

INDEPENDENT AUDITOR'S REPORT

To the Members of Aceware Fintech Services Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Aceware Fintech Services Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2024, statement of profit and loss (including other comprehensive income), the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended (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 of the Company as at March 31, 2024, and its Loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Matter

The financial statements of the company for the year ended March 31, 2023, were audited by another auditor who expressed an unmodified opinion on those statements on August 05, 2023.



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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matters to those charged with governance and take appropriate actions.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. We do not express any opinion thereon on whether the company has adequate internal financial control 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 management.
- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The company is a private limited company and it falls under the exemption specified vide notification No.G.S.R 464(E) dated June 5, 2015 issued by the Ministry of Corporate Affairs. Hence, we have not reported on the adequacy of operating effectiveness of internal financial controls over financial reporting as per the requirements of section 143(3)(i) of the Act;



- (g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanation given to us, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company as it is a private limited company;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The management has represented that, to the best of its knowledge and belief, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company, 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, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on 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) contain any material misstatement.
 - v. The Company has neither declared nor paid any dividend during the year.



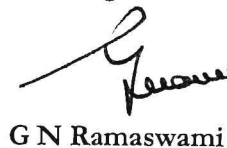
- vi. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006


G N Ramaswami

Partner

Membership No. 202363

UDIN: 24202363BKEYVY1881



Place: Chennai

Date: May 21, 2024

Annexure A referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date

(i) (a)

(A) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars of its intangible assets.

(b) The property, plant and equipment were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable.

(d) According to information and explanations given to us and audit procedures performed by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and audit procedures performed by us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii)

(a) The inventory, except goods-in-transit and stock lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. According to information and explanations given to us and audit procedures performed by us, no discrepancies were noticed on verification between the physical stocks and book records that were more than 10% in the aggregate of each class of inventory.

(b) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.



(iii)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made only investments during the year which are not prejudicial to the interest of the Company [clause 3(iii)(b)] and has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or any other parties. Accordingly, reporting under clause 3(iii)(a), (c), (d), (e) and (f) of the Order are not applicable.

(iv)

According to information and explanations given to us and audit procedures performed by us, the Company has made investments during the year and the relevant provisions of Section 185 and 186 of the Companies Act, 2013 are complied with.

(v)

The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.

(vi)

According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it and/ or services provided by it. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii)

(a) According to the information provided and explanations given to us and based on our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities 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 applicable to it. There are no outstanding statutory dues existing as on the last day of the financial year which is outstanding for more than six months from the day these becomes payable.

(b)

According to the information provided and explanations given to us, there are no statutory dues relating to 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 or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii)

According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year and accordingly reporting under clause 3(viii) of the Order is not applicable.



(ix)

- (a) According to the information and explanations given to us and audit procedures performed by us, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to the lenders during the year.
- (b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us, the Company has not obtained any term loans during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis and hence reporting under this sub-clause is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under Companies Act, 2013.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies as defined under the Companies Act, 2013.

(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.
- (b) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment. In respect of private placement of equity shares made during the year, the Company has duly complied with the requirements of section 42 and 62 of the Companies Act, 2013. The proceeds from issue of equity shares have been used for the purpose for which the funds were raised.

(xi)

- (a) According to the information and explanations given by the management and based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year.



- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report under section 143(12) of the Act, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) Based on the information and explanation provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per Companies Act, 2013 and accordingly reporting under clause 3(xi)(c) of the Order is not applicable.
- (xii) According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions entered with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- (xiv) According to the information and explanations given to us, the Company is not required to have an internal audit system as per Section 138 of the Companies Act, 2013. Accordingly, reporting under clause 3(xiv)(a) and (b) of the Order is not applicable.
- (xv) According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)
 - (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
 - (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.
 - (c) The Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) and (d) of the Order are not applicable.
- (xvii) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has incurred cash losses in the financial year and in the immediately preceding financial year amounting to Rs.17.56 Mn and Rs.25.21 Mn respectively.





- (xviii) There has been resignation of the statutory auditors during the year, and as per the communication shared by the outgoing auditors, they have not raised any issues, objections or concerns.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company.
- We further state that our reporting is based on the information and explanation as made available to us by the management of the Company up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The requirements as stipulated by the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order are not applicable.

For ASA & Associates LLP

Chartered Accountants

Firm's Registration No.: 009571N/N500006



G N Ramaswami

Partner

Membership No. 202363

UDIN: 24202363BKEYVY1881

Place: Chennai

Date: May 21, 2024

ACEWARE FINTECH SERVICES PRIVATE LIMITED
104, First Floor, Infopark Technology Business Centre,
Sector D, E & F Hall, Jni Stadium Complex Kaloar Kochi, Kerala - 682017,
ceo@acewaretechnology.com
CIN: U72200KL2020PTC064973
Balance Sheet as at March 31, 2024
(Amount in INR millions, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
ASSETS				
Non-current assets				
a. Property, Plant and Equipment	4A	11.05	13.73	4.96
b. Intangible assets	4B	71.57	83.54	95.48
c. Financial assets				
i. Investments	5	0.50	-	-
ii. Other financial assets	6	0.55	0.50	0.36
d. Deferred tax assets (Net)	7	23.88	16.76	6.77
e. Non current tax assets (Net)	8	0.17	0.10	0.04
Total non-current assets		107.72	114.63	107.61
Current assets				
a. Inventories	9	8.61	1.33	4.27
b. Financial assets				
i. Trade receivables	10	2.75	0.45	0.03
ii. Cash and cash equivalents	11	3.21	12.45	0.71
iii. Bank Balances other than (ii) above	12	5.00	-	-
iv. Other financial assets	6	19.56	0.87	0.26
c. Other current assets	13	5.81	3.39	4.39
Total current assets		44.94	18.49	9.66
Total assets		152.66	133.12	117.27
EQUITY AND LIABILITIES				
Equity				
a. Equity share capital	14	148.00	77.23	76.92
b. Other equity	15	(54.29)	(47.66)	(19.33)
Total equity		93.71	29.57	57.59
Liabilities				
Non-current liabilities				
a. Financial liabilities				
i. Long Term Borrowings	16	0.17	0.96	1.46
(ia). Lease Liabilities	17	0.49	0.95	1.27
b. Provisions	18	1.20	0.26	0.05
Total non-current liabilities		1.86	2.17	2.78
Current liabilities				
a. Financial liabilities				
i. Short Term Borrowings	16	0.50	2.23	0.86
(ia). Lease Liabilities	17	0.45	0.74	0.55
ii. Trade Payables	19			
a) total outstanding dues of micro enterprises and small enterprises		0.01	0.02	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		6.31	2.03	1.25
iii. Other Financial Liabilities	20	49.45	96.10	52.08
b. Other current liabilities	21	0.37	0.26	2.16
Total current liabilities		57.09	101.38	56.90
Total liabilities		58.95	103.55	59.68
Total equity and liabilities		152.66	133.12	117.27

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached
For ASA & Associates LLP
Chartered Accountants
Firm Regn No. 09571N/N500006

G.N. Ramaswami
Partner
Membership No.202363



For and on behalf of the Board of Directors
ACEWARE FINTECH SERVICES PRIVATE LIMITED

Shashank Naidu
Director
DIN: 00405187

Alexander David
Director
DIN: 08259288

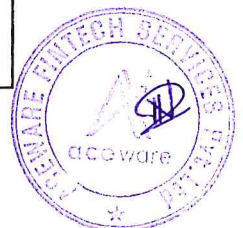
Ashok Kumar Sarangi
Director
DIN: 09041162

Nimisha Joseph Vadakkan
Managing Director
DIN: 08914798

James Kurichiyil
Whole Time Director
DIN: 03445734

Sunder Raj Fernando
Chief Financial Officer

Place: Chennai
Date: 21/05/2024



ACEWARE FINTECH SERVICES PRIVATE LIMITED
104, First Floor, Infopark Technology Business Centre,
Sector D, E & F Hall, Jni Stadium Complex Kaloorkochi, Kerala - 682017,
ceo@acewaretechnology.com
CIN: U72200KL2020PTC064973
Statement of Profit and Loss for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue from Operations	22	34.52	16.32
II Other Income	23	0.28	0.04
III Total Income (I + II)		34.80	16.36
IV Expenses			
Purchase of Stock-in-trade	24	19.89	2.64
Changes in inventories of stock-in-trade	25	(7.28)	2.94
Employee benefits expense	26	25.84	21.75
Finance costs	27	1.69	0.49
Depreciation and amortisation expense	28	15.28	14.30
Other expenses	29	13.91	14.24
Total Expenses (IV)		69.33	56.36
V Profit/(Loss) before Tax (III - IV)		(34.53)	(40.00)
VI. Tax Expense			
a. Current Tax		-	-
b. Deferred Tax Charge/(Benefit)	7	(7.00)	(9.99)
Total Tax Expenses (VI)		(7.00)	(9.99)
VII Profit/(Loss) for the year (V - VI)		(27.53)	(30.01)
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of Defined Benefit Plan Actuarial (Gains)/Losses		0.45	0.01
Less: Income Tax expense on above		0.12	-
Total Other Comprehensive Income (VIII)		0.33	0.01
IX Total Comprehensive Income for the Year / Period (Comprising Profit and other comprehensive Income for the Year) (VII + VIII)		(27.86)	(30.02)
X Earnings/(Loss) per Share (Face value per share ₹ 100)	30		
(1) Basic (in INR)		(27.29)	(38.86)
(2) Diluted (in INR)		(27.29)	(38.86)

Note:

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached

For ASA & Associates LLP

Chartered Accountants

Firm Regn No. 009571N/N500006

G.N. Ramaswami

Partner

Membership No. 202363



For and on behalf of the Board of Directors
ACEWARE FINTECH SERVICES PRIVATE LIMITED

Shashank Naidu

Director

DIN: 10405187

Alexander David

Director

DIN: 08259288

Ashok Kumar Sarangi

Director

DIN: 09041162

Nimisha Joseph Vadakkan

Managing Director

DIN: 08914798

Jimin James Kurichiyil

Whole Time Director

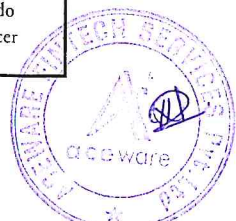
DIN: 03445734

Sunder Raj Fernando

Chief Financial Officer

Place: Chennai

Date: 21/05/2024



ACEWARE FINTECH SERVICES PRIVATE LIMITED
104, First Floor, Infopark Technology Business Centre,
Sector D, E & F Hall, Jni Stadium Complex Kaloorkochi, Kerala - 682017,
ceo@acewaretechnology.com
CIN: U72200KL2020PTC064973
Statement of Cash Flows for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flow from Operating Activities		
Net Profit before tax	(34.53)	(40.00)
Adjustments for;		
a. Depreciation and Amortisation	15.28	14.30
b. Finance Cost	1.69	0.49
c. Interest Received	(0.21)	(0.04)
d. Liabilities written back	(0.04)	-
e. Provision for Gratuity	0.50	0.21
f. Provision for Bad & Doubtful debts	0.02	-
Operating Profit before working capital changes	(17.29)	(25.04)
Adjustments for (Increase)/Decrease in		
Inventories	(7.28)	2.94
Trade Receivables	(2.30)	(0.42)
Other Financial Assets	(18.74)	(0.75)
Other Current Assets	(2.42)	1.00
Adjustments for Increase/(Decrease) in		
Trade Payables	4.27	0.80
Other Financial Liabilities	(46.65)	44.02
Other Current Liabilities	0.11	(1.90)
Cash generated from operations	(90.30)	20.65
Income Tax paid	(0.07)	(0.06)
Net Cash Flows from Operating activities (A)	(90.37)	20.59
B. Cash flow from Investing Activities		
a. Purchase of Property, Plant and Equipment and Intangible Assets (Including CWIP and Capital Advances)	(0.62)	(11.14)
b. Investments in Associates	(0.50)	-
c. Investment in Bank deposits (Net of Withdrawals/Redemption)	(5.00)	-
d. Interest received	0.21	0.04
Net Cash used in Investing activities (B)	(5.91)	(11.10)
C. Cash flow from Financing Activities		
a. Repayment of Long term Borrowings	(0.79)	(0.50)
b. Repayment of Short term Borrowings	(1.73)	1.37
c. Finance Cost Paid	(1.69)	(0.49)
d. Issue of Share Capital (incl Share Premium)	92.00	2.00
e. Payment towards Lease Liabilities	(0.75)	(0.13)
Net Cash used in Investing activities (C)	87.04	2.25
Net Increase in cash and cash equivalents during the year (A + B + C)	(9.24)	11.74
Reconciliation		
Cash and Cash Equivalents as at the beginning of the year	12.45	0.71
Cash and Cash Equivalents as at the end of the year	3.21	12.45
Net Increase in cash and cash equivalents during the year	(9.24)	11.74
Cash and Cash Equivalents comprise of - (Refer Note 11)		
Cash on hand	0.01	0.01
Balances with banks in current accounts	3.20	12.44
Total cash and bank balances at end of the year	3.21	12.45

Note:

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached
For ASA & Associates LLP
Chartered Accountants
Firm Regn No. 009571N/N500006

G.N. Ramakrishna
Partner
Membership No.202363



For and on behalf of the Board of Directors
ACEWARE FINTECH SERVICES PRIVATE LIMITED

Shashank Naidu
Director
DIN: 10405187

Alexander David
Director
DIN: 08259288

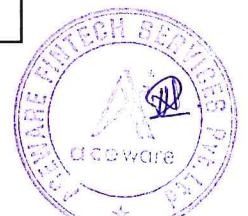
Ashok Kumar Sarangi
Director
DIN: 09041162

Nimisha Joseph Vadakkan
Managing Director
DIN: 08914798

Jimmin James Kurichiyil
Whole Time Director
DIN: 03445734

Sunder Raj Fernando
Chief Financial Officer

Place: Chennai
Date: 21/05/2024



ACEWARE FINTECH SERVICES PRIVATE LIMITED
104, First Floor, Infopark Technology Business Centre,
Sector D, E & F Hall, Jni Stadium Complex Kaloar Kochi, Kerala - 682017,
ceo@acewaretechnology.com
CIN: U72200KL2020PTC064973

Statement of Changes in Equity for the period ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

A. Equity Share Capital
As at March 31, 2024

Particulars	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
Equity Share Capital	77.23	-	-	70.77	148.00

As at March 31, 2023

Particulars	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
Equity Share Capital	76.92	-	-	0.31	77.23

Note :

During the year the 707,693 equity shares were allotted to Radiant Cash Management Services Ltd. (RCMS), against the primary investment made by RCMS, in accordance with the Share Purchase and Share Subscription Agreement (SPSSA) dated November 20, 2023 executed by and amongst the Company, Mr. Jimmin J Kurichiyil, Ms. Nimisha J Vadakkan, Mr. Jubin J Kurichiyil and Radiant Cash Management Services Limited.
On 01.12.2023 Mr. Jimmin James Kurichiyil transferred 153,846 shares to M/s. Radiant Cash Management Services Limited and its Nominees in accordance with the Share Purchase and Share Subscription Agreement (SPSSA) dated November 20, 2023 executed by and amongst M/s. Aceware Fintech Services Pvt. Ltd., Mr. Jimmin J Kurichiyil, Ms. Nimisha J Vadakkan, Mr. Jubin J Kurichiyil and Radiant Cash Management Services Limited.

B. Other Equity

As at March 31, 2024

Particulars	Reserves and Surplus		Other Comprehensive Income (OCI)	Total
	Securities Premium	Retained Earnings	Remeasurement of Net Defined benefit Liability/Asset	
Balance as at April 01, 2023	1.69	(49.34)	(0.01)	(47.66)
Loss for the year	-	(27.53)	-	(27.53)
Other Comprehensive Income for the year	-	-	(0.33)	(0.33)
Premium Received on issue of shares	21.23	-	-	21.23
Balance as at March 31, 2024	22.92	(76.87)	(0.34)	(54.29)

As at March 31, 2023

Particulars	Reserves and Surplus		Other Comprehensive Income (OCI)	Total
	Securities Premium	Retained Earnings	Remeasurement of Net Defined benefit Liability/Asset	
Balance as at April 01, 2022	-	(19.33)	-	(19.33)
Loss for the year	-	(30.01)	-	(30.01)
Other Comprehensive Income for the year	-	-	(0.01)	(0.01)
Premium Received on issue of shares	1.69	-	-	1.69
Balance as at March 31, 2023	1.69	(49.34)	(0.01)	(47.66)

Note:

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached
For ASA & Associates LLP
Chartered Accountants
Firm Regn No. 009571N/N500006

G.N. Ramaswami
Partner
Membership No.202363



For and on behalf of the Board of Directors
ACEWARE FINTECH SERVICES PRIVATE LIMITED

Shashank Naidu
Director
DIN: 10405187

Alexander David
Director
DIN: 08259288

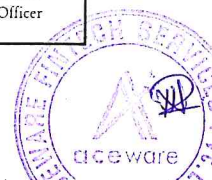
Ashok Kumar Sarangi
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Nimisha Joseph Vadakkan
Managing Director
DIN: 08914798

Jimmin James Kurichiyil
Whole Time Director
DIN: 03445134

Sunder Raj Fernando
Chief Financial Officer

Place: Chennai
Date: 21/05/2024



1. Corporate information:

Aceware Fintech Services Private Limited (“the Company”) is a Private Limited Company incorporated and domiciled in India on October 12, 2020 under the Companies Act, 2013. The Company is engaged in the business of development and implementation of electronic financial platform that accommodates multiple types of payments and transactions in an integrated mobile device, PDA and web based environment. The Company is a registered Start up entity under the technopark technology service incubator and Kerala Start up mission.

2. Basis of Preparation:

(i) These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 specified under Section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

For periods up to and including the year ended March 31, 2023, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (‘Indian GAAP’). These financial statements for the year ended March 31, 2024 are the first Financial Statements prepared in accordance with Ind AS with transition date of April 1, 2022. Refer to note 36 for information on how the Company has adopted Ind AS.

(ii) The financial statements were authorised for issue by the Company’s Board of Directors on May 21, 2024.

(iii) 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:

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

All other assets are classified as non-current

A liability is treated as current when it is:

- It is expected to be settled in normal operating cycle or due to be settled within twelve months after the reporting period
- It is held primarily for the purpose of trading
- 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 and liabilities are classified as non-current assets and liabilities.

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

(iv) Significant accounting, judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have financial impact on the company and that are believed to be reasonable under the circumstances.

The areas involving critical estimates or judgments are:

- Estimation of useful life of property, plant and equipment and intangible asset
- Estimation of defined benefit obligation
- Impairment of financial assets & non-financial assets
- Measurement of Right-of-Use (ROU) Asset and Liabilities

(v) Functional currency and presentation currency

Items included in the Financial Statements of the Company are measured and presented using the currency of the primary economic environment in which the Company operates ("Functional Currency"). Indian Rupee is the functional Currency of the Company.

(vi) Historical cost convention

The Financial Statements have been prepared under historical cost convention on accrual basis except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

(vii) Measurement of Fair value

A few of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair



Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3. Summary of material accounting policies

(i) Revenue recognition

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

a. Sale of goods: Revenue from the sale of products is recognised at the point in time when control is transferred to the customer.

b. Sale of Services: Revenue from services is recognised over a period of time as and when the performance obligations are satisfied in accordance with the specific terms of contract with customer.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

The Company has determined that the revenues as disclosed in Note 22 are disaggregated into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.



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

Dividend income from investments is recognised when the Company's right to receive the payment has been established i.e., either when the dividend is declared or when shareholders approve the dividend in case of equity investments.

(ii) Property, Plant and Equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part have a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in statement of profit and loss in the year of occurrence.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2022 measured as per the Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation is provided on the Straight Line Method (SLM). The useful life as specified in Schedule II to the Companies Act, 2013 has been considered for depreciation computation. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the fixed asset or of the remaining useful life on a subsequent review is shorter/longer than that envisaged in the aforesaid schedule, depreciation is provided at higher/lower rate based on the management's estimate of the useful life/remaining useful life. Depreciation is charged on pro rata basis for assets purchased/sold during the year.



Pursuant to this policy, the Property, Plant and Equipments are depreciated over the useful life as provided below:

Asset description	Estimated useful Life (in Years)
Computers	3
Motor vehicles	6
Furniture & fixtures	10
Electrical fittings	10
Office equipments	5

(iii) Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortization and accumulated impairment, if any.

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the asset can be measured reliably.

Intangible assets are amortised over their estimated useful life on straight-line method. The estimated useful life considered for amortisation of Intangible Assets is 8 years.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible assets recognized as at April 01, 2022 measured as per the Indian GAAP and use that carrying value as the deemed cost of the intangible assets.

Impairment of Property, Plant and Equipment and Intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.



When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of operations are recognized in the statement of profit and loss.

At each reporting date if there is an indication that previously recognized impairment losses no longer exist or have decreased, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed in the statement of profit and loss only to the extent of lower of its recoverable amount or carrying amount net of depreciation considering no impairment loss recognized in prior years only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

(iv) Inventories

Inventories are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of goods is determined on a weighted average basis.

(v) Borrowing Costs

The Company capitalizes borrowing costs that are directly attributable to the acquisition or construction of qualifying asset as a part of the cost of the asset. The Company recognizes other borrowing costs as an expense in the period in which it incurs them. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

To the extent the Company borrows generally and uses them for the purpose of obtaining a qualifying asset, amount of borrowing cost eligible for capitalization is computed by applying a capitalization rate to the expenditure incurred. The capitalization rate is determined based on the weighted average of borrowing costs, other than borrowings made specifically towards purchase of a qualifying asset.



(vi) Foreign currency translation

Transactions in foreign currencies are initially recorded by the company at their respective functional currency spot rates, at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized as income or expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(vii) Employee benefits

Short term employee benefits obligations are measured on an undiscounted basis and are expensed as the related services provided. A liability is recognized for the amount expected to be paid under short-term employee benefits if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

a) Defined contribution plan

Retirement benefit in the form of provident fund is defined contribution scheme. The Company has no obligation, other than the contribution payable to such schemes. The Company recognizes contribution payable to such schemes as an expense, when an employee renders the related service.

b) Defined benefit plan

The Company's obligation on account of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss -Service costs comprising current service costs and Net interest expense or income.



The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Liability for gratuity as at the year-end is provided on the basis of actuarial valuation.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

(viii) Income taxes**a) Current income tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

b) Deferred Tax:

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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



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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(ix) Leases

The Company, being a lessee, assesses whether a contract contains a lease, at inception of a contract. Company recognizes Right of Use Asset and lease liability only when the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets, for which the entity is reasonably certain to exercise the right to purchase, are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

For the short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

On transition to Ind AS, the Company has elected to apply modified retrospective approach, wherein the cumulative impact of initial application is recognised as an adjustment to opening reserves as at April 01, 2022.

(x) Provisions and Contingencies

Provisions are recognized when the Company has 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 can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.



Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events and whose existence 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 but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

(xi) Inventories

Inventories are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Cost of goods is determined on a weighted average basis.

(xii) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Company's cash management.

(xiii) 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) Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.



Subsequent measurement

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

- Financial assets at amortized cost
- Financial assets at fair value through OCI (FVTOCI)
- Financial assets at fair value through profit and loss (FVTPL)

Financial asset at amortized cost

A Financial asset is measured at amortized cost (net of any write down for impairment) the asset is held to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit and loss. The losses arising from impairment are recognized statement of profit and loss. This category generally applies to trade and other receivables.

Financial asset at fair value through OCI (FVTOCI)

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through profit and loss under fair value option.

- The financial asset is held both to collect contractual cash flows and to sell.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income and impairment losses & reversals in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI Financial asset is reported as interest income using the EIR method.



Financial asset at fair value through profit and loss (FVTPL)

FVTPL is a residual category for company's financial instruments. Any instruments which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

All investments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

In addition, the company may elect to designate an instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Derecognition

When the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement. It evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- Based on above evaluation, either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a bases that reflect the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.



Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets which are not fair value through profit & loss and equity instruments recognized in OCI.

Loss allowances for trade receivables are always measured at an amount equal to Lifetime ECL. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECL is the maximum contractual period over which the company is exposed to credit risk.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.



b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, lease obligations, and other payables

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.



(xiv) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year/period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period adjusted for bonus elements, if any, issued during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year/ period attributable to equity shareholders after taking into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(xv) Segment reporting

Operating segments are reported in the manner consistent with the internal reporting to the chief operating decision maker (CODM). An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available.

(xvi) Cash Flow Statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 '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. Cash flow for the year is classified by operating, investing and financing activities.

(xvii) Rounding of amount

Amount disclosed in the financial statement and notes have been rounded off to the nearest million as per the requirements of schedule III, unless otherwise stated.



Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets which are not fair value through profit & loss and equity instruments recognized in OCI.

Loss allowances for trade receivables are always measured at an amount equal to Lifetime ECL. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECL is the maximum contractual period over which the company is exposed to credit risk.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Note 4A - Property, Plant and Equipment

Particulars	Building*	Computers	Electrical installations	Plant and Machinery	Furniture and Fixtures	Office Equipment	Vehicles	Total
Gross block (Cost/Deemed cost)								
As at April 01, 2022	1.82	0.66	-	0.04	1.99	0.45	-	4.96
Additions during the year	0.49	1.02	0.08	-	0.75	0.15	-	11.14
Deletions during the year	-	-	-	-	-	-	8.65	-
As at March 31, 2023	2.31	1.68	0.08	0.04	2.74	0.60	8.65	16.10
Additions during the year	-	0.04	0.06	-	0.42	0.10	-	0.62
Deletions during the year	-	-	-	-	-	-	-	-
As at March 31, 2024	2.31	1.72	0.14	0.04	3.16	0.70	8.65	16.72
Accumulated Depreciation								
As at April 01, 2022	-	-	-	-	-	-	-	-
Charge for the year	0.68	0.50	0.01	-	0.23	0.10	0.85	2.37
Deletions during the year	-	-	-	-	-	-	-	-
As at March 31, 2023	0.68	0.50	0.01	-	0.23	0.10	0.85	2.37
Charge for the year	0.78	0.60	0.01	-	0.32	0.14	1.45	3.30
Deletions during the year	-	-	-	-	-	-	-	-
As at March 31, 2024	1.46	1.10	0.02	-	0.55	0.24	2.30	5.67
Net Book Value								
As at April 01, 2022	1.82	0.66	-	0.04	1.99	0.45	-	4.96
As at March 31, 2023	1.63	1.18	0.07	0.04	2.51	0.50	7.80	13.73
As at March 31, 2024	0.85	0.62	0.12	0.04	2.61	0.46	6.35	11.05

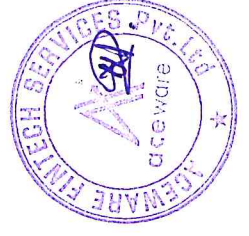
* Building represents leased premises capitalized as Right of Use asset as per Ind AS 116 - Leases

1.1. Following are the changes in the carrying value of ROU:

Description	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Opening balance	1.63	1.82	-
Add: Additions during the year	-	0.49	1.82
Less: Depreciation for the year	0.78	0.68	-
Closing balance	0.85	1.63	1.82

(i) On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment recognised as at 01 April 2022 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment. - Refer Note 3(i).

(ii) The Company has not revalued its property, plant and equipment during the current year and previous year.



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Note 4B - Other Intangible Assets

Particulars	Wallet Application Software
Gross block (Cost/Deemed cost)	
As at April 01, 2022	95.48
Additions during the year	-
Deletions during the year	-
As at March 31, 2023	95.48
Additions during the year	-
Deletions during the year	-
As at March 31, 2024	95.48
Accumulated Amortisation	
As at April 01, 2022	-
Charge for the year	11.94
Deletions during the year	-
As at March 31, 2023	11.94
Charge for the year	11.97
Deletions during the year	-
As at March 31, 2024	23.91
Net Book Value	
As at April 01, 2022	95.48
As at March 31, 2023	83.54
As at March 31, 2024	71.57

On transition to Ind AS, the Company has elected to continue with the carrying value of its Other Intangible assets recognised as at 01 April 2022 measured as per the previous GAAP and use that carrying value as the deemed cost of the Other Intangible assets. - Refer Note 3(iii).



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Note 5 - Investments

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Investments in Equity Shares: In Subsidiary company (Unquoted, fully paidup) (50,000 (March 31, 2023 - Nil). Equity Shares of Rs. 10/- each of Aceware Payment Solutions Private Limited)	0.50	-	-
Total	0.50	-	-

Note 6 - Other Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
At Amortised Cost			
Unsecured, Considered Good Security Deposits	0.55	0.50	0.36
Total	0.55	0.50	0.36
(b) Current			
Advance to Employees	0.13	0.66	0.19
Advance to related parties (for expenses)	-	0.21	0.07
Accrued interest on fixed deposits	0.08	-	-
Other Receivables	19.37	-	-
Less:			
Provision for Impairment	(0.02)	-	-
Total	19.56	0.87	0.26

Note 7 - Deferred Tax Assets / (Liabilities)

7.1 Recognised Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are attributable to the following:

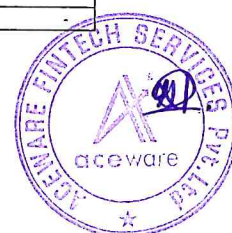
Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Deferred Tax Liability			
Right of Use Assets	0.22	0.42	0.47
Property, Plant and Equipment	2.30	2.70	1.92
Employee Benefits	-	-	-
Sub Total	2.52	3.12	2.39
Deferred tax Assets			
Unabsorbed Losses	25.85	19.36	8.66
Provision for Bad and Doubtful Debts	-	-	-
Employee Benefits	0.31	0.07	0.01
Rental Deposits	-	0.02	-
Remeasurements of defined benefit plan actuarial gains/ (losses) - OCI	-	-	-
Lease Liability (ROU Assets)	0.24	0.43	0.49
Sub Total	26.40	19.88	9.16
Net Deferred Tax Assets / (Liabilities)	23.88	16.76	6.77

Movement in Deferred Tax balances

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Opening balance	16.76	6.77	6.77
Recognised in Statement of Profit & Loss	7.00	9.99	-
Recognised in Other Comprehensive income	0.12	-	-
Total	23.88	16.76	6.77

7.2 Tax Recognised in Other Comprehensive Income

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Defined benefit plan Actuarial Gains (Losses)	0.12	-	-
Total	0.12	-	-



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Note 8 - Non current tax assets (Net)

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Tax payments pending adjustment	0.17	0.10	0.04
Total	0.17	0.10	0.04

Note 9 - Inventories

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Lower of Cost and Net Realisable Value			
Stock in Trade	1.90	1.33	4.27
Stock with third party			
- Related Party	4.69	-	-
- Others	2.02	-	-
Total	8.61	1.33	4.27

Note 10 - Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Trade Receivables			
Trade Receivable considered Good - Secured			
Trade Receivable considered Good - Unsecured	2.75	0.45	0.03
Have Significant increase in Credit Risk	-	-	-
	2.75	0.45	0.03
Less:			
Impairment for Trade Receivable under expected credit loss model	-	-	-
Total	2.75	0.45	0.03



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

10.1. Trade Receivables ageing schedule

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due / Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1.49	1.11	0.15	-	-	2.75
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Unbilled Dues (Not Due)	-	-	-	-	-	-
Total	1.49	1.11	0.15	-	-	2.75

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due / Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	0.41	0.04	-	-	-	0.45
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Unbilled Dues (Not Due)	-	-	-	-	-	-
Total	0.41	0.04	-	-	-	0.45

As at April 01, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due / Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	0.03	-	-	-	-	0.03
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Unbilled Dues (Not Due)	-	-	-	-	-	-
Total	0.03	-	-	-	-	0.03



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Note 11 - Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Cash on hand	0.01	0.01	0.02
Balance with Banks - In Current Account	3.20	12.44	0.69
Total	3.21	12.45	0.71

Note 12 - Bank balances other than note 10

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
In deposits account with maturity period less than 12 months from the balance sheet date	5.00	-	-
Total	5.00	-	-

Note 13 - Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Unsecured, Considered Good			
Rental deposits	0.70	0.60	0.50
Balance with Government Authorities	5.05	2.57	3.30
Prepaid Expenses	0.06	0.06	-
Advance to suppliers/expenses	-	0.16	0.59
Total	5.81	3.39	4.39



Note 14 - Equity Share Capital

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Authorised Share Capital			
Equity share capital 2,000,000 shares of ₹ 100 each	200.00	200.00	200.00
Total	200.00	200.00	200.00
Issued, Subscribed And Fully Paid Up			
Equity share capital 14,79,951 shares of ₹ 100 each (March 31, 2024: 14,79,951, March 31, 2023: 772,258 shares of ₹ 100 each and April 01, 2022: 769,158 shares of ₹ 100 each)	148.00	77.23	76.92
Total	148.00	77.23	76.92

Movement in respect of Equity Shares is given below :

Particulars	As at March 31, 2024 Nos.	As at March 31, 2023 Nos.	As at April 01, 2022 Nos.
At the beginning of the year	77.23	76.92	76.92
(+) Fresh issue of shares	70.77	0.31	-
Outstanding at the end of the year	148.00	77.23	76.92

Note 14.1 Statement of changes in equity

As at March 31, 2024

Particulars	Balance at the beginning of the current reporting period	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
Equity Share Capital	77.23	-	70.77	148.00

As at March 31, 2023

Particulars	Balance at the beginning of the current reporting period	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
Equity Share Capital	76.92	-	0.31	77.23

As at April 1, 2022

Particulars	Balance at the beginning of the current reporting period	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
Equity Share Capital	76.92	-	-	76.92



Note 14.2 Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of INR. 100/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 14.3 Details of Shareholders Holding more than 5% shares in the Company

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
	Nos.	Nos.	
Radiant Cash Management Services Ltd (RCMS)	8,61,539.00	-	-
Jimmin J Kurichiyil	6,10,312.00	7,64,158.00	7,64,158.00
Total	14,71,851.00	7,64,158.00	7,64,158.00

Disclosure of shareholding of Promoters

Particulars	As at March 31, 2024		% Change during the year	As at March 31, 2023		% Change during the year
	No. of Shares	% of Holding		No. of Shares	% of Holding	
Jimmin J Kurichiyil	6,10,312	41.24%	57.71%	7,64,158	98.9%	0.40%
Nimisha J Vadakkan	6,101	0.41%	-0.02%	3,000	0.39%	0.00%
Jubin J Kurichiyil	1,999	0.14%	0.12%	1,999	0.26%	0.00%

Particulars	As at April 01, 2022		% Change during the year
	No. of Shares	% of Holding	
Jimmin J Kurichiyil	7,64,158	99.35%	100.00%
Nimisha J Vadakkan	3,000	0.39%	-
Jubin J Kurichiyil	2,000	0.26%	-

On 01.12.2023 Mr. Jimmin James Kurichiyil transferred 153,846 shares to Radiant Cash Management Services Limited in accordance with the Share Purchase and Share Subscription Agreement (SPSSA) dated November 20, 2023 executed by and amongst Aceware Fintech Services Pvt. Ltd., Mr. Jimmin J Kurichiyil, Ms. Nimisha J Vadakkan, Mr. Jubin J Kurichiyil and Radiant Cash Management Services Limited.

Note 14.4 Shares issued for consideration other than cash, bonus issues and shares bought back in the preceeding 5 years:

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021 *	As at March 31, 2020	As at March 31, 2019
	Nos.	Nos.	Nos.	Nos.	Nos.
Shares issued for consideration other than cash	Nil	764,158**	Nil	NA	NA
Bonus shares issued	Nil	Nil	Nil	NA	NA
Shares bought back	Nil	Nil	Nil	NA	NA

* The Company was incorporated on 12/10/2020

** 764,158/- equity shares of Rs. 100/- each were issued to Mr. Jimmin J Kurichiyil for consideration other than cash, on 31/03/2022.



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ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Note 15 - Other equity

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
I. Reserves & Surplus			
Securities Premium	22.92	1.69	-
Retained Earnings	(76.87)	(49.34)	(19.33)
II. Items of Other Comprehensive Income			
Remeasurement of defined benefit obligation	(0.34)	(0.01)	-
Total	(54.29)	(47.66)	(19.33)

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the Ind AS financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

(i) Nature and Purpose of each reserve

a) Securities Premium

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Balance as at the beginning of the year	1.69	-	-
Add: Premium received on issue of Shares	21.23	1.69	-
Balance as at the end of the year	22.92	1.69	-

Securities premium reserve represents the amount received in excess of the face value of the equity shares. The utilisation of the securities premium reserve is governed by the Section 52 of The Companies Act, 2013.

b) Retained Earnings

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Balance as at the beginning of the year	(49.34)	(19.33)	(19.33)
Add/(Less): Profit/(Loss) for the year	(27.53)	(30.01)	-
Balance as at the end of the year	(76.87)	(49.34)	(19.33)

Retained earnings represents the Company's undistributed earnings / (losses) after taxes

c) Remeasurement of defined benefit obligation

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Balance as at the beginning of the year	(0.01)	-	-
Add/(Less): Movements during the year	(0.33)	(0.01)	-
Balance as at the end of the year	(0.34)	(0.01)	-

Represents cumulative actuarial gain/loss on account of remeasurement of net defined benefit plans.



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Note 16 - Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
(a) Non - Current			
Unsecured - Term Loan			
Term Loan From Kerala Start-up Mission	0.67	1.46	1.50
Less: Current Maturities of long term Borrowings	(0.50)	(0.50)	(0.04)
Total	0.17	0.96	1.46
(b) Current			
Unsecured - Term Loan			
Current Maturities of Long Term Borrowings	0.50	0.50	0.04
Loans from related Parties - Repayable on demand	-	1.73	0.82
Total	0.50	2.23	0.86

16.1 Terms and Security:

Term loan from Kerala Start-up Mission is repayable in 36 equated monthly installment at the interest rate of 6%.

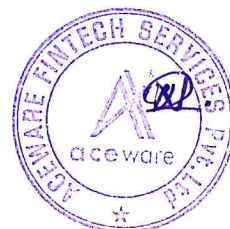
Note 17 - Lease Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Carrying Amount of;			
Non-Current Lease Liability	0.49	0.95	1.27
Current Lease Liability	0.45	0.74	0.55
Total	0.94	1.69	1.82

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Lease Liability as at the beginning of the year	1.69	1.82	-
Additions on account of new leases	-	0.46	1.82
Interest on Lease Liabilities	0.13	0.15	-
Deletion	-	-	-
Payment towards lease liabilities	(0.88)	(0.74)	-
Lease Liability as at the end of the year	0.94	1.69	1.82

Note 18 - Provisions

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
(a) Non - Current			
Provision for Employee Benefits			
Gratuity	1.20	0.26	0.05
Total	1.20	0.26	0.05
(b) Current			
Gratuity	-	-	-
Total	-	-	-



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Note 19 - Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
At Amortised Cost			
Trade Payables (Refer Notes below)			
- Dues to Micro and Small Enterprises	0.01	0.02	-
- Others	6.31	2.03	1.25
Total	6.32	2.05	1.25

19.1 Trade Payables ageing schedule

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro and Small Enterprises	0.01	-	-	-	0.01
(ii) Others	5.22	1.09	-	-	6.31
(iii) Disputed Dues - Micro and Small Enterprises	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Unbilled Dues	-	-	-	-	-
Total	5.23	1.09	-	-	6.32

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro and Small Enterprises	0.02	-	-	-	0.02
(ii) Others	1.97	0.06	-	-	2.03
(iii) Disputed Dues - Micro and Small Enterprises	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Unbilled Dues	-	-	-	-	-
Total	1.99	0.06	-	-	2.05

As at April 01, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro and Small Enterprises	-	-	-	-	-
(ii) Others	1.25	-	-	-	1.25
(iii) Disputed Dues - Micro and Small Enterprises	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Unbilled Dues	-	-	-	-	-
Total	1.25	-	-	-	1.25



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Note 20 - Other Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
At Amortised Cost			
Interest payable	0.88	0.10	-
Security Deposits received	3.24	4.06	3.61
Dashboard balance	43.08	90.56	47.54
Creditors for expenses	0.33	-	-
Payable to employees	1.92	1.38	0.93
Total	49.45	96.10	52.08

Note 21 - Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Other Payables			
Advance from Customers	-	-	1.55
Statutory Payables	0.37	0.26	0.61
Total	0.37	0.26	2.16



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Note 22 - Revenue from Operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Products	6.52	8.38
Income from Services rendered	28.00	7.94
Total	34.52	16.32

Note 23 - Other Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Other Income		
a) Discount Received	0.03	-
b) Interest on fixed deposits	0.21	0.04
c) Liabilities Written Back	0.04	-
Total	0.28	0.04

Note 24 - Purchase of Stock-in-trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Device Purchase	19.89	2.64
Total	19.89	2.64

Note 25 - Changes in inventories of stock-in-trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Stock	1.33	4.27
Closing Stock	8.61	1.33
Total	(7.28)	2.94

Note 26 - Employee benefits expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and Bonus	23.92	20.93
Contribution to Provident and Other Funds	1.54	0.71
Staff Welfare Expenses	0.38	0.11
Total	25.84	21.75

Note 27 - Finance costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on:		
-Borrowings	0.07	0.10
- Others	1.62	0.39
Total	1.69	0.49



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Note 28 - Depreciation and amortization expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation / Amortisation Expenses		
- Tangible Assets	3.29	2.36
- Intangible Assets	11.99	11.94
Total	15.28	14.30

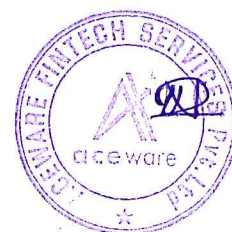
Note 29 - Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rent		
- Building	0.38	0.67
- Computers and accessories	0.26	0.05
Rates and taxes	0.38	0.34
Insurance	0.11	0.09
Bank Charges	0.53	0.91
Legal and professional charges	2.08	1.18
Power and fuel	0.36	0.08
Repairs & Maintenance	0.07	0.10
Travelling and Conveyance	1.59	1.90
Communication expenses	0.60	0.19
Printing and stationery	0.81	1.29
Office maintenance	0.46	0.27
Commission expenses	2.83	-
Payments to the Auditors		
- For Statutory Audit	0.31	0.25
- For Certification	-	0.05
- For Others	-	0.05
- For Expenses	0.02	-
Bad debts	0.13	-
Provision for Bad & Doubtful debts	0.02	-
Technical Service Support	1.71	1.58
Miscellaneous expenses	1.26	5.24
Total	13.91	14.24

Note 30 - Basic and Diluted EPS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- Profit/(Loss) for the year, attributable to the owners of the Company	(27.53)	(30.01)
- Earnings used in calculation of basic and diluted earnings per share (A)	(27.53)	(30.01)
- Weighted average number of ordinary shares for the purpose of basic earnings per share (B)	10,08,801.96	7,72,258.00
- Weighted average number of ordinary shares for the purpose of diluted earnings per share (C.)	10,08,801.96	7,72,258.00
- Basic EPS = (A/B) (Face Value of Rs.100 per share) (in INR)	(27.29)	(38.86)
- Diluted EPS = (A/C) (Face Value of Rs.100 per share) (in INR)	(27.29)	(38.86)

Note 31 - Contingent Liabilities and Commitments - Nil



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Note 32 - Employee Benefits

Defined contribution plan

Year ended March 31, 2024 the Company contributed the following amounts to defined contribution plans:

Particulars	As at March 31, 2024	As at March 31, 2023
Provident Fund and Employees' Family Pension Scheme	0.92	0.41
Employees' State Insurance Corporation	0.12	0.09
Total	1.04	0.50

Defined benefit plan

As per the payment of Gratuity Act, 1972, the Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days' salary (last drawn salary) for each completed year of service. The scheme of the Company is funded with an insurance company in the form of a qualifying insurance policy. Management aims to keep annual contribution relatively stable at such a level such that no plan deficits will arise. The Company has purchased an insurance policy, which is a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

The following table summarizes the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the gratuity plans of the Company.

Statement of Profit and Loss- Net employee benefits expense (recognized in employee cost)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Service Cost	0.50	0.21
Expense recognised in the statement of Profit and Loss	0.50	0.21

Net employee benefits expense (recognised in Other Comprehensive Income):

Particulars	As at March 31, 2024	As at March 31, 2023
Actuarial gains/losses		
Experience variance (i.e actual experience vs assumptions)	0.45	0.01
Return on plan assets, excluding amount recognised in net interest expense	-	-
Components of defined benefit cost recognised in other comprehensive income	0.45	0.01



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Balance Sheet

Details of provision and fair value of plan assets

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation	1.21	0.27
Fair value of plan asset	-	-
Net Liability	1.21	0.27

Changes in present value of obligation

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the beginning of the year	0.26	0.05
Current service cost	0.48	0.20
Interest expense	0.02	0.01
experience variance (i.e actual experience vs assumptions)	0.45	0.01
Benefits paid	-	-
Present value of obligation at the end of the year	1.21	0.27

Changes in the fair value of plan asset are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Fair value of plan assets at the beginning	-	-
Investment Income	-	-
Contributions made:	-	-
Return on plan assets except amount recognised as net Interest	-	-
Fair value of plan assets at the end	-	-

The following is the maturity profile of the Company's defined benefit obligation

Particulars	As at March 31, 2024	As at March 31, 2023
Weighted average duration (based on discounted cash flows) (in years)	4.90	4.00

The principal assumptions used in determining gratuity benefit obligations for the Company's plan are shown below

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate	7.21%	6.80%
Salary growth rate	9.00%	9.00%
Employee attrition rate	20.00%	25.00%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

A quantitative sensitivity analysis for the significant assumptions on defined benefit obligation as at March 31, 2024

Particulars	As at March 31, 2024		As at March 31, 2024	
	Decrease in assumption (in %)	Increase in assumption (in %)	Decrease in assumption (in %)	Increase in assumption (in %)
Discount Rate (0.50% movement)	6.90%	-6.20%	1.96%	-1.90%
Salary Growth Rate (0.50% movement)	-6.20%	6.70%	-1.90%	1.96%
Attrition Rate (0.50% movement)	3.40%	-3.30%	0.17%	-0.17%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on define benefit obligation as a result of reasonable changes in key assumptions occurring at the end of reporting period.

Expected maturity analysis of the defined benefit plans in future years

Particulars	As at March 31, 2024
Within one year	-
Between 1 year to 5 years	0.65
Between 5 years to 10 years	7.67

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 and has invited suggestions from stakeholders. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amount in INR millions, unless otherwise stated)

Note 33 - Leases

In case of assets taken on lease:

The Company has taken office premises, vehicles and computers under operating lease agreements, which expire at various dates. These agreements are generally renewable by mutual consent. Some of the lease agreements for premises have a lock in period of 3 years and price escalation clause. ROU asset for long term leases has been recognised with corresponding credit to Lease liability.

Details relating to the leases of the company are as follows:

a) The following is the break-up of current and non-current lease liabilities as at March 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current Lease Liabilities	0.49	0.95
Current Lease Liabilities	0.45	0.74

b) Following are the changes in carrying value of Lease liabilities.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	1.69	1.82
Additions	-	0.46
Finance cost accrued during the year	0.13	0.15
Payment of lease liabilities	(0.88)	(0.74)
Balance as at the end of the year	0.94	1.69

Note: There are no lease concessions for the long term leases of the company.

c) Following amounts were recognized as expense:

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation of right of use assets*	0.78	0.68
Expense relating to short term leases**	0.64	0.72
Interest on lease liabilities	0.13	0.15
Total amount recognized in statement of Profit & Loss	1.55	1.55

* Includes amortisation of present value difference on fair valuation of lease deposit

** Includes office premises, vehicles and computers

d) Maturity analysis of lease liabilities under Ind AS 116 on an undiscounted basis

Particulars	As at March 31, 2024	As at March 31, 2023
Within one year	0.45	0.74
After one year but not more than 5 years	0.49	0.95
More than five years	-	-
Total	0.94	1.69

e) Following is the movement in Right of Use Asset

Description	As at March 31, 2024	As at March 31, 2023
Opening Balance	1.63	1.82
Add : Additions during the year	-	0.49
Less: Depreciation for the year	0.78	0.68
Closing Balance	0.85	1.63

The incremental borrowing rate applied to lease liabilities is 9.50%



Note 34 - Related Party Disclosures - Ind AS 24

i. Name of the related party and description of relationship with the company

Name of the Related parties	Nature of Relationship
Radiant Cash Management Services Limited	Holding company (with effect from December 01, 2023)
Radiant Protection Force Private Limited	Company in which the Director or his relative is interested
Acemoney Payment Solutions Private Limited	Subsidiary company
Ms. Nimisha Joseph Vadakkan	Key Management personnel
Mr. Jimmin James Kurichiyil	Key Management personnel
Mr. Jubin J Kurichiyil	Key Management personnel (till March 31, 2023)
Mr. Sunder Raj Fernando	Key Management personnel
Mr. Ashok Kumar Sarangi	Director
Mr. Devraj Anbu	Director
Mr. Shashank Narayan Naidu	Director
Mr. Ravi Venkatraman	Director
Mr. Alexander David	Director

Note : Related Party Relationships are as identified by the management and relied upon by the auditors.

ii. Details of related party transactions during the year

a) Transactions during the year

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1) Radiant Cash Management Services Limited		
Commission	2.83	-
Reimbursement of travelling expenses/Stamp duty	0.15	-
Subscription to Share Capital of the Company (including premium)	92.00	-
2) Radiant Protection Force Private Limited		
Purchase	1.00	-
3) Investment made during the year		
Acemoney Payment Solutions Private Limited	0.50	-
4) Remuneration		
Ms. Nimisha Joseph Vadakkan	0.81	0.60
Mr. Jimmin James Kurichiyil	2.22	2.13
Mr. Jubin J Kurichiyil	-	0.30
5) Loan obtained/(repaid) during the year (Repayable on demand)		
Ms. Nimisha Joseph Vadakkan	-	(0.72)
Mr. Jimmin James Kurichiyil	(0.03)	0.03
Mr. Jubin J Kurichiyil	(1.70)	1.70

b) Balance as at the end of the year

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1) Radiant Cash Management Services Limited	(2.98)	-
2) Investments		
Acemoney Payment Solutions Private Limited	0.50	-
3) Unsecured Loan (Repayable on demand)		
Ms. Nimisha Joseph Vadakkan	-	0.00
Mr. Jimmin James Kurichiyil	-	0.03
Mr. Jubin J Kurichiyil	-	1.70
4) Share Capital	(70.77)	-
5) Securities premium	(21.23)	-
6) Remuneration payable		
Ms. Nimisha Joseph Vadakkan	(0.09)	(0.05)
Mr. Jimmin James Kurichiyil	(0.16)	(0.07)



Signature

Note 35 - Capital Management

a. The Company's objectives when managing capital are to maximise shareholders value through an efficient allocation of capital towards expansion of business optimisation of working capital requirements and deployment of balance surplus funds on the back of an effective portfolio management of funds within a well defined risk management framework. The management of the Company reviews the capital structure of the Company on regular basis to optimise cost of capital. As part of this review, the Board considers the cost of capital and the risks associated with the movement in the working capital.

b. Consistent with others in Industry, the Company monitors capital on the basis of net debt divided by total equity

Net debt = Total borrowings (including lease liabilities) less cash and cash equivalents.

Total Equity includes all capital and reserves of the company that are managed as capital.

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Debt	0.67	3.19	2.32
Less:			
Cash and Cash Equivalents	3.21	12.45	0.71
Net Debt (A)	(2.54)	(9.26)	1.61
Total Equity (B)	93.71	29.57	57.59
Net Debt to Equity Ratio (A/B)	(0.03)	(0.31)	0.03

Note 36 - Financial Instruments

a) Fair Value Measurement

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities

Particulars	As at March 31, 2024			As at March 31, 2023			As at April 01, 2022		
	Amortized cost	*FVTPL	#FVTOCI	Amortized cost	*FVTPL	#FVTOCI	Amortized cost	*FVTPL	#FVTOCI
a) Financial Assets									
Measured at Amortised Cost									
Trade Receivables	2.75	-	-	0.45	-	-	0.03	-	-
Cash and Cash equivalents	3.21	-	-	12.45	-	-	0.71	-	-
Other Current & Non Current									
Financial assets (Note 5)	20.11	-	-	1.37	-	-	0.62	-	-
b) Financial Liabilities									
Measured at Amortised Cost									
Borrowings - Current & Non									
Current	0.67	-	-	3.19	-	-	2.32	-	-
Lease Liabilities	0.94	-	-	1.69	-	-	1.82	-	-
Trade Payables	6.32	-	-	2.05	-	-	1.25	-	-
Other Current Financial liabilities	49.45	-	-	96.10	-	-	52.08	-	-

In case of financial assets and liabilities included above, management has assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

*Financial Assets/Liabilities at fair value through profit or loss(FVTPL)

Financial Assets/Liabilities at fair value through OCI(FVTOCI)



b) Financial Risk and Management Objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance

The Company's board of directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management framework. The Company's risk management policies are established to set appropriate risk limits and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market condition and the Company's activities. The Company through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's board of directors monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

i. Credit Risk: Credit Risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

Trade Receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers to which the Company grants credit terms in the normal course of business.

Cash and Cash Equivalents: Credit risks on cash and cash equivalents and other bank balances is limited as the company generally transacts with banks and financial institutions with high credit ratings assigned by International and Domestic Credit Rating Agencies. Credit risk from balances with banks, borrowings from related parties and financial institutions is managed by the Company's treasury department in accordance with the guidelines framed by the board of directors of the Company.

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

The table below provides the details regarding the contractual maturities of significant financial liabilities (other than lease liabilities disclosed in Note 17):

As at March 31, 2024

Particulars	0-12 months	1-3 years	More than 3 Years	Total
Borrowings	0.50	0.17	-	0.67
Trade Payables	6.31	-	-	6.31
Other Financial Liabilities	49.45	-	-	49.45

As at March 31, 2023

Particulars	0-12 months	1-3 years	More than 3 Years	Total
Borrowings	2.23	0.96	-	3.19
Trade Payables	2.03	-	-	2.03
Other Financial Liabilities	96.10	-	-	96.10

As at April 01, 2022

Particulars	0-12 months	1-3 years	More than 3 Years	Total
Borrowings	0.86	1.46	-	2.32
Trade Payables	1.25	-	-	1.25
Other Financial Liabilities	52.08	-	-	52.08

iii. Market Risk: Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of interest rate risk.

Interest rate risks: Company's interest rate risk arises from borrowings and investment in short-term deposits. The Company adopts a policy of ensuring that maximum of its interest rate risk exposure is at a fixed rate. Considering the short-term nature, there is no significant interest rate risk pertaining to short-term deposits. Further, the Company does not have any borrowings and therefore not exposed to interest rate risk.

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Financial liabilities - Borrowings (including current maturities of long-term loans)	0.67	3.19	2.32
Net financial assets / (liability)	(0.67)	(3.19)	(2.32)



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amounts in Rs., unless otherwise stated)

Note 37 - First time Ind AS adoption reconciliation

The following reconciliations provides the effect of transition to Ind AS from Indian GAAP in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards:

i. Reconciliation of total equity as at
March 31, 2023 (End of last period Presented under Previous GAAP), and
April 01, 2022 (Date of Transition Presented under Previous GAAP)

Particulars	Notes	As at March 31, 2023	As at April 01, 2022
Total Equity (shareholder's funds) under previous GAAP		34.66	57.68
a) Recognition of Leases under Ind AS	a	(0.12)	(0.07)
b) Measurement of defined benefit plan (gratuity)	b	(0.26)	(0.05)
c) Change in useful life of Property, plant & Equipment & Software	d	(6.07)	-
d) Change in classification of items measured in previous GAAP	e	0.06	-
e) Recognition of deferred taxes on above adjustments	f	1.31	0.03
Total adjustment to equity		(5.09)	(0.09)
Total equity under Ind AS		29.57	57.59

ii. Reconciliation of total comprehensive income for the year ended March 31, 2023

Particulars	Notes	For the year ended March 31, 2023
Loss as per previous GAAP		(25.01)
Adjustments		
a) Impact on account of recognition of Leases under Ind AS	a	(0.05)
b) Re-measurement of defined benefit plan	b	(0.21)
c) Impact of Change in useful life of Property, plant & Equipment & Software	d	(6.07)
d) Impact of change in classification of items measured in previous GAAP	e	0.05
e) Deferred tax adjustments	f	1.28
Loss for the year as per Ind AS		(5.00)
a) Re-measurement of defined benefit plan(net of tax)	b	(0.01)
Total comprehensive income under Ind AS		(30.02)

iii. Effect of Ind AS adoption on the statement of cashflows for the year ended March 31, 2023

The Company has not included Cash Flow Statement as part of its Financial Statements presented under previous GAAP

Notes to the reconciliations

a. Impact on account of recognition of Leases under Ind AS

Under previous GAAP, the Company has classified leases as operating leases and recognised lease rentals as an expense in the Statement of Profit and Loss.

Under Ind AS, the lessee is required to recognise a 'Right-of-use Asset' and 'Lease liability' for all leases other than low value leases and short term leases.

On the date of transition to Ind AS - April 01, 2022

The Company has recognised leases with the cumulative effect of initially recognising the leases as an adjustment to the opening balance of retained earnings on the date of transition. Accordingly, a decrease of ₹ 71,834 have been recognised in the opening reserves as an impact of recognition of leases.



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amounts in Rs., unless otherwise stated)

The Following amounts has been recognised in the Statement of Profit and loss for the year ended March 31, 2023:

Particulars	For the year ended March 31, 2023
a) Amortisation of Right-of use Assets	(0.68)
b) Recognition of Interest Income on Lease deposits	0.04
c) Recognition of Interest Expense on Lease Liabilities	(0.16)
d) Reversal of Lease rentals recognised in Statement of Profit and Loss under Previous GAAP	0.74
Total	(0.06)

b. Provision for Employee benefits and Actuarial Gains and Losses

The Company has made provision for defined benefit obligation (Gratuity) with effect from the Transition date i.e April 01, 2022 based on actuarial report obtained from an independent actuary resulting in an additional provision of Rs. 52,543 as at the transition date i.e. April 01, 2022. Further, the Company has recognised Rs. 204,839 as provision for defined benefit obligation (Gratuity) as at March 31, 2023 based actuarial report obtained from an independent actuary.

Under previous GAAP, actuarial gains and loss were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of re-measurement of the net defined benefit liability/asset is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in the other comprehensive income under Ind AS instead of profit or loss.

c. Deemed cost of Property, Plant & Equipment and Other Intangible Assets under Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment and other intangible assets recognised as at April 01, 2022 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and other intangible assets.

d. Change in useful life of Property, plant & Equipment & Software

During the financial year ended March 31, 2024, the Company has changed the useful life of property, plant and equipment and other intangible assets retrospectively from April 01, 2022. The impact of change has resulted in increase in depreciation/amortisation of property, plant and equipment and other intangible assets to the extent of Rs. 60,62,529.

e. Change in classification of items measured in previous GAAP

During the year ended March 31, 2023, the Company has changed classification of items in measured in previous GAAP resulting in an increase of Rs. 58,357 to the equity and Profit respectively.

f. Deferred Taxes

Deferred Tax on aforesaid Ind AS adjustments has been created for the periods March 31, 2023 & April 01, 2022 respectively.

g. Other Comprehensive Income

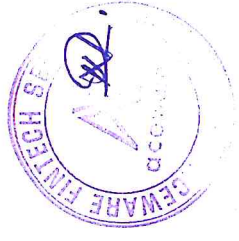
Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains or losses are required to be presented in other comprehensive income.



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amounts in Rs., unless otherwise stated)

Note 38 - Financial Ratio

Ratio	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	% of Change	Remarks
a) Current Ratio (in times)	Current Assets	Current Liabilities	0.79	0.18	331.61%	Due to increase in revenue and corresponding receivables the current assets has increased and the wallet balance had been reduced causing the increase in ratio
b) Debt - Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.03	0.07	-53.73%	Due to increase in Shareholders funds (Equity) and reduction in borrowings.
c) Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt Service	(5.68)	(11.95)	-52.49%	The EBITDA has improved significantly from Rs. (25) Mn FY23 to Rs. (18) Mn in FY24 where as the debt service obligation has increased only by Rs. 1 Mn during FY24.
d) Return on Equity Ratio (in %)	Net Profits after taxes	Average Shareholder's Equity	(0.45)	(0.69)	-35.15%	The netloss has comedown marginally from Rs. 30 Mn in FY23 to Rs. 27 Mn in FY24 whereas the Shareholders fund increased significantly by Rs. 64 Mn due to fresh issue of shares (including premium) during the year FY24.
e) Inventory Turnover ratio (in times)	Cost of goods sold	Average Inventory	2.54	1.99	27.32%	Due to increase in volume
f) Trade receivables turnover ratio (in times)	Net Sales = Sale of Goods and Services	Average Accounts Receivable	21.58	68.00	-68.27%	Receivables has increased by 50 times (due to significant increase in PIDE receivables - Rs.18.97 Mn as of end March 2024) whereas the increase in revenue is only 47% during FY24.
g) Trade Payables turnover ratio (in times)	Net Purchases	Average Trade Payables	3.01	3.38	-10.90%	No comments
h) Net Capital turnover ratio (in times)	Net Sales = Sale of Goods and Services	Average Working Capital	(0.73)	(0.25)	189.62%	The turnover has increased by 2.12 times whereas the average working capital has comedown only by 27% during FY24
i) Net Profit ratio (in %)	Net Profit after Tax	Net Sales = Sale of Goods and Services	(0.80)	(1.84)	-56.63%	The loss has comedown by Rs. 2.50 Mn whereas the turnover has increased by Rs. 17 Mn in FY24
j) Return on Capital employed (in %)	Earning before interest and taxes	Capital Employed	(0.34)	(1.24)	-72.34%	EBIT has comedown by Rs. 6.7 Mn whereas capital employed has increased by Rs. 63.9 Mn



ACEWARE FINTECH SERVICES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2024
(Amounts in Rs., unless otherwise stated)

Note 39 - Note on Social Security Code 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 and has invited suggestions from stakeholders. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 40 - Events after the reporting period

There are no significant events after the reporting period that affect the figures presented in this financial statement.

Note 41 - Prior Year Comparatives


Previous year figures have been re-grouped/ re-classified, wherever necessary, to confirm to current year's classification and presentation.

As per our report of even date attached
For ASA & Associates LLP
Chartered Accountants
Firm Regn No. 009571N/N500006

G.N. Ramaswami
Partner
Membership No.202363




For and on behalf of the Board of Directors
ACEWARE FINTECH SERVICES PRIVATE LIMITED


Shashank Naidu
Director
DIN: 10405187


Nimisha Joseph Vadakkan
Managing Director
DIN: 08914798


Alexander David
Director
DIN: 08259288


Jimman James Kurichiyil
Whole Time Director
DIN: 03445734


Ashok Kumar Sarangi
Director
DIN: 09041162


Sunder Raj Fernando
Chief Financial Officer

Place: Chennai
Date: 21/05/2024

