.67
<b>Impact of change in future salary growth rate</b>		
<b>Present value of obligation at the end of the year</b>		
- Impact due to increase of 2 %	199.25	215.68
- Impact due to decrease of 2 %	191.01	203.28

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 2025	As at 31 March 2024
0 to 1 Year	55.87	28.67
1 to 2 Year	15.80	13.24
2 to 3 Year	16.48	15.06
3 to 4 Year	19.15	14.57
4 to 5 Year	6.48	22.30
6 Year onwards	81.30	115.52
<b>Gross Total</b>	<b>195.08</b>	<b>209.36</b>

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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 2025**

(Amount in INR lakhs, unless otherwise stated)

**35 Disclosure pursuant to Ind AS 108 “Operating Segment”****Identification of segments:**

Segments have been identified in accordance with Accounting Standard on Segment Reporting (Ind AS 108) taking into account the organization structures as well as differential risks and returns of these segments.

The Company has identified business segments as its reporting segment which is classified into Cash-In-Cash-Out (CICO) and Digital Lending. Revenues and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable and allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

The Company operates mainly in India, hence there is no separate reportable geographical segment.

**Major Customer:**

There is no single customer who has contributed 10% or more to the company's revenue in the year ended 31 March 2025 and 31 March 2024.

**Segment revenue and results:**

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

**Segment assets and liabilities:**

Assets and Liabilities used in the Company's business are not identified to the reportable segments as these are used interchangeably between segments. The Company believes that it is not practicable to provide segmental disclosure relating to total assets and liabilities since a meaningful segregation of the available data could be onerous.

Particulars	March 31, 2025			March 31, 2024		
	CICO	Digital Lending	Total	CICO	Digital Lending	Total
Revenue from operations	31,077.40	4,342.80	35,420.20	39,138.40	2,857.02	41,995.42
Segment results	6,362.05	2,238.98	8,601.03	7,221.00	1,440.12	8,661.12
Unallocated expenses	-	-	(11,549.02)	-	-	(13,074.61)
<b>Operating loss</b>			<b>(2,947.99)</b>			<b>(4,413.49)</b>
Finance cost			59.28			65.62
Other income	-	-	582.86			728.33
<b>Net loss after tax</b>			<b>(2,424.41)</b>			<b>(3,750.78)</b>

**Note:** Assets and Liabilities used in the Company's business are not identified to the reportable segments as these are used interchangeably between segments. The Company believes that it is not practicable to provide segmental disclosure relating to total assets and liabilities since a meaningful segregation of the available data could be onerous.

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**Summary of material accounting policies and other explanatory information for the year ended 31 March 2025**

*(Amount in INR lakhs, unless otherwise stated)*

**36 Leases**

- (a) The movement in Right of Use assets during the years ended March 31, 2025 and March 31, 2024 are as follows :

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning	462.81	1,407.73
Additions/ Deletions during the year	832.04	(616.34)
Depreciation for the year	(220.55)	(328.58)
<b>Balance at the end</b>	<b>1,074.29</b>	<b>462.81</b>

- (b) The movement in lease liabilities during the years ended March 31, 2025 and March 31, 2024 are as follows :

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning	546.52	1,540.28
Additions	917.84	-
Interest expenses for the year	59.28	65.62
Deletions	(118.19)	(659.85)
Payment of lease liabilities	(284.46)	(399.53)
<b>Balance at the end</b>	<b>1,120.99</b>	<b>546.52</b>

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Non-Current lease liabilities	980.34	294.25
Current lease liabilities	140.65	252.27
<b>Balance at the end</b>	<b>1,120.99</b>	<b>546.52</b>

- (d) Amounts recognised in the statement of profit and loss

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation expense on right-of-use assets	220.55	328.58
Interest expense on lease liabilities	59.28	65.62
<b>Balance at the end</b>	<b>279.83</b>	<b>394.20</b>

**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 INR 4.21 lakhs (31 March 2024: INR 7.03 lakhs).

(b) The total cash outflow for leases for the year was INR 284.46 lakhs (31 March 2024 : INR 399.53 lakhs).

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**Rapipay Fintech Private Limited**

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**Summary of material accounting policies and other explanatory information for the year ended 31 March 2025**

(Amount in INR lakhs, unless otherwise stated)

**36 Leases (continued...)**

(c) The Company has taken premises on operating leases for a period of 1-6 years. The maturity analysis of lease liabilities are as follows:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Maturity Analysis:		
Not later than 1 year	255.41	284.62
Later than 1 year and not later than 5 years	1,066.88	316.09
More than 5 years	201.93	-
	<b>1,524.22</b>	<b>600.71</b>
Less: Unearned interest	403.23	54.19
	<b>1,120.99</b>	<b>546.52</b>
Long Term Lease liability	980.34	294.25
Short Term Lease liability	140.65	252.27
	<b>1,120.99</b>	<b>546.52</b>

**Note:**

(i) 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.

(ii) As at 31 March 2025, potential future cash outflows of INR 1,524.22 lakhs (31 March 2024: INR 600.71 lakhs) (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).

(ii) 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).

(f) The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

<b>As at March 31, 2025</b>			
Right-of-use asset	No. of right-of-use assets leased	Range of remaining term (in years)	No of leases with extension options/ No of leases with termination options
Building	7	0-6 years	7
<b>As at March 31, 2024</b>			
Right-of-use asset	No. of right-of-use assets leased	Range of remaining term (in years)	No of leases with extension options/ No of leases with termination options
Building	8	0-4 years	8

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**Rapipay Fintech Private Limited**
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**Summary of material accounting policies and other explanatory information for the year ended 31 March 2025**
*(Amount in INR 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 expense.

**(i) Employee stock option schemes:**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Date of grant	Nil	2 May 2023
Vesting requirements	Not Applicable	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	Not Applicable	- 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	Not Applicable	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 2025			Year ended 31 March 2024		
	No. of years vesting	Fair value per share	Exercise Price	No. of years vesting	Fair value per share	Exercise Price
02 May 2023	-	-	-	3 years	508	300

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Number of options granted	-	3,000
Outstanding number of options	24,43,439	30,87,503

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

Grant Dates	Exercise Price (INR)	For the year ended 31 March 2025		For the year ended 31 March 2024	
		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	4,18,183	-	6,00,002	0.62
12 May 2021	100	54,545	0.13	54,545	1.12
09 August 2021	100	25,000	0.36	25,000	1.36
20 August 2021	100	5,00,000	0.39	5,00,000	1.39
12 October 2021	100	-	-	55,000	1.53
28 October 2021	100	50,000	0.58	50,000	1.58
08 January 2022	100	-	-	15,000	1.78
04 March 2022	100	-	-	-	1.93
04 March 2022	100	10,00,000	-	10,00,000	-
22 May 2022	300	-	-	28,000	1.08
01 August 2022	300	-	-	1,54,000	1.34
05 August 2022	300	4,000	0.35	4,000	1.35
20 September 2022	300	-	-	10,000	1.47
01 October 2022	300	3,81,711	0.50	5,67,956	1.50
16 January 2023	300	3,000	0.80	11,000	1.80
13 February 2023	300	7,000	0.87	10,000	1.87
03 May 2023	300	-	-	3,000	2

**Rapipay Fintech Private Limited**

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**Summary of material accounting policies and other explanatory information for the year ended 31 March 2025***(Amount in INR lakhs, unless otherwise stated)***37 Share-based payment plans (continued...)**

(iv) Options granted during the year ended March 31, 2025- Nil (March 31, 2024 : 3,000).

**(v) Reconciliation of stock options:**

Particulars	Number of Options
<b>Outstanding as at 01 April 2023</b>	<b>34,46,904</b>
Stock option issued during the year	3,000
Exercised and vested	-
Forfeited/ lapsed	(3,62,401)
<b>Outstanding as at 31 March 2024</b>	<b>30,87,503</b>
Stock option issued during the year	-
Exercised and vested	-
Forfeited/ lapsed	(6,44,064)
<b>Outstanding as at 31 March 2025</b>	<b>24,43,439</b>
<b>Exercisable at the end of the period</b>	
- 31 March 2025	22,45,942
- 31 March 2024	22,88,719

(v) The Company has recognised share based payment expense of INR 5.42 Lakhs (31 March 2024: INR 884.44 Lakhs) during the year as proportionate cost.

(vi) 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 2025	As at 31 March 2024
Expected volatility (%)	NA	16.22 to 21.56
Expected option life (weighted average)	NA	3 Years and 1 year
Expected dividends yield (%)	NA	-
Risk free interest rate (%)	NA	6.81 to 6.87

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 2025***(Amount in INR lakhs, unless otherwise stated)***38 Related party disclosures (as per Ind AS 24)****A. List of related parties and their relationship**

<b>Nature of relationship</b>	<b>Name of the related party</b>
(i) Ultimate Holding Company	Capital India Corp Private Limited
(ii) Holding Company	Capital India Finance Limited
(iii) Wholly-owned Subsidiary Company	NYE Investech Private Limited (erstwhile Kuants Wealth Private Limited till 09th October 2023) NYE Insurance Broking Private Limited
(iv) Fellow Subsidiary	Trident Infrahomes Pvt Ltd Capital India Home Loans Limited Credenc Web Technologies Private Limited
(v) 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 Mrs. Rashmi Fauzdar, Independent Director (w.e.f. 25 April 2023) Mr. Keshav Porwal, Non-Executive Director Mr. Sumit Choudhary, Chief Financial Officer Mr. Tushar Goel, Company Secretary (till 31st March 2025)
(vi) 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:**

<b>Nature of transaction</b>	<b>Transaction Value</b>	
	<b>31-Mar-25</b>	<b>31-Mar-24</b>
Salary and remuneration - Short term benefits(*)	666.61	528.38
Share Based Payment**	119.72	259.88
Consulting fees	-	3.00
Reimbursement of expenses	24.64	19.84
Sitting fees	11.25	15.50
	<b>822.22</b>	<b>826.60</b>

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

(\*\*) During the year, no options have been exercised by the KMP's and expense recognized based on IND AS-102(refer Note 37) has been reported here.

**C. Transactions with related enterprises:**

<b>Nature of transaction</b>	<b>Transaction Value</b>	
	<b>31-Mar-25</b>	<b>31-Mar-24</b>
<b>Capital India Finance Limited</b>		
- Rendering of services	1,787.15	1,421.67
- Reimbursement of expenses	477.07	677.57
	<b>2,264.22</b>	<b>2,099.24</b>
<b>Credenc Web Technologies Private Limited</b>		
- Inter corporate deposit given	-	2,200.00
- Repayment of Inter corporate deposit given	-	(2,200.00)
- Interest income on Inter corporate deposit	-	238.69
	<b>-</b>	<b>238.69</b>
<b>Trident Infrahomes Pvt Ltd</b>		
- Inter corporate deposit given	1,000.00	-
- Repayment of Inter corporate deposit given	(1,000.00)	-
- Interest income on Inter corporate deposit	59.84	-
	<b>59.84</b>	<b>-</b>
<b>NYE Investech Private Limited</b>		
- Investment in Equity shares	25.00	350.00
- Rendering of services	6.31	10.29
	<b>31.31</b>	<b>360.29</b>

**Rapipay Fintech Private Limited**

(Company Identification No: U72200DL2009PTC189149)

Summary of material accounting policies and other explanatory information for the year ended 31 March 2025

*(Amount in INR lakhs, unless otherwise stated)***38 Related party disclosures (as per Ind AS 24) (Continued...)****D .Outstanding balances**

<b>Name of Party</b>	<b>As at 31-March 2025</b>	<b>As at 31-March 2024</b>
<b>Trade &amp; other receivables</b>		
Capital India Finance Limited	195.31	220.00
	<b>195.31</b>	<b>220.00</b>
<b>Investment</b>		
Nye Investech Private Limited-Equity	2,281.53	2,256.53
Nye Investech Private Limited-Deemed Investment	-	34.07
Nye Insurance Broking Private Limited	75.00	75.00
<b>Total</b>	<b>2,356.53</b>	<b>2,365.60</b>
<b>Trade payables</b>		
Capital India Finance Limited	0.63	3.00
	<b>0.63</b>	<b>3.00</b>
<b>Financial gurantee obligation excluding ECL</b>		
Capital India Finance Limited	-	16.62
	-	<b>16.62</b>
<b>Unbilled revenue</b>		
Capital India Finance Limited	72.26	15.15
Nye Investech Private Limited	31.65	25.34
<b>Total</b>	<b>103.92</b>	<b>40.49</b>

Note: Remuneration and outstanding balances by key managerial personnel does not include long term employee benefits by way of gratuity and compensated absence, which are currently not payable and are provided on the basis of actuarial valuation by the company.

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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 2025

(Amount in INR lakhs, unless otherwise stated)

### 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.

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 2025	At at 31 March 2024
<b>Low credit risk</b>		
Cash and cash equivalents	4,651.68	12,086.24
Other bank balances	1,862.01	1,249.99
Other financial assets	1,791.22	1,660.99
Trade receivables	2,669.03	1,540.17
<b>Total</b>	<b>10,973.94</b>	<b>16,537.39</b>

#### 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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39 Financial risk management (continued...)

(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 2025	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash	4,651.68	-	4,651.68
Other bank balances	1,862.01	-	1,862.01
Other financial assets	1,791.22	-	1,791.22

Note : During the year, the company has written off advance amounting to INR 16.89 Lakh (31 March 2024 : INR Nil) in other financial assets.

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

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

As at 31 March 2025	Gross carrying value	% of expected credit losses	Expected credit losses (impairment)	Carrying amount net of impairment
Not due	1,050.34	-	-	1,050.34
Due for less than 6 months	1,382.89	-	-	1,382.89
Due for more than 6 months but less than 1 year	235.15	-	-	235.15
Due for more than 1 year but less than 2 years	0.34	-	-	0.34
Due for more than 2 year but less than 3 years	0.31	-	-	0.31
Due for more than 3 years	16.08	100.00%	16.08	-
<b>Total</b>	<b>2,685.11</b>		<b>16.08</b>	<b>2,669.03</b>

As at 31 March 2024	Gross carrying value	% of expected credit losses	Expected credit losses (impairment)	Carrying amount net of impairment
Not due	1,200.72	-	-	1,200.72
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	0.82	-	-	0.82
Due for more than 2 year but less than 3 years	16.08	100.00%	16.08	-
Due for more than 3 years	-	-	-	-
<b>Total</b>	<b>1,556.25</b>		<b>16.08</b>	<b>1,540.17</b>

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 2023	7.77
Charge in statement of profit and loss	8.31
<b>'Loss allowance on 31 March 2024</b>	<b>16.08</b>
Charge in statement of profit and loss	-
<b>'Loss allowance on 31 March 2025</b>	<b>16.08</b>

\*During the year, the Company has written-off uncollectible trade receivables amounting to INR NIL ( 31 March 2024: INR 8.31 Lakhs). 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.

39 Financial risk management (continued...)

31 March 2025	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease liabilities	-	255.41	246.06	255.47	767.28	1,524.23
Trade payables	358.11	79.00	5.04	59.29	2.09	503.53
Other financial liabilities	-	11,022.76	-	-	-	11,022.76
<b>Total</b>	<b>358.11</b>	<b>11,357.17</b>	<b>251.10</b>	<b>314.76</b>	<b>769.37</b>	<b>13,050.52</b>

  

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	283.36	109.34	81.98	2.67	-	477.35
Other financial liabilities	-	15,952.00	-	-	-	15,952.00
<b>Total</b>	<b>283.36</b>	<b>16,345.96</b>	<b>253.76</b>	<b>140.23</b>	<b>6.74</b>	<b>17,030.05</b>

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 2025		As at 31 March 2024	
	Foreign currency USD	Amount (INR in lakhs)	Foreign currency USD	Amount (INR in lakhs)
Trade payables	1,372.52	1.19	2,970.31	2.46
		<u>1.19</u>		<u>2.46</u>

40 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 2025	As at 31 March 2024
Equity share capital	3,970.72	3,970.72
Other equity	1,609.16	4,029.33
<b>Equity (A)</b>	<b>5,579.88</b>	<b>8,000.05</b>
Cash and cash equivalents	4,651.68	12,086.24
Other bank balances	1,862.01	1,249.99
<b>Total fund (B)</b>	<b>6,513.69</b>	<b>13,336.23</b>
Borrowings	-	-
Lease liabilities	1,120.98	546.52
<b>Total debt (C)</b>	<b>1,120.98</b>	<b>546.52</b>
<b>Net debt (D=C-B)</b>	<b>(5,392.71)</b>	<b>(12,789.71)</b>
<b>Net debt to equity ratio (E=D/A)</b>	<b>*</b>	<b>*</b>

\* Net debt is negative and hence not applicable

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#### 41 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 are capped to the extent agreed with the respective lending partner in line with the digital lending guidelines issued by RBI.

The Company has established a credit quality review process to provide early warning signals to identify the changes in the credit worthiness 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 : -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 material accounting policies.

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

For the year ended 31 March 2025, 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:

- a) Stage 1: 1-30 days past due loans
- b) Stage 2: More than 31 and up to 60 days past due loans
- c) Stage 3: More than 61 and up to 90 days past due loans
- d) 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.

#### As at 31 March 2025

Particulars	Gross exposure at Default	Expected credit loss allowance (ECL)	Net carrying amount (financial guarantee obligation)	Impact on profit or loss
Where credit risk has not significantly increased from initial recognition (Stage 1)	1,624.23	2.49	2.49	-
Where credit risk has not significantly increased from initial recognition (Stage 2)	994.75	110.14	110.14	676.36
Where credit risk has increased significantly but are not credit impaired (Stage 3)	1,630.69	43.76	43.76	868.88
Where credit risk has increased significantly and are credit impaired (Stage 4)	3,703.21	1,140.90	1,140.90	337.14
<b>Total</b>	<b>7,952.88</b>	<b>1,297.29</b>	<b>1,297.29</b>	<b>1,882.38</b>

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41 Financial guarantee (continued...)

As at 31 March 2024

Particulars	Gross exposure at Default	Expected credit loss allowance (ECL)	Net carrying amount (financial guarantee obligation)	Impact on profit or loss
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	183.92	183.92	516.90
Where credit risk has increased significantly but are not credit impaired (Stage 3)	495.87	111.08	111.08	123.55
Where credit risk has increased significantly and are credit impaired (Stage 4)	903.94	77.66	77.66	671.70
<b>Total</b>	<b>3,447.38</b>	<b>372.66</b>	<b>372.66</b>	<b>1,312.15</b>

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:

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
<b>Balance as at April 01, 2023</b>	-	-	-	-	-
New credit exposures during the year, net of repayments	-	516.90	123.55	671.70	1,312.15
Contracts settled during the year	-	(332.98)	(12.47)	(594.04)	(939.49)
Transfer between stages during the year	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	-	<b>183.92</b>	<b>111.08</b>	<b>77.66</b>	<b>372.66</b>
New credit exposures during the year, net of repayments	-	676.36	868.88	337.14	1,882.38
Contracts settled during the year	-	(173.76)	(317.38)	(466.61)	(957.75)
Transfer between stages during the year	2.49	(576.38)	(618.82)	1,192.71	0.00
<b>As at 31 March 2025</b>	<b>2.49</b>	<b>110.14</b>	<b>43.76</b>	<b>1,140.90</b>	<b>1,297.29</b>

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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 2025

(Amount in INR lakhs, unless otherwise stated)

**42 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.

Particulars	Level of hierarchy	Note	Carrying amount		
			Fair value through profit or loss (FVTPL)	Fair value through Other Comprehensive Income (FVOCI)	Amortised cost
<b>As at 31 March 2025</b>					
<b>Financial assets</b>					
Investments	Level 3	7	-	-	2,356.53
Trade receivables	Level 3	12	-	-	2,669.03
Cash and cash equivalents	Level 3	13	-	-	4,651.68
Other bank balances	Level 3	14	-	-	1,862.01
Other financial assets	Level 3	8	-	-	1,791.22
			-	-	<b>13,330.47</b>
<b>Financial liabilities</b>					
Lease liabilities	Level 3	36	-	-	1,120.98
Trade payables	Level 3	19	-	-	503.53
Other financial liabilities	Level 3	20	-	-	11,022.76
			-	-	<b>12,647.27</b>
<b>As at 31 March 2024</b>					
<b>Financial assets</b>					
Investments	Level 3	7	-	-	2,365.60
Trade receivables	Level 3	12	-	-	1,540.17
Cash and cash equivalents	Level 3	13	-	-	12,086.24
Other bank balances	Level 3	14	-	-	1,249.99
Other financial assets	Level 3	8	-	-	1,660.99
<b>Total</b>			-	-	<b>18,902.99</b>
<b>Financial liabilities</b>					
Lease liabilities	Level 3	36	-	-	546.52
Trade Payables	Level 3	19	-	-	477.35
Other financial liabilities	Level 3	20	-	-	15,952.00
<b>Total</b>			-	-	<b>16,975.87</b>

**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.

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43. Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
a) Current ratio (in times)	Current assets	Current liabilities	0.90	1.01	(11.22%)	Not Applicable
b) Debt-equity ratio (in times)	Total debt = long term borrowings + short term borrowings	Shareholder's equity	-	-	0.00%	Not Applicable
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	-	-	0.00%	Not Applicable
d) Return on equity ratio (in %)	Net profit/(loss) after taxes – preference dividend (if any)	Average shareholder's equity	(35.71%)	(39.49%)	(9.57%)	Not Applicable
e) Inventory turnover ratio (in times)	Cost of goods sold	Average inventory = (Opening + closing balance / 2)	0.66	1.46	(55.14%)	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	16.83	27.73	(39.30%)	Due to decrease in revenue in current year
g) Trade payables turnover ratio (in times)	Cost of goods purchase	Average trade payables	11.32	10.68	5.98%	Not Applicable
h) Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. total current assets less total current liabilities)	(27.68)	284.10	(109.74%)	(a) Due to decline in revenue during the current year. (b) Due to reduction in Cash and Bank balances, as these funds were utilized to support the company's operational activities.
i) Net profit ratio (in %)	Net profit/(loss) for the year	Revenue from operations	(6.84%)	(8.93%)	(23.36%)	Not Applicable
j) Return on capital employed (in %)	Earning before interest and taxes (EBIT)	Capital employed= Tangible networth+ total debt+ deferred tax liability	(229.59%)	(122.53%)	87.37%	Due to decrease in capital employed in current year
k) Return on Investment (in %)	Income generated from investments (fixed deposits)	Time weighted average investments (fixed deposits)	9.07%	8.76%	3.64%	Not Applicable

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.

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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 2025***(Amount in INR lakhs, unless otherwise stated)*

- 44 The Company has granted loans and made investment in some of its subsidiary company and other party. Loans has been given for general corporate purpose. Details of these Loans and investments for the year ended March 31, 2025 and March 31, 2024 are as follows:

For the year ended March 31, 2025					
Name of intermediary	Relation with company	Type	Date	Amount	Repayment
Trident Infrahomes Pvt Ltd	Fellow Subsidiary	Loan -Other financial assets	02-Apr-24	1000.00	(1,000.00)
NYE Investech Technologies Private Limited	Wholly owned subsidiary	Investment in Subsidiaries	25-Feb-25	25.00	NA

For the year ended March 31, 2024					
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	03-Apr-23	2200.00	(2,200.00)
NYE Investech Technologies Private Limited	Wholly owned subsidiary	Investment in subsidiaries	28-Apr-23	50.00	NA
NYE Investech Technologies Private Limited	Wholly owned subsidiary	Investment in subsidiaries	29-May-23	100.00	NA
NYE Investech Technologies Private Limited	Wholly owned subsidiary	Investment in subsidiaries	29-Aug-23	50.00	NA
NYE Investech Technologies Private Limited	Wholly owned subsidiary	Investment in subsidiaries	29-Nov-23	100.00	NA
NYE Investech Technologies Private Limited	Wholly owned subsidiary	Investment in subsidiaries	13-Mar-24	50.00	NA

**45 Other statutory information :**

- i 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.
- ii The Company does not have balance with struck off company as explained under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- iii The Company has not traded or invested in Cryptocurrency transactions / balances or Virtual Currency during the financial year ended March 31, 2025 and March 31, 2024.
- iv 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.
- v 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.
- vi 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 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.
- vii 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:
  - i. 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
  - ii. provide any guarantee, security or the like 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 filed any scheme of arrangements in terms of section 230 to 240 of the Company's Act, 2013 with any Competent Authority.
- 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 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 2025.
- xiii The company has used accounting software for maintaining books of accounts which has the feature of recording audit trail. Further, there is no instance of audit trail feature being tampered with in respect of any accounting software and the audit trail has been preserved by the company as per the Statutory requirements for record retention.
- xiv The Company is not in contravention with the number of layers prescribed under section 2(87) of 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 2025**

*(Amount in INR lakhs, unless otherwise stated)*

- 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 conform to the current year's grouping and classification. The impact of such regrouping/reclassification is not material to the financial statements.
- 48 **Separate financial statements**  
These are separate financial statements of the Company. The Company is the intermediate parent Company in accordance with para 4(a) of Ind AS 110- Consolidated Financial Statements.
- 49 The financial statements of the Company for the year ended March 31, 2024 were audited by another firm of Chartered Accountants under the Companies Act 2013.
- 50 The company does not have any post balance sheet date event to be reported.

As per our report of even date

**For Nangia & Co. LLP**  
Chartered Accountants  
FRN No. 002391C/N500069

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

**Vikas Gupta**  
Partner  
Membership No. : 076879  
Place: Noida  
Date: 05 May 2025

**Yogendra Singh Kashyap**  
Managing Director  
DIN No : 00755017  
Place: Noida  
Date: 05 May 2025

**Nipun Jain**  
Whole Time Director & Chief Executive Officer  
DIN No : 09493589  
Place: Noida  
Date: 05 May 2025

**Sumit Kumar Choudhary**  
Chief Financial Officer  
PAN: ACVPC3264D  
Place: Noida  
Date: 05 May 2025