ANNUAL REPORT 2022-23

ISERVEU TECHNOLOGY PRIVATE LIMITED

Plot No. E-12, SRB Tower, 11th Floor Infocity Area Chandaka I E Bhubaneswar Khordha OR 751024

Tel: 0674 2726415 | Web: www.iserveu.in | Email: info@iserveu.co.in | CIN: U72900OR2016PTC025851

DIRECTORS' REPORT

To,
The Members,
Iserveu Technology Private Limited
U72900OR2016PTC025851

Your Director's have immense pleasure in presenting their **07th Annual Report** on the business and operations of the Company along with Audited annual accounts for the Financial Year ended March 31, 2023.

1. Financial Performance of the Company

Financial Results

(Amount in ₹ lakhs)

Particulars	For the Year Ended 31st March 2023	For year ended 31st March 2022
Total Income	**8,868.91**	**8,065.38**
Total Expenditure	**11,035.67**	**8,036.67**
Profit before Tax	**(2,166.76)**	**28.71**
Less: Provision for Tax		
Current Tax	-	46.67
Deferred Tax (asset)/ liability	48.42	(36.82)
Net Profit after Tax	**(2,215.18)**	**18.86**
EPS (Basic)	(950.99)	8.71
EPS (Diluted)	(950.99)	**8.71**

Performance

During the year, your company recorded a Total Income of Rs. 88,68,91,000 from Rs. 80,65,38,000 in previous year, a rise of 9.06% as compared to the previous year**.** The Loss before Tax stood at Rs. (21,66,76,000) from Rs. 28,71,000/- in previous year, and Loss after tax stood at Rs. (22,15,18,000) from Rs. 18,86,000/- in previous year.

2. Covid-19 pandemic

The COVID-19 pandemic has emerged as a global challenge, creating disruption across the world forcing governments to enforce lock-downs of all economic activity. The physical and emotional wellbeing of employees continues to be our top priority along with minimizing disruption of services for all our customers. The Company effectively responded to this pandemic situation and ensured that the business was not affected and operations of the Company were carried out while handling the crisis situation. Several initiatives were rolled out to make teams and managers effective while working from different locations.

The Company is actively seeking new opportunities and is continuously striving to navigate all the challenges that it would face.

3. State of Companies Affairs

The Company is focused on its vision and committed to fulfilling its mission through ensuring consistent delivery of quality products, unsurpassed service and premium value to its esteemed customers. It also aims to work diligently as a team with high standards of integrity, as well as emerge as a winner in the marketplace in all aspects of its business. Further details are mentioned in the Financials of the Company.

4. Key Business Developments

Transformative digital banking trends for 2023

Year 2023 is expected to witness increasing acceptance of advanced technologies like Artificial Intelligence (AI) and Machine Learning (ML) that will help banks deal with their clients easier than ever. Digitization in the banking sector has led to a new wave of competition among traditional banking service providers. Traditional banks are facing unprecedented challenges from non-bank competitors and Fintechs. Digital payments are expected to grow rapidly in the next few years and by 2025, 71.7% share of all payments in India is expected to be digital.

Capitalizing on the digital payments wave

The demand for cashless and contactless transactions will keep on surging. The banking sector as a whole is preparing itself to invest and adopt new technologies to facilitate more digital payment. 2023 will allow banks to shift to fully digitized services with the adoption of digital banking tools. To deal with the changing pattern of customers' behaviour, banks must ensure that the solutions provided to customers are convenient, easy to use, and engaging. Besides, the growth of online transactions digitally will initiate quick payment options that can be availed from anywhere and everywhere.

Year 2022-23 for iServeU

Year 2023 has been so far spectacular for iServeU in terms of new business avenues and client acquisition. As the only full stack financial platform provider in India, we have been able to channelize the opportunities there. The growth in business of our key clients in the NBFC sector has accelerated our growth. Strong relationship and client management has enabled us to generate more business via newer business channels from our existing clients, thus adding more to the top line while strengthening the bottom-line in FY2022-23.

ASP to NPCI: During the last financial year, iServeU joined NPCI as a registered Application Service Provider (ASP), adding another flag to the credibility thereon.

Client Acquisition: We have successfully added three large PSU banks to our clientele while more than 20 Fintechs have been onboarded to our platform. We believe the association with the PSU banks will open the doors for more business and new opportunities in the areas of Digital Banking, Issuance and Payments in the coming times.

5. Holding, Subsidiaries, Joint Ventures and Associate Companies

Pursuant to the definitive agreements entered into by the Company with Niyogin Fintech Limited, it has become a subsidiary of Niyogin Fintech Limited as per applicable provisions of Companies Act, 2013 w.e.f. December 18, 2020 and Niyogin Fintech Limited holds 51.00% equity share capital and voting rights in the Company.

6. Changes in the capital structure

During the year 2022-23, there were no changes in the capital structure.

7. Dividend

Your Director's do not recommend any dividend for the financial year 2022-23.

8. Meetings

During the year under review, six (6) Board Meetings were convened and held on May 10, 2022, July 27, 2022, September 08, 2022, November 08, 2022, February 11, 2023 and March 20, 2023.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

9. Directors and Key Managerial Personnel

As on March 31, 2023, the Company's Board consists of the following Directors:

- Mr. Amit Tyagi - Director
- Mr. Debiprasad Sarangi - Director
- Mr. Amit Vijay Rajpal – Non-Executive Chairman
- Mr. Tashwinder Harjap Singh – Non-Executive Director
- Ms. Subhasri Sriram – Independent Director
- Mr. Abhishek Thakkar – Additional Director

During the year 2022-23, Mr. Raghvendra Somani ceased to be the Director of the Company with effect from November 09, 2022; and Mr. Abhishek Thakkar was appointed as Additional Director of the Company with effect from February 14, 2023.

10. Declaration by Independent Directors

Ms. Subhasri Sriram has confirmed compliance with the provisions of rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of her name in the databank of independent directors. She has also submitted a declaration of independence, as required under section 149(7) of the Act, stating that she meets the criteria of independence as provided in section 149(6) of the Companies Act, 2013.

11. Director retiring by rotation

In accordance with Section 152(6)(d) of Companies Act, 2013, Mr. Amit Tyagi (DIN: 08317195) retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

12. Annual Return

A copy of the annual return as provided under section 92(3) of the Act, in the prescribed form, which will be filed with the Registrar of Companies/MCA, is placed on Company's website www.iserveu.in.

13. Particulars of Loans, Guarantees or Investments

During the year under review, the Company has not provided any guarantees covered under section 186 of the Companies Act, 2013.

14. Particulars of Contract and Arrangements made with Related Parties

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract or arrangement with related parties which could be considered as 'material' (i.e., transactions which were required to be placed before the members of the Company) according to the policy of the Company on materiality of Related Party Transactions. None of the Directors had any pecuniary relationships or transactions vis-à-vis the Company. Since all the Related Party Transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, hence Form AOC-2 is not applicable to the Company.

15. Public Deposits

In terms of the provisions of Sections 73 of the Act read with the relevant Rules of the Act, the Company had no opening or closing balances and also has not accepted any deposits during the year under review and as such, no amount of principal or interest was outstanding as on March 31, 2023.

16. Transferred to any Reserves

During the period under review, it is not proposed to carry any amount to any reserves. Hence, disclosure under Section 134(3)(j) of the Companies Act, 2013 is not required.

17. Maintenance of Cost Records

The Company is not required to maintain any cost records as specified by the Central Government under Sub-section (1) of Section 148 of the Companies Act, 2013.

18. Human Resource Management

The Company recognizes human resources to be the most valuable asset of the Company. People development continues to be a key focus area at iServeU. The Company continues to pay a focused attention on the development of human relations within the organization. The Company believes in building a culture of innovation and creativity where our employees are inspired to achieve excellence in their area of functioning.

The Company is ensuring the best place to work to attract and retain good employees in the Company.
The Company continued to strive towards attracting, retaining, training, and multi-skilling employees. With the increase in workforce due to expansion in business, envisaging the requirement of adequate on the job training across the various levels of employees.

19. Risk Management

A well-defined risk management mechanism covering the risk – management and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and take advance actions to mitigate it though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company.

20. Sexual Harassment Policy

The Company has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and redressal of complaints of sexual harassment at work place. The Company has not received any complaint on sexual harassment during the year under review.

21. Corporate Social Responsibility

In terms of the Section 135(5) of Companies Act, 2013, the Company is not fulfilling the criteria of having average net profit for immediate three preceding financial years. Accordingly, the Company is not required to spend any amount in the CSR activities during the financial year.

22. Audit Committee

Presently, the provisions of Section 177 of the Companies Act, 2013 read with Rules 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 are not applicable to the Company.

23. Conservation of Energy, Technology Absorption. Foreign Exchange Earnings and Outgo

Being in the service sector, the particulars relating to conservation of energy, technology absorption as required to be disclosed under the Act are not applicable to the Company. The Company has not earned any amount in terms of foreign Exchange.

24. Significant & material orders passed by the regulators or courts

There are no material litigations outstanding as on March 31, 2023.

25. Revision in Financial Statements or Board's Report under section 131(1) of the Companies Act, 2013

In terms of Section 131 of the Companies Act, 2013, the Financial Statements and Board's Report are in compliance with the provisions of Section 129 or Section 134 of the Companies Act, 2013 and that no revision has been made during any of the three preceding financial years.

26. Adequacy of Internal Financial Controls in Relation to Financial Statements

The Company has documented its internal financial controls considering the essential components of various critical processes, both physical and operational. This includes its design, implementation and maintenance along with periodic internal review of operational effectiveness and sustenance, and whether these are commensurate with the nature of its business and the size and complexity of its operations. This ensures orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention of errors, accuracy and completeness of the accounting records, the timely preparation of reliable financial information and prevention and detection of frauds and errors. Internal financial controls with reference to the financial statements were adequate and operating effectively.

27. Other disclosure under Section 134 of the Companies Act, 2013

Except as disclosed elsewhere in the report, there have been no material changes and commitments, which can affect the financial position of the Company between the end of the financial year and the date of report.

The Board of Directors informs the member that during the financial year there has been no material changes, except as disclosed elsewhere in the report:

- In the nature of Company's business.
- Generally, in the classes of business in which the Company has interest.

28. Directors' Responsibility Statement

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. The directors had prepared the annual accounts on a going concern basis; and
e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. Remuneration Policy

None of the employees including managerial personnel draws in excess of the limits prescribed under section 197 (12) of the Companies Act, 2013 read with rules 5(2) and 5(3) of the companies (Appointment and Remuneration of Managerial Remuneration) Rules, 2014 which needs to be disclosed in the Director's Report.

30. Statutory Auditor

M/s. Rawat & Associates, Chartered Accountants, Firm Registration No 134109W, had been appointed as the Statutory Auditors for a period of five (5) years at the Annual General Meeting of the Company held on July 27, 2022 till the conclusion of the 11th Annual General Meeting of the Company to be held in FY 2026-27. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the Auditors needs to be placed for ratification at every subsequent Annual General Meeting since their first appointment. However, pursuant to the notification dated 07th May, 2018 of the Companies (Amendment) Act, 2017, the said appointment is not required to be ratified every year so long as the Auditors are eligible & qualified to be appointed. In this regard, the Company has received a communication from the Statutory Auditors to the effect that their appointment is in accordance with the provisions of Section 141 of the Companies Act, 2013, and hence their appointment is not required to be ratified.

31. Secretarial Auditor

Pursuant to regulation 24A of SEBI (LODR), 2015 every listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a company secretary in practice, in such form as may be prescribed with effect from the year ended March 31, 2019. Since Iserveu Technology Private Limited is the material subsidiary of Niyogin Fintech Limited the said regulations were applicable for the FY 2022-23.

The Board at its meeting held on February 11, 2023 had appointed M/s Saroj Ray and Associates, Practising Company Secretaries, holding Peer Review Certificate No. 976/2020, to undertake the Secretarial Audit for the Financial Year Ended March 31, 2023.

The Secretarial Audit Report in form MR-3 for the financial year ended March 31, 2023 is annexed as '**Annexure-A'** to this Director's Report.

32. Auditor's Report

The Statutory Auditors have expressed their Emphasis of Matter (EOM) on the Standalone financial statements of the Company on the below matters:

1. *Reference is drawn to Note No 42(b) to the Financial Statements in respect of trade receivables. Due to non-implementation of ECL policy, consequential impact on provisioning of debtors on the Financial Statements, if any, cannot be quantified.*

2. *Reference is drawn to Note No 45 to the Financial Statements in respect of bank reconciliation. One of the bank accounts is not reconciled due to non-availability of opening bank statement. Its consequential impact on the Financial Statements, if any, cannot be quantified.*

3. *Reference is drawn to Note No 47 to the Financial Statements in respect of pending reconciliation of settlement accounts with respective banks. Its consequential impact on the Financial Statements, if any cannot be quantified.*

4. *Reference is drawn to Note No. 48, in respect of GST, the company is the process of reconciliation of balances per books with GST portal, consequential impact, if any on the Financial Statements cannot be quantified.*

Iserveu Technology Private Limited

33. Reporting of fraud by Statutory Auditor

The Statutory Auditors have not reported any instance of fraud under Section 143(12) of the Companies Act, 2013.

34. Corporate Governance

Your Company strives to attain high standards of corporate governance while interacting with all the stakeholders. The increasing diversity of the investing community and the integrated nature of global capital markets render corporate governance a vital issue for investors. The Company believes that timely disclosures, transparent accounting policies and a strong independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust and maximizing long term corporate value. In pursuit of corporate goals, the Company accords high importance to transparency, accountability and integrity in its dealings.

35. Compliance with Secretarial Standards

The Company is in compliance with all applicable Secretarial Standards as notified from time to time.

36. Appreciation

Your directors take this opportunity to express their grateful appreciation for the continued support and cooperation received from our esteemed customers, vendors, dealers, Investors, business associates and bankers during the year. The directors are thankful to the company's shareholders, Central and State Government authorities, Regulatory Authorities for their consistent support to the company. Your company has been able to operate efficiently because of the culture of professionalism, Creativity, Integrity and continuous improvement in all functions and areas as well as efficient utilization of the company's resources for sustainable & Profitable Growth.

Inspired by this vision, driven by values and powered by internal vitality, your directors and employees look forward to the future with confidence and stand committed to creating an even brighter future for all stakeholders.

For & on behalf of the Board of Directors of
IserveU Technology Private Limited

ISERVEU TECHNOLOGY PVT. LTD. Bhubaneswar

Amit

Debiprasad Sarangi

Mr. Amit Tyagi	**Mr. Debiprasad Sarangi**
Director	**Director**
DIN:08317195	**DIN: 07601542**

Date: May 08, 2023
Place: Bhubaneshwar

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Iserveu Technology Private Limited
Plot No. E-12, SRB Tower, 11th Floor Infocity Area,
Chandaka, I E Bhubaneswar, Khordha-751024.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Iserveu Technology Private Limited** (hereinafter called 'the Company') for the financial year ended **31st March, 2023**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Iserveu Technology Private Limited** for the financial year ended on 31st March, 2023, according to the provisions of:

(i) The Companies Act, 2013 (the Act), and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;**(Not applicable during the Audit Period)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable during the Audit Period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act'):-

a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Not applicable during the Audit Period)**

b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable during the Audit Period)**

c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable during the Audit Period)**

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Visit us : www.sracs.com, E-mail : info@sracs.com, sraconsultants@gmail.com

d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable during the Audit Period)**

e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable during the Audit Period)**

f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable during the Audit Period)**

g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; **(Not applicable during the Audit Period)**

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable during the Audit Period)**

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable during the Audit Period)**

(vi) Apart from the other statutory laws applicable to the day to day business of the Company, following industry specific laws which are also applicable to the Company:

1. The Information Technology Act, 2000.

We have also examined compliance with the applicable clauses of Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India (ICSI).

During the period under review, as per the explanations and clarifications given to us, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that;

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. However, a few Board Meetings were held in shorter notice in compliance with the provisions of Companies Act, 2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

SAROJ RAY & ASSOCIATES
BHUBANESWAR
COMPANY SECRETARIES

We further report that;

During the period under review, the company has no specific events or actions which are having a major bearing on the Company's Affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Saroj Ray & Associates
Company Secretaries

9/5/2023

Place: Bhubaneswar
Date: May 08, 2023

SAROJ RAY & ASSOCIATES
BHUBANESWAR
COMPANY SECRETARIES

CS D M Rao, FCS
Partner
M No. 5195, CP No. 13914
Peer Review No. 976/2020
UDIN: F005195E000264927

(This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report)

Annexure A

To
The Members
Iserveu Technology Private Limited
Plot No. E-12, SRB Tower, 11th Floor Infocity Area,
Chandaka, I E Bhubaneswar, Khordha-751024.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed by the Company provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Saroj Ray & Associates
Company Secretaries

SAROJ RAY & ASSOCIATES BHUBANESWAR COMPANY SECRETARIES

8/5/2023

Place: Bhubaneswar
Date: May 08, 2023

CS D M Rao, FCS
Partner
M No. 5195, CP No. 13914
UDIN : F005195E000261927

RAWAT & ASSOCIATES
CHARTERED ACCOUNTANTS

Independent Auditor's report

To the Members of Iserveu Technology Private Limited
Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Iserveu Technology Private Limited** ("the Company"), which comprise the balance sheet as at 31st March, 2023, the statement of Profit and Loss, Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its loss and its cash flow and the changes in equity for the year ended on that date.

Basis for opinion

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

Emphasis of matter

(i) We draw your attention to Note No 42(b) to the Financial Statements in respect of trade receivables. Due to non-implementation of ECL policy, consequential impact on provisioning of debtors on the Financial Statements, if any, cannot be quantified.

(ii) Reference is drawn to Note No 45 to the Financial Statements in respect of bank reconciliation. One of the bank accounts is not reconciled due to non-availability of opening bank statement. Its consequential impact on the Financial Statements, if any, cannot be quantified.

(iii) Reference is drawn to Note No 47 to the Financial Statements in respect of pending reconciliation of settlement accounts with respective banks. Its consequential impact on the Financial Statements, if any, cannot be quantified.

RAWAT & ASSOCIATES

(iv) Reference is drawn to Note No. 48, in respect of GST, the company is the process of reconciliation of balances per books with GST portal, consequential impact, if any on the Financial Statements cannot be quantified.

Our opinion is not modified in the aforesaid matters.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of management and those charged with governance for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

7. 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

RAWAT & ASSOCIATES

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.

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

(a) 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.

(b) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control systems in place and the operating effectiveness of such controls.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw your 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.

(e) 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.

Materiality is the magnitude of misstatements in the financial statements that, individually, or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

9. 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.

RAWAT & ASSOCIATES

10. 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

11. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

12. **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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account

(d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

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

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A'.

(a) 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 has disclosed the impact of pending litigations on its financial statement. (Refer Note No.33 to 37)

(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 during the year 31st March, 2021.

RAWAT & ASSOCIATES

13. As required by the Companies (Auditor's Report) Order, 2020("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraph 3 and 4 of the Order.

For **RAWAT & ASSOCIATES**
Chartered Accountants
Firm Reg. no 134109W

RAWAT & ASSOCIATES 404, Prospect Chambers, 317, D. N. Road, Fort, Mumbai-400 001. CHARTERED ACCOUNTANTS

Rawat

Nakul Rawat
Partner
Membership no 416638
Mumbai, 10th May, 2023

UDIN – 23416638BGYFUJ2556

Balance Sheet as at 31st March, 2023

(Amount in Lacs)

Particulars	Note No.	As at 31st March 2023 (Audited)	As at 31st March 2022 (Audited)
I ASSETS:			
(a) Non-Current Assets			
Property, Plant and Equipment	4	151.31	167.60
Right of use Asset	5	1,528.98	54.58
Capital Work in Progress	4	10.50	-
Intangible Assets	4	19.24	21.18
Intangible Assets under Development	4	9.88	-
(b) Financial Assets			
(i) Investments			
Other Financial Assets	10	169.42	11.62
(ii) Deferred Tax Assets (net)	14	11.28	59.71
Total Non-Current Assets		1,900.63	314.68
(c) Current Assets			
Inventories	6	518.29	191.81
Financial Assets			
(i) Investments	7	2,577.84	5,043.12
(ii) Trade Receivables	8	2,280.14	2,659.13
(iii) Cash and Cash Equivalents	9	707.87	1,276.08
(iv) Loans and Advances	11	44.97	57.65
Other Current Assets	12 & 13	1,698.53	1,493.23
Total Current Assets		7,827.64	10,721.01
Total Assets		9,728.26	11,035.69
II. EQUITY AND LIABILITIES:			
(a) Equity			
Equity Share Capital	15 (a)	2.32	2.32
Preference share Capital	12 (b)	-	-
Other Equity	15 (b)	3,540.81	5,825.43
Total Equity		3,543.13	5,827.75
(b) Liabilities			
(i) Non-Current Liabilities			
Long-term Borrowings	16(a)	40.09	-
Total Non-Current Liabilities		40.09	-
(ii) Current Liabilities			
Financial Liabilities			
(a) Short-term Borrowings	16(b)	1,042.60	1,661.10
(b) Trade Payables	18(a)	508.41	273.43
(c) Other Financial Liabilities	18(b)	4,542.43	3,128.44
Other Current Liability	17	51.59	144.98
Total Current Liabilities		6,145.04	5,207.94
Total Liabilities		6,185.13	5,207.94
Total Equity and Liabilities		9,728.26	11,035.69

In terms of our report of even date
For Rawat & Associates
Chartered Accountants
Firm Regd. No.: 134109W

Naresh Rawat
Partner
Membership No: 416638
UDIN: 23416638BGYFUJ2556
Mumbai, 8th May, 2023

RAWAT & ASSOCIATES CHARTERED ACCOUNTANTS 404, Prospect Chambers, 317, D. N. Road, Fort, Mumbai-400 001.

For and on behalf of the Board of Directors of

Debiprasad Sarangi
Director
DIN: 07601542
Bhubaneswar,

Amit Tyagi
Director
DIN: 08317195
New Delhi,

Statement of Profit and Loss for the year ended 31st March, 2023

(Amount in Lacs)

Particulars	Note No.	Quarter ended			Year ended	
		31-03-2023 Audited	31-12-2022 Unaudited	31-03-2022 Audited	31-03-2023 Audited	31-03-2022 Audited
Revenue from Operations	19	2,646.17	1,816.30	2,301.61	8,068.52	7,882.08
Other Income	20	280.50	207.82	61.83	800.39	183.30
		2,926.67	**2,024.12**	**2,363.44**	**8,868.91**	**8,065.38**
Expenses						
- Cost of Services	21	2,198.95	2,206.77	1,807.30	7,388.34	6,665.87
- Change in Inventories of Stock-in-trade	22	138.97	(657.26)	58.67	(326.47)	(100.00)
- Employee Benefit Expenses	23	429.83	420.87	313.46	1,613.55	959.60
- Finance Cost	24	70.67	51.42	36.59	185.54	126.32
- Depreciation Expenses	25	58.77	46.50	16.53	165.85	66.35
- Other Expenses	26	464.31	560.51	146.36	2,008.85	318.53
Total Expenses		3,361.50	2,628.82	2,378.91	11,035.67	8,036.67
Profit / (Loss) Before Tax		**(434.83)**	**(604.70)**	**(15.47)**	**(2,166.76)**	**28.71**
Income Tax Expense						
- Current tax		-	-	(8.80)	-	46.67
- Deferred tax Expense/ (Gains)		9.83	21.66	18.88	48.42	(36.82)
Total Tax Expense		9.83	21.66	10.08	48.42	9.85
Profit/ (Loss) for the year		**(444.67)**	**(626.36)**	**(25.55)**	**(2,215.18)**	**18.86**
Other Comprehensive Income						
Items that will not be reclassified to Profit or Loss						
(i) Remeasurements of Defined Benefit Plans		10.84	-	1.83	*10.84*	1.83
Tax relating to above		2.82	-	0.48	2.82	0.48
Other Comprehensive Income, Net of Tax		8.03	-	1.35	8.03	1.35
Total Comprehensive Income		**(436.64)**	**(626.36)**	**(24.20)**	**(2,207.16)**	**20.21**
Earnings Per Share (EPS)						
- Paid-up Equity Share Capital		2,32,090	2,32,090	2,32,090	2,32,090	2,32,090
- Face value per share		₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00
- Earnings per Equity Share (Face value Rs 1 per share)	27	-₹ 188.13	-₹ 269.88	-₹ 10.43	(950.99)	₹ 8.71

In terms of our report of even date
For Rawat & Associates
Chartered Accountants
Firm Regd. No.: 134109W

Rawat

Nakul Rawat
Partner
Membership No: 416638
UDIN: 23416638BGYFUJ2556
Mumbai, 8th May, 2023

RAWAT & ASSOCIATES CHARTERED ACCOUNTANTS 404, Prospect Chambers, 317, D. N. Road, Fort, Mumbai-400 001.

For and on behalf of the Board of Directors of

Debiprasad Sarangi

Debiprasad Sarangi	**Amit Tyagi**
Director	**Director**
DIN : 07601542	**DIN: 08317195**
Bhubaneswar,	**New Delhi,**

Iserveu Technology Private Limited
Statement of Cash Flows for the year ended 31st March, 2023

	31-03-2023 Audited	*(Amount in Lacs)* 31-03-2022 Audited
Cash Flow from operating activities		
Profit/(Loss) before tax from continuing operations	(2,166.76)	28.71
Profit before tax from discontinuing operations	-	-
Profit before tax	(2,166.76)	28.71
Adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization on continuing operations	165.85	66.35
Decrease / (Increase) in profit due to Ind As adjustments	(79.02)	(44.48)
Decrease / (Increase) in profit due to prior period Adjustments	(77.46)	-
Interest expense	185.54	47.15
Interest (income)	(183.70)	(13.05)
Prior period expenses		-
Operating profit before working capital changes	(2,155.55)	84.68
Movements in working capital :		
Increase/ (decrease) in trade payables	234.98	189.49
Increase / (decrease) in other financial liabilities	(386.42)	1,494.96
Increase / (decrease) in provisions	321.52	121.45
Increase / (decrease) in other current liabilities	(93.39)	(16.51)
Increase / (decrease) in Investments	2,465.28	(5,043.12)
Decrease / (increase) in trade receivables	378.99	(1,955.35)
Decrease / (increase) in inventories	(326.47)	(100.00)
Decrease / (increase) in other Non Current Assets	(157.81)	(6.87)
Decrease / (increase) in loans	12.68	32.25
Decrease / (increase) in loans and advances	(266.65)	(20.49)
Decrease / (increase) in other current assets	61.35	(1,096.86)
Cash generated from /(used in) operations	88.50	(6,316.35)
Direct taxes (net of refunds)	(71.98)	(120.69)
Net cash flow from/ (used in) operating activities (A)	16.52	(6,437.04)
Cash flows from investing activities		
Purchase of fixed assets, including CWIP and capital advances	(62.84)	(162.42)
Sale of Fixed Asset	5.62	
Increase in Security Deposit	-	-
Rent Income	-	-
Investments	-	-
Interest received	156.19	12.65
Net cash flow from/ (used in) investing activities (B)	98.97	(149.77)
Cash flows from financing activities		
Proceeds from long-term borrowings	40.09	-
Proceeds from issuance of preference share capital	-	4,086.52
Repayment of short-term borrowings	(728.11)	1,654.10
Interest paid	4.31	(47.15)
Net cash flow from/ (used in) in financing activities (C)	(683.71)	5,693.46

RAWAT & ASSOCIATES

Net increase/(decrease) in cash and cash equivalents (A + B + C)	(568.21)	(893.36)
Effect of exchange differences on cash & cash equivalents held in foreign currency	-	-
Cash and cash equivalents at the beginning of the year	1,276.08	2,169.43
Cash and cash equivalents at the end of the year	707.86	1,276.08
Components of cash and cash equivalents		
Cash in hand	-	0.25
Cheques/ drafts on hand		
With banks- in current account	707.87	1,275.83
Total cash and cash equivalents (note 9)	707.87	1,276.08

As per our report of even date

For Rawat & Associates
Chartered Accountants
Firm Regd. No.: 134109W

Rawat

Nakul Rawat
Partner
Membership No: 416638
UDIN: 23416638BGYFUJ2556
Mumbai, 8th May, 2023

RAWAT & ASSOCIATES
404, Prospect Chambers, 317, D. N. Road, Fort, Mumbai-400 001.
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of

Debiprasad Sarangi

Debiprasad Sarangi
Director
DIN: 07601542
Bhubaneswar,

Amit Tyagi
Director
DIN: 08317195
New Delhi,

Iserveu Technology Private Limited
Standalone Statement of changes in equity for the year ended March 31, 2023

(Amount In Lacs)

Particulars	Equity Share Capital	Reserve & Surplus					Total Equity
		Security Premium	Grant Received	Retained Earnings	Redeemable non cumulative non convertible preference shares	Total	
At At 31 March 2021	2.32	1,604.27	5.00	110.78	-	1,720.06	1,722.38
Issuance of new Redeemable non cumulative non convertible preference shares		4,083.18			3.34	4,086.52	4,086.52
Profit during the year	-	-	-	18.86	-	18.86	18.86
At At 31 March 2022	2.32	1,604.27	5.00	129.64	3.34	1,742.25	5,827.75
Profit during the period				(351.05)		(351.05)	(351.05)
At At 30 June 2022	2.32	1,604.27	5.00	(221.41)	3.34	1,391.21	5,476.71
Profit during the period				(793.11)		(793.11)	(793.11)
At At 30 Sep 2022	2.32	1,604.27	5.00	(1,014.52)	3.34	598.10	4,683.60
Profit during the period				(626.36)		(626.36)	(626.36)
At At 31 Dec 2022	2.32	1,604.27	5.00	(1,640.87)	3.34	(28.26)	4,057.24
Profit during the period				(514.10)		(514.10)	(514.10)
At At 31 Mar 2023	2.32	1,604.27	5.00	(2,154.97)	3.34	(542.36)	3,543.14

For Rawat & Associates
Chartered Accountants
Firm Regd. No.: 134109W

Nakul Rawat
Partner
Membership No: 416638
UDIN: 23416638BGYFUJ2556
Mumbai, 8th May, 2023

RAWAT & ASSOCIATES CHARTERED ACCOUNTANTS 404, Prospect Chambers, 317, D. N. Road, Fort, Mumbai-400 001.

For and on behalf of the Board of Directors of

Debiprasad Sarangi

Debiprasad Sarangi
Director
DIN: 07601542
Bhubaneswar

Amit Tyagi
Director
DIN: 08317195
New Delhi

Accompanying notes to the financial statements for the year ended 31st March, 2023

1. CORPORATE INFORMATION

IServeU is a DIPP certified FinTech company registered under the Start-up India program of Government of India dated 27 September 2016, supported by NSTDEB, pledging towards making India a financial inclusive society. It has spent 5 years and more and has successfully run several technology solutions in partnership with Banks, NBFCs, Financial Institution players and Corporate Business Correspondents.

2 BASIS OF PREPARATION

A Compliance with Ind-AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind-AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

B Historical cost convention

The financial statements have been prepared on historical cost basis. None of the asset or liability is measured at fair value basis.

C Functional and presentation currency

The financial statements are presented in Indian Rupees (₹) which is the currency of the primary economic environment in which the company operates (the "functional currency"). The values are rounded to the nearest lakhs, except when otherwise indicated.

D PRESENTATION OF FINANCIAL STATEMENTS

The company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 37.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

• The normal course of business
• The event of default
• The event of insolvency or bankruptcy of the Company and/or its counter parties

E CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the restated statement of asset and liabilities based on current/ non-current classification.

(i) An asset is classified as current when it is:

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

RAWAT & ASSOCIATES

(ii) All other assets are classified as non-current.

(iii) A liability is classified as current when:

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

(iv) All other liabilities are classified as non-current.

(v) Deferred tax assets and liabilities are classified as non-current assets and liabilities.
Based on the nature of service and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

F REVENUE RECOGNITION

Revenue (other than for those items to which Ind-AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind-AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind-AS.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind -AS-115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

i. Sale of devices : Revenue from contract with customer is recognised point in time when performance obligation is satisfied (when the trade is executed).

ii. Sale of services : Revenue from service is recognised when the control in services is transferred as per the terms of agreement with customer i.e. as and when the services are rendered. These include commission which is charged per transaction executed.

iii. Recharge commission: The company facilitates recharge of talk time, bill payments and earns commission for the respective services. Commission income is recognized when the control in service is transferred to the customer when the services have been provided by the Company.

iv. Interest Income - Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head 'Other income' in the Statement of Profit and Loss. Interest income from financial assets is recognised

RAWAT & ASSOCIATES

when it is probable that future economic benefits will flow to the company and the amount of income can be measured reliably.

G INCOME-TAX

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

(i) Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The appropriateness of carrying amount of deferred tax assets and liability is reviewed at the end of each reporting period. 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. Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

H INVENTORY

Inventories are valued at lower of cost or net realisable value after providing for obsolescence's and other losses, where considered necessary. Cost of inventory comprises all cost of purchase and other costs incurred in bringing the inventories to their present conditions and locations. Cost of purchased inventory is determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale. Inventories are valued at first in first out method.

I LEASES

The Company's lease asset classes primarily consist of leases for office premises, vehicles and equipments. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these 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.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

RAWAT & ASSOCIATES

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, if any.

Right-of-use assets 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 amortized 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 in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

J PROVISIONS

Provisions are recognised when the company has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects , when appropriate, the risk specific to the liability.

Financial instrument - initial recognition

K FINANCIAL INSTRUMENT

(i) Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customer's account. The Company recognises debt securities, deposits and borrowings when funds reach the Company.

(ii) Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price.

(iii) Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

• Amortised cost,
• Fair value through other comprehensive income (FVOCI),
• Fair value through profit and loss (FVTPL)

Financial liabilities, other than loan commitments and financial guarantees, are measured at FVTPL when they are derivative instruments or the fair value designation is applied.

L FINANCIAL ASSETS AND LIABILITIES

(i) Bank balance, Loans and Trade receivables at amortised cost.

The Company measures Bank balances, Loans and Trade receivables at amortised cost if both of the following conditions are met:

• The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows

• 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.

(a) Business model test

The business model reflects how the Company manages the assets in order to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

• How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel

• The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed

• How managers of the business are compensated

• The expected frequency, value and timing of sales are also important aspects of the Company's assessment The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

(b) SPPI test

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instrument's cash flows represent solely payments of principal and interest (the 'SPPI test').

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

(ii) Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new asset, with the difference recognised as derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

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When assessing whether or not to derecognise any asset, amongst others, the Company considers the following factors:

• Change in currency

• Introduction of an equity feature

• Change in counter party

If the modification is such that the instrument would no longer meet the SPPI criteria. If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition.

(ii) Derecognition of financial assets other than due to substantial modification of terms and conditions

(a) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset, or

- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset, or

- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, canceled or expires. Where 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 a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

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M DETERMINATION OF FAIR VALUE

The Company measures certain financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price.

Level 2 financial instruments the fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The Company evaluates the leveling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

N CASH AND CASH EQUIVALENTS

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

O PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(i) Transition to Ind-AS

On transition to Ind-AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(ii) Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives prescribed in Schedule II to the Companies Act, 2013, stated as under :

(a) Computer & equipments - 3 years
(b) Office equipments - 5 year
(c) Furniture & fixture - 8 years

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(d) Network equipments - 13 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

P INTANGIBLE ASSETS

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Amortisation is calculated using the straight–line method to write down the cost of intangible assets to their residual values over their estimated useful lives.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

The Company's intangible assets comprise of software, mobile application, website and trademark. The intangible assets are amortised over its finite useful economic life.

Software Development - 10 years
Trade mark- 10 Years

Q IMPAIRMENT OF NON-FINANCIAL ASSET

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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R SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's primary business segments are reflected based on the principal business carried out, i.e. Revenue from sales of services such as IT enabled services and transacton based services and sale of devices. The risk and returns of the business of the company is not associated with geographical segmentation, hence there is no secondary segment.

S EARNING PER SHARE

Basic earnings per share is calculated by dividing:

• the profit attributable to owners of the Company

• by the weighted average number of equity shares outstanding during the financial year.

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

• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

T ROUNDING OFF

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

U CONTINGENT LIABILITY

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The company does not recognise a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advance.

V PREVIOUS FIGURES

Financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules , 2015 (IND AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The previous year's figures have been regrouped/reclassifies wherever necessary, to make them comparable.

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments:

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(i) Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how Company's of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

(ii) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgments and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

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IServeu Technology Private Limited
CIN : U72900OR2016PTC025851

Accompanying notes to the financial statements for the year ended 31st March, 2023 — **Financial year 2022-23**

Note 4 : Property,Plants & Equipments — *(Amount in Lacs)*

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 Apr, 2022	Additions during the Year	Deductions during the year	As at Mar 31, 2023	Up to 31 Mar, 2022	Depreciation charge for the year	Deductions during the year	Up to Mar 31, 2023	As at Mar 31, 2022	As at March 31, 2023
Tangible Assets										
Office Equipments	7.49	1.74	-	9.22	3.62	0.99	-	4.61	3.86	4.61
Network Equipments	38.33	2.83	-	41.16	3.42	2.99	-	6.41	34.92	34.75
Computer Equipments	93.50	11.10	3.81	100.80	32.30	27.11	-	59.41	61.20	41.38
Furnitures & Fixtures	3.43	11.31	1.81	12.93	0.86	1.37	0.90	1.33	2.57	11.60
Motor Car	70.15	-	-	70.15	5.11	8.29	-	13.40	65.04	56.76
Sign Board	-	2.57	-	2.57	-	0.37	-	0.37	-	2.20
Capital WIP										
Interior Design	-	19.49	8.99	10.50	-	-	-	-	-	10.50
Intangible Asset										-
Web Platform	23.47	-	-	23.47	4.20	1.02	-	5.22	19.27	18.25
Software Development	2.86	-	-	2.86	0.95	1.46	-	2.42	1.91	0.44
Trade Mark	-	0.57	-	0.57	-	0.02	-	0.02	-	0.55
Intangible Assets Under Development										
SAP Implementation Fees	-	9.88	-	9.88	-	-	-	-	-	9.88
	-									
Total	239.24	59.49	14.61	284.12	50.46	43.62	0.90	93.19	188.77	190.93

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Financial year 2021-22

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2021	Additions during the Year	Deductions during the year	As at Mar 31, 2022	Up to March 31, 2021	Depreciation charge for the year	Deductions during the year	Up to Mar 31, 2022	As at Mar 31, 2021	As at March 31, 2022
Tangible Assets										
Office Equipments	7.38	0.10	-	7.49	2.22	1.41	-	3.62	5.16	3.86
Network Equipments	10.70	27.63	-	38.33	1.21	2.20	-	3.42	9.49	34.92
Computer Equipments	42.71	51.98	1.18	93.50	12.94	19.98	0.61	32.30	29.77	61.20
Furnitures & Fixtures	2.94	0.49	-	3.43	0.57	0.28	-	0.86	2.37	2.57
Motor Car	-	70.15		70.15	-	5.11		5.11	-	65.04
Intangible Asset										-
Web Platform	10.84	12.63	-	23.47	3.17	1.03	-	4.20	7.67	19.27
Software Development	2.86		-	2.86	0.26	0.70	-	0.95	2.60	1.91
Total	**77.44**	**162.98**	**1.18**	**239.24**	**20.37**	**30.71**	**0.61**	**50.46**	**57.07**	**188.77**

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Capital Work in Progress Ageing Schedule

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March, 2023					
Projects in Progress	10.50	-	-	-	10.50
Projects Temporarily Suspended	-	-	-	-	-
Total	10.50	-	-	-	10.50
As at 31st March, 2022					
Projects in Progress	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-
Total	-	-	-	-	-

Intangible Assets Under Development Schedule

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March, 2023					
Projects in Progress	9.88	-	-	-	9.88
Projects Temporarily Suspended	-	-	-	-	-
Total	9.88	-	-	-	9.88
As at 31st March, 2022					
Projects in Progress	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-
Total	-	-	-	-	-

RAWAT & ASSOCIATES

Accompanying notes to the financial statements for the year ended 31st March, 2023

Note 5 - Right of use Assets:

(Amount in Lacs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Gross Carrying Amount		
Opening Balance	132.19	105.27
Additions	1,596.65	26.92
Deductions/Adjustment	-	-
Amortisation	-	-
Closing Balance	1,728.84	132.19
Accumulated Depreciation		
Opening Balance	77.62	37.46
Additions	122.24	40.16
Deductions/Adjustment	-	-
Amortisation	-	-
Closing Balance	199.86	77.62
Total	**1,528.98**	**54.58**
(Refer Note 29)		

Note 6 - Inventories:

Stock-in-trade	518.29	191.81
(as valued and certified by the Management)		

Note 7 - Investments:

Current Investments (FD)	2,577.84	5,043.12

Note 8 - Trade Receivables:

Trade Receivables (Considered Good (Secured))	-	-
Trade Receivables (Considered Good (Unsecured))		
Trade Receivables	2,280.14	2,659.13

RAWAT & ASSOCIATES

Particulars	As at 31st March, 2023	(Amount in Lacs) As at 31st March, 2022
Note 9 - Cash and Cash Equivalents:		
Cash in hand	-	0.25
Balances with Bank (Current accounts)	707.87	1,275.83
	707.87	1,276.08

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Note 10 - Other Non-Current Assets:		
Security Deposits	169.42	11.62
Note 11 - Loans and Advances:		
(i) Loan receivable (Considered Good (Secured))	-	-
(ii) Loan receivable Considered Good (Unsecured)		
Loan to Employees	44.97	57.65
Other loans	-	-
(iii) Loan receivable which have significant increade in credit risk.	-	-
(iv) Loan receivable credit impared.	-	-
	44.97	57.65
Note 12 - Other Current Assets:		
Prepaid Expenses	106.14	16.56
Advance Salary	19.17	0.20
Advance Tax (net of provisions)	257.81	159.62
	383.12	176.38
Note 13 - Other Financial Assets:		
Advance to parties	427.66	179.98
Advance Recoverable in cash or kind	865.34	545.78
Other financial assets	22.41	591.09
	1,315.41	1,316.84

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(Amount in Lacs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Note 14 - Deferred Tax Asset: (net)		
Deferred Tax Assets	11.28	59.71

The movement in deferred tax assets and liabilities during the year ended 31st March 2023

Deferred Tax Asset (Net)		
Opening Balance	59.71	22.89
(DTL) / DTA on difference of carrying amount of assets	(22.86)	10.49
Opening amount allowed on payment basis and others	(25.56)	26.33
	11.28	59.71

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Accompanying notes to the financial statements for the year ended 31st March, 2023

	As at 31st March, 2023	*(Amount in Lacs)* As at 31st March, 2022
Note 15 - Equity Share Capital and Other Equity:		
A. Equity Share Capital:		
(i) Equity Share Capital		
2,00,00,000 (2,00,00,000) Equity Shares at Rs. 1 each	2,000	2,000
(ii) Issued and Paid-up Equity Share Capital		
2,32,090 (2,32,090) Equity Shares at Rs. 1 each	2.32	2.32
(ii) Movements in Equity share Capital		
2,32,090 (2,32,090) Equity Shares at Rs. 1 each	2.32	2.32
Movement during the year	-	-
2,32,090 (2,32,090) Equity Shares at Rs. 1 each	2.32	2.32

Terms and Rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of 1/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of 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.

(iv) Share of the Company held by Holding Company		
1,18,370 (1,18,370) Equity shares of ₹ 1 each, Fully Paid-up held by Niyogin Fintech Limited	1.18	1.18

(v) Details of Shareholders holding more than 5% shares in the Company

Equity Shares	As at 31st March, 2023		As at 31st March, 2022	
Name of Shareholders	No. of Shares	% of Holding	No. of Shares	% of Holding
Debashis Mohapatra	12,800	5.52%	12,800	5.52%
Debi Prasad Sarangi	62,520	26.94%	62,520	26.94%
Amit Tyagi	12,800	5.52%	12,800	5.52%
Sanjib Parida	12,800	5.52%	12,800	5.52%
Umakanta Sahoo	12,800	5.52%	12,800	5.52%
Niyogin Fintech Limited	1,18,370	51.00%	1,18,370	51.00%
	2,32,090	100.00%	2,32,090	100.00%

There are no shares issued for consideration other than cash.

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(vi) Details of shares held by promoters at the year end

Equity Shares	As at 31st March, 2023		As at 31st March, 2022	
Name of Shareholders	No. of Shares	% of Holding	No. of Shares	% of Holding
Debashis Mohapatra	12,800	5.52%	12,800	5.52%
Debi Prasad Sarangi	62,520	26.94%	62,520	26.94%
Amit Tyagi	12,800	5.52%	12,800	5.52%
Sanjib Parida	12,800	5.52%	12,800	5.52%
Umakanta Sahoo	12,800	5.52%	12,800	5.52%
Niyogin Fintech Limited	1,18,370	51.00%	1,18,370	51.00%
	2,32,090	100.00%	2,32,090	100.00%

B. Other Equity

	As at 31st March, 2023	As at 31st March, 2022
Securities premium reserve	5,687.45	5,687.45
Grant Received	5.00	5.00
Retained Earnings	-2,154.98	129.64
Redeemable Non-convertible preference shares	3.34	3.34
	3,540.81	5,825.43

Nature & Purpose of the Reserve:

Securities premium reserve :
Securities premium is credited when shares are issued at premium. This will be utilised in accordance with the provisions of the Act.

Grant Received:
Sanction of Product Development and Marketing/ Publicity Assistance under Odisha Startup policy - 2016.

Retained Earnings :
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Redeemable non cumulative non convertible preference shares:
Redeemable non cumulative non convertible preference shares is credited when such shares are issued . This will be utilised in accordance with the provisions of the Act.

(i) Securities premium reserve account

	As at 31st March, 2023	As at 31st March, 2022
Opening balance	5,687.45	1,604.27
Addition during the year on issue of shares-	-	4,083.18
Closing balance	5,687.45	5,687.45

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(ii) Grant Received

	As at 31st March, 2023	As at 31st March, 2022
Opening balance	5.00	5.00
Addition during the year	-	-
Closing balance	5.00	5.00

(iii) Retained Earnings

	As at 31st March, 2023	As at 31st March, 2022
Opening balance	129.64	110.78
Net Profit for the period	(2,215.18)	18.86
Interim dividend paid (including dividend distributi	-	-
Prior period adjustmnet (Refer Note no 49)	(77.46)	
Items of other comprehensive income recognised directly in retained earnings	-	-
- Remeasurements of defined benefit obligation,	8.03	-
Closing balance	(2,154.98)	129.64

(iv) Redeemable non cumulative non convertible preference shares

Authorised share capital

	As at 31st March, 2023		As at 31 March 2022	
	Amount	Number of shares	Amount	Number of shares
1,00,000 (One Lakh Only) Preference Shares of face value Rs. 10/- (Rupees Ten only) each with effect from February 11, 2022.	10.00	1,00,000	10.00	1,00,000

	As at 31 March 2023	As at 31 March 2022
	Capital Contribution from Holding Company	Number of shares
As At 31st March 2022	3.34	33,444
Movement during 01st April, 2022 to 31 Mar, 2023	-	-
As At 31st March 2023	3.34	33,444

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Accompanying notes to the financial statements for the year ended 31st March, 2023

	As at 31st March, 2023	*(Amount in Lacs)* As at 31st March, 2022
Non-Current Liabilities:		
Note 16(a) - Long-term Borrowings:		
Loan from Others	40.09	-
Note 16(b) - Short-term Borrowings:		
Unsecured Loans		
(i) Loan from Directors	7.00	7.00
(ii) Loan from Others	12.50	740.61
(iii) Loan from Niyogin - Capital Contribution	1,023.10	913.48
	1,042.60	1,661.10
Note 17 - Other Liabilities:		
Statutory Dues	51.59	144.98
Note 18(a) - Trade Payables:		
(a) Due from Micro Entreprise and Small Entreprise Creditors for Expenses	-	-
(b) Dues of creditor other than Micro Entreprise and Small Entreprise Creditors for Expenses	508.41	273.43
	508.41	273.43
Note 18 (b) - Other Financial Liabilities:		
Liabilities towards channel partners	2,176.66	1,186.15
Provision for expenses	793.06	471.54
Liability towards merchant loan	0.30	1,418.43
Income received in advance	41.19	-
Lease liability	1,531.22	52.31
	4,542.43	3,128.44

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Accompanying notes to the financial statements for the year ended 31st March, 2023

(Amount in Lacs)

	As at 31st March, 2023	As at 31st March, 2022
Note 19 - Revenue from Operations:		
Device Sale	856.46	3,196.66
Commission Income	6,726.51	4,205.26
Licensing Integration fees	485.56	480.15
	8,068.52	7,882.08
Note 20 - Other Income:		
Discount Received	0.35	1.45
Excess Provision write back	347.21	158.45
Marketing Fees	61.73	10.00
Interest on Fixed Deposits	170.30	12.65
Interest income on Security Deposit	5.06	0.41
Interest on Income Tax Refund	4.06	-
Sponshorship Services	7.75	0.35
Interest on Employee Advance	4.28	-
Service Income	186.59	-
Other Income	1.63	-
Rental Income	0.10	-
Foregin Exchange	5.65	-
Interest on Loan / Advance	5.69	-
	800.39	183.30
Note 21 - Cost of Services & Purchases for Stock:		
Commission Cost	6,212.84	3,631.34
Purchases of Devices	1,175.50	3,034.53
	7,388.34	6,665.87
Note 22 - Change in Inventories of Stock-in-trade:		
Opening stock	191.81	91.82
Closing stock	518.29	191.81
	(326.47)	(100.00)
Note 23 - Employee Benefit Expenses:		
Salaries, wages, bonus etc.	1,519.17	925.47
EPF (Employer Contr.)	35.97	15.11
Staff welfare expenses	42.52	9.05
Gratuity expense	15.90	9.98
	1,613.55	959.60

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(Amount in Lacs)

	As at 31st March, 2023	As at 31st March, 2022
Note 24 - Finance Cost:		
Interest on loan	115.60	41.36
Interest expenses on lease liability	69.94	5.79
Bank charges	-	79.17
	185.54	126.32

	As at 31st March, 2023	As at 31st March, 2022
Note 25 - Depreciation Expenses:		
Amortization of ROU	105.41	35.64
Depreciation	60.44	30.71
	165.85	66.35

	As at 31st March, 2023	As at 31st March, 2022
Note 26 - Other Expenses:		
Advertisement charges	13.49	36.10
Interest on GST	-	0.31
Office Repair & Maintenance	5.08	12.18
Communication expenses	59.72	43.20
Rent expenses	19.94	11.74
IT expenses	523.02	61.53
Commitment charge	373.11	-
Travelling expenses	42.63	15.26
Legal & Professional fees	25.63	44.52
Rates & Tax	-	2.63
Brokerage charges	-	(1.96)
First line default guarantee cost	371.62	13.37
Miscellaneous expenditure	86.15	79.64
Bad debt	158.87	-
Provision for doubtful debt	215.00	-
Membership fees	15.00	-
Bank charges	99.60	-
	2,008.85	318.53

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Accompanying notes to the financial statements for the year ended 31st March, 2023

(Amount in lacs)

Note 27 - Earnings per Share	As at 31st March, 2023	As at 31st March, 2022
The basic earnings per share has been calculated based on the following:		
Net profit after tax available for equity shareholders	(2,207.16)	20.21
Weighted average number of equity shares	2,32,090	2,32,090
The reconciliation between the basic and the diluted earnings per share is as follows:		
Basic earnings per share (₹)	(950.99)	8.71
Effect of dilution	-	-
Diluted earnings per share (₹)	(950.99)	8.71
Weighted average number of equity shares is computed for the purpose of calculating diluted earning per share, after giving the dilutive impact of the outstanding stock options for the respective years.		
Weighted average number of shares for computation of Basic EPS	2,32,090	2,32,090
Dilutive effect of outstanding stock options		
Dilutive effect of contingent consideration		
Anti Dilutive potential outstanding stock options	-	-
Anti Dilutive potential contingent consideration	-	-
Weighted average number of shares for computation of Diluted EPS	2,32,090	2,32,090

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Accompanying notes to the financial statements for the year ended 31st March, 2023

Note 28 - Contingent liabilities and commitments (to the extent not provided for) **(Amount in INR Lacs)**

	As at 31st March 2023	As At 31st March 2022
(A) Contingent liabilities		
There are no contingent liabilities as at		
I) In respect of disputed Income-tax matters (Refer below note i)	-	-
II) In respect of disputed Goods & Service Tax Matters	-	11.42
(B) Commitments		
I) Estimated amount of contracts remaining to be executed on capital account and		
Property, plant and equipment		
b) Intangible Assets	-	-
Intangible assets	-	-

Note 29 - Leases:

Disclosures as required under IND AS 116 - Leases

a) On adoption of Ind AS 116, the Company has recognized lease liabilities for all leases which were previously classified as operating leases under earlier GAAP. Ind AS 116 does not provide classification of leases into operating and finance lease for the lessee accounting. The lease liability is measured at present value of the lease payments discounted at incremental borrowing rate.
Lease liabilities is disclosed under the "Other financial liabilities"

Particulars		
Interest expense on lease liability	69.94	5.79
Total	69.94	5.79

b) The Company has recognised Right of Use (ROU) assets corresponding to the lease liabilities as per the requirements of Ind AS 116. The ROU assets are amortized at SLM basis over the lease term.Reconciliation of Carrying amount of Right of use asset for a lessee as per IND AS 116 :

Particulars	**Type of Right to Use Assets**			**nount in INR L**
	Building	**Equipments**	**Vehicles**	
As at 1st April 2022	54.58	-	-	54.58
(+) Recognition of Right of use asset during the	1,462.52	90.05	44.08	1,596.65
(-) Derecognition of Right of use asset during th	-	-	-	-
(-) Amortisation of Right of use asset	94.83	22.95	4.47	122.25
As at 31 March 2023	**1,422.28**	**67.10**	**39.60**	**1,528.98**

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Particulars	Type of Right to Use Assets			
	Building	Equipments	Vehicles	-
As at 1st April 2021	49.24	-	-	49.24
(+) Recognition of Right of use asset during the	17.70	-	-	17.70
(-) Derecognition of Right of use asset during th	-	-	-	-
(-) Amortisation of Right of use asset	12.36	-	-	12.36
As at 31 March 2022	**54.58**	-	-	**54.58**

Note 30 - Corporate social responsibility ('CSR') expenses:

Provisions of Section 135 of the Act are not applicable to the Company.

Note 31 - Segment reporting:

Operating segment are components of the company whose operating results are regularly reviewed by the Chief Operating Decision Maker ('CODM') to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Company is engaged primarily on the business of "Business Correspondance Services" only, taking into account the risks and returns, the organization structure and the internal reporting systems. All the operations of the Company are in India. All non-current assets of the Company are located in India. Accordingly, there are no separate reportable segments as per Ind AS 108 – "Operating segments".

Note 32 - Related party disclosures::

(a) Related party disclosures as required by Ind AS 24 - Related Party Disclosures.

List of related parties and relationships:

Sr. No.	Nature of relationship	Nature of Relationship
1	**Controlling Entity**	
	Niyogin Fintech Limited	Holding Company
2	**Key management personnel**	**Nature of Relationship**
	Debiprasad Sarangi	Director w.e.f- 27/09/2016
	Amit Tyagi	Director w.e.f-15/07/2019
	Tashwinder Harjap Singh	Non Executive Director w.e.f- 13/01/2021
	Amit Vijay Rajpal	Non Executive Director w.e.f- 13/01/2021
	Subhasri Sriram	Independent Director-w.e.f- 28/07/2021
	Abhishek Thakkar	Additional Director-w.e.f- 14/02/2023

Transactions with related parties are as follows:

	As at 31st March 2023	**As At 31st March 2022**
	Holding Company	Key management personnel
Commission income	43.60	
FLDG Charges	371.62	
Remuneration		
Debiprasad Sarangi		20.70
Amit Tyagi		20.70

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	As at 31st March 2022	
	Holding Company	Key management personnel
Commission income		
FLDG Charges	33.96	
Remuneration	13.37	
Debiprasad Sarangi		
Amit Tyagi		12.76
		12.76

Balances outstanding from related parties are as follows:

	As at 31st March 2023	
	Holding Company	Key management personnel
Revenue Recongized		
FLDG Charges	73.78	
Remuneration payable	384.99	
Director Remuneration		4.00
Debiprasad Sarangi		
Amit Tyagi		2.00
		2.00
Loan From Directors		
Debiprasad Sarangi		7.00

Note 32 - Related party disclosures (Continued):

(a) Related party disclosures as required by Ind AS 24 - Related Party Disclosures.*(Continued)*

Balances outstanding from related parties are as follows: *(Continued)*

	As at March 2023
	Key management personnel
Loan From Directors	
Debiprasad Sarangi	7.00

	As at March 2022
	Key management personnel
Loan From Directors	
Debiprasad Sarangi	7.00

All transactions with these related parties are priced on an arm's length basis. None of the balances is secured.

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(b) Disclosures as per Regulation 53(f) of Securities and Exchange Board of India (Listing Obligations and

Loans and advances in the nature of loans to companies in which directors are interested as under:

Sr. No.	Name	As at 31st March, 2023	balance out-standing for year ended March 31, 2023	As at 31st March, 2022	balance out-standing during the year ended 31 March 2022
1	Debiprasad Sarangi	7.00	7.00	7.00	7.00

Note 33 - Dues of Micro, Small & Medium Enterprises :

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 are given

	As At ended 31st March 2023	As At ended 31st March 2022
Principal amount payable to suppliers as at year-end	-	-
Interest due thereon as at year end	-	-
Interest amount for delayed payments to suppliers pursuant to provisions of MSMED Act actually paid during the year, irrespective of the year to which the interest relates	-	-
Amount of delayed payment actually made to suppliers during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

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Accompanying notes to the financial statements for the year ended 31st

Note 34 - Employee benefit plan :

Disclosure in respect of employee benefits under Ind AS 19 - Employee Benefit are as under:

(a) Defined contribution plan

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans. The Company's contribution to provident fund aggregating ₹ 35.99 lakhs (31 March 2022: ₹ 15.11 lakhs) has been recognised in the statement of profit and loss under the head employee benefits expense. The Company has contributed an amount of ₹ 0.13 lakhs as contribution to employee state insurance scheme which has been recognised in the statement of profit and loss under employee benefit expenses.

(b) Defined benefit plan:
Gratuity

Financial assets not measured at fair value

The Company operates a defined benefit plan (the 'gratuity plan') covering eligible employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age/ resignation date.

The defined benefit plans expose the Company to risks such as actuarial risk, liquidity risk, market risk, legislative risk. These are discussed as follows:

Actuarial risk: It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse salary growth experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption then the gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Liquidity risk: Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the Company, there can be strain on the cash flows.

Market risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

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Legislative risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

The status of gratuity plan as required under Ind AS-19 is as under:

(Amount in lacs)

	As at 31st March, 2023	As at 31st March, 2022
(i) Reconciliation of opening and closing balances of defined benefit obligation		
Present value of defined benefit obligations at the beginning of the year	9.98	3.69
Current service cost	10.18	4.20
Past service cost	-	-
Interest cost	0.70	0.25
Acquisition adjustment	-	-
Remeasurement due to		
Acturial loss/(gain) arising from change in financial assumption	(1.31)	(0.34)
Acturial loss/(gain) arising from change in demographic assumption	-	-
Acturial loss/(gain) arising on account of experience changes	10.33	2.16
Benefit paid	-	-
Re-measurement (or Actuarial) (gain) / loss arising from:		
Change in demographic assumptions	-	-
Change in financial assumptions	-	-
Experience variance (i.e. Actual experience vs assumptions)	-	-
Present value of defined benefit obligations at the end of the year	29.87	9.98
(ii) Reconciliation of opening and closing balances of the fair value of pl	-	-
Fair value of plan assets at the end of the year	-	-
(iii) Reconciliation of the present value of defined benefit obligation and fair value of plan assets		
Present value of defined benefit obligations at the end of the year	29.87	9.98
Fair value of plan assets at the end of the year	-	-
Unrecognised past service cost	-	-
Net asset / (liability) recognized in the balance sheet as at the end of the ;	(29.87)	(9.98)

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Note 34 - Employee benefit plan :

(b) Defined benefit plan: *(Continued)*

Gratuity *(Continued)*

(Amount in lacs)

	As at 31st March, 2023	As at 31st March, 2022
(iv) Expense recognised during the Year		
Current service cost		
Interest cost	10.18	4.20
Past service cost	0.70	0.25
Expenses recognised in the statement of profit and	-	-
loss	10.88	4.46
(v) Other comprehensive income		
Opening amount recognised in OCI outside profit &		
Components of actuarial gain/losses on obligations:	1.83	-
Due to change in financial assumptions		
Due to change in demographic assumption	(1.31)	(0.34)
Due to experience adjustments	-	-
Return on plan assets excluding amounts included in interest income	-	-
	10.33	2.16
Components of defined benefit costs recognised in other	10.84	1.83
(vi) Principal actuarial assumptions		
Discount rate (per annum)		
Annual increase in salary cost	7.45%	7.10%
Withdrawal rates per annum	7.00%	7.00%
21 to 30		
31 to 34	15.00%	15.00%
35 to 44	10.00%	10.00%
45 to 50	5.00%	5.00%
51 to 54	3.00%	3.00%
55 to 57	2.00%	2.00%
	1.00%	1.00%

The discount rate is based on the prevailing market yields of Government of India's bond as at the balance sheet date for the estimated term of the obligations.

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(vii) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase . The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(Amount in lacs)

	As at 31st March, 2023		As at 31st March, 2022	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (- / + 0.5%)	7.95%	6.95%	7.60%	6.60%
(% change compared to base due to sensitivity	-5.79%	6.37%	-11.92%	14.57%
Salary growth rate (- / + 0.5%)	7.50%	6.50%	7.50%	6.50%
(% change compared to base due to sensitivity)	6.22%	-5.84%	14.43%	-12.03%

viii. Effect of plan on the Company's future cash flows

a) Maturity profile of defined benefit obligation

The weighted average duration to the payment of these cash flows is 12.14 years.

	Cash flows (₹)	Distribution (%)
<u>Expected cash flows over the next (valued on undisco</u>		
1st Following Year	1.50	1.57%
2nd Following year	1.71	1.78%
3rd Following Year	2.08	2.17%
4th Following Year	2.68	2.79%
5th Following Year	2.76	2.87%
6th Following Year	2.37	2.46%
7th Following Year	2.18	2.27%
8th Following Year	2.21	2.30%
9th Following Year	1.81	1.88%
Sum of years 10 and above	76.81	79.93%

Accompanying notes to the financial statements for the period Ended 31st March

Note 35 - Classification of financial assets and financial liabilities :

(Amount in lacs)

As at 31 March 2023	Mandatorily at FVTPL	At cost	Amortised cost	Total carrying amount
ASSETS				
Cash and cash equivalents	-	-	707.87	707.87
Bank balance other than cash and cash equivalents	-	-	-	-
Loans and advances to parties	-	-	427.66	427.66
Investment securities	-	-	-	-
Measured at fair value	-	-	-	-
Measured at cost	-	-	-	-
Measured at amortised cost	-	-	2,577.84	2,577.84
Other receivables	-	-	3,145.48	3,145.48
Other financial assets	-	-	255.98	255.98
Total Financial assets	-	-	7,114.83	7,114.83
LIABILITIES				
Trade Payables	-	-	2,685.07	2,685.07
Other financial liabilities	-	-	2,615.31	2,615.31
Total Financial liabilities	-	-	5,300.40	5,300.40

As at 31 March 2022	Mandatorily at FVTPL	At cost	Amortised cost	Total carrying amount
ASSETS				
Cash and cash equivalents	-	-	1,276.08	1,276.08
Bank balance other than cash and cash equivalents	-	-	-	-
Loans and advances to parties	-	-	179.98	179.98
Investment securities	-	-	-	-
Measured at fair value	-	-	-	-
Measured at cost	-	-	-	-
Measured at amortised cost	-	-	5,043.12	5,043.12
Other receivables	-	-	3,204.91	3,204.91
Other financial assets	-	-	660.36	660.36
Total Financial assets	-	-	10,364.46	10,364.46
Trade Payables	-	-	1,186.15	1,186.15
Other financial liabilities	-	-	3,876.82	3,876.82
Total Financial liabilities	-	-	5,062.98	5,062.98

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Accompanying notes to the Financial Statements for the period Ended on 31st March 2023

Note 36 - Fair Value Measurements :

Financial Instrument by Category

(Amount in lacs)

	As at 31st March, 2023		As at 31st March, 2022	
	FVTPL	Amortised Cost	FVTPL	Cost
Financial Asset				
Investments				
- Equity Instruments				
- Preference shares	-	-	-	-
- Bonds and Debentures	-	-	-	-
- Mutual Funds	-	-	-	-
Other Receivables	-	-	-	-
Loans	-	2,577.84	-	5,043.12
Cash And Cash Equivalents	-	427.66	-	179.98
Bank balance other than cash and cash equivalents	-	707.87	-	1,276.08
Other Receivables	-	-	-	-
(Trade Receivables & Advance Recoverable in Cash or Kind)	-	3,145.48	-	3,204.91
Other Financial Assets	-	255.98	-	660.36
	-	7,114.83	-	10,364.44
Financial Liability	-		-	
Trade Payables	-	2,685.07	-	1,186.15
Other Financial Liabilities	-	2,615.31	-	3,876.82
	-	5,300.39	-	5,062.96

Fair value Hierarchy

This section explains the judgments and estimates made in determining the fair value of the financial instrument that are (a) recognized and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath table

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As at 31 March 2023

	Carrying amount	Fair value measurements using			
		Level 1	Level 2	Level 3	Total
Financial assets*					
Investments					
- Bonds and Debentures	-				-
- Mutual Funds	-				-
Loans and advances	427.66		427.66		427.66
Other Receivables	2,577.84				-
Cash And Cash	707.87				
Bank balance other than cash and cash equivalents	-				
Security Deposits					
Other Financial assets	3,401.46				-
Total Financial Asset	7,114.83	-	427.66	-	427.66
Financial Liabilities*					
Trade Payables	2,685.07				
Lease Liability	1,531.22		1,531.22		1,531.22
Other Financial Liability	1,084.10				
Total Financial Liabilities	5,300.39	-	1,531.22	-	1,531.22

As at 31 March 2022

	Carrying amount	Fair value measurements using			
		Level 1	Level 2	Level 3	Total
Financial assets*					
Investments					
- Bonds and Debentures	-				-
- Mutual Funds	-				-
Loans and advances	179.98		179.98		179.98
Other Receivables	5,043.12				-
Cash And Cash	1,276.08				
Bank balance other than cash and cash equivalents	-				
Security Deposits					
Other Financial assets	3,865.26				-

Total Financial Asset	10,364.44	-	179.98	-	179.98
Financial Liabilities*					
Trade Payables	1,186.15				
Lease Liability	52.31		52.31		52.31
Other Financial Liability	3,824.50				
Total Financial Liabilities	5,062.97	-	52.31	-	52.31

*The Company has not disclosed the fair values for cash and cash equivalents, bank balances, bank deposits,

Fair Value Measurement

Level 1 : Level 1 hierarchy includes financial instruments measured using unadjusted quoted prices in active markets that the Company has the ability to access for the identical assets or liabilities. A financial instrument is classified as a Level 1 measurement if it is listed on an exchange. None of the Financial Instruments of the company is Classifible as Level 1 Assets or Liability.

Level 2 : The fair value of financial instruments that are not traded in active markets is determined using valuation techniques which maximize the use of observable market data either directly or indirectly, such as quoted prices for similar assets and liabilities in active markets, for substantially the full term of the financial instrument but do not qualify as Level 1 inputs. Fair value of loans and advances of the Company is measured using the last month's lending rate. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based in observable market data, the instruments is included in level 3.

Financial instruments valued at carrying value

The respective carrying values of certain on-balance sheet financial instruments approximated their fair value. These financial instruments include cash in hand, balances with Banks, financial institutions and money at call and short notice, accrued interest receivable, acceptances, deposits payable on demand, accrued interest payable, and certain other assets and liabilities that are considered financial instruments. Carrying values were assumed to be approximate fair values for these financial instruments as they are short-term in nature and their recorded amounts approximate fair values or are receivable or payable on demand.

Accompanying notes to the financial statements for the period ended 31st March 2023

Note 37 - Financial instruments – Financial risk management :

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

(a) The table below shows an analysis of assets and liabilities analysed (maturity analysis) according to when they are to be recovered or settled.

(Amount in lacs)

	As at 31st March, 2023				As at 31st March, 2022		
	Carrying amount	Within 12 months	After 12 months		Carrying amount	Within 12 months	After 12 months
Financial liabilities							
Trade payables	2,685.07	2,685.07	-		1,459.58	1,459.58	-
Other financial liabilities	2,615.31	358.11	2,257.21		3,276.82	1,607.32	1,669.50
Non Financial liabilities							
Provisions	793.06	793.06	-		471.54	161.61	309.93
Other non-financial liabilities	-	-	-		1.12	1.12	-
Financial assets							
Cash and cash equivalents	707.87	707.87	-		1,276.08	1,276.08	-
Bank balance other than cash and cash equivalents above	-	-	-		-	-	-
Receivables	3,145.48	3,145.48	-		3,204.91	3,204.91	-
Loans and advances to customers	427.66	427.66	-		179.98	179.98	-
Investment securities		-				-	
Current Investments (FD)	2,577.84	2,577.84			5,043.12	5,043.12	
Other financial assets	255.98	237.92	18.06		1,016.93	959.28	57.65

Non-financial Assets							
Income tax assets	11.28	11.28	0.00		59.71	59.71	-
Right of use asset	1,528.98				54.58	48.23	6.35
Property, plant and equipment	151.31	37.68	113.62		167.60	42.86	124.74
Intangible assets under development	9.88	3.30	6.58			-	
Intangible assets	19.24	2.70	16.55		21.18	2.50	18.68
Other non-financial assets	-	-	-		11.62	-	11.62

(b) Maturity Pattern

The table below summarises the maturity profile of the undiscounted cashflow of the Company's financial liabilities :

(Amount in lacs)

	Within 12 months	1-2 years	2-5 years	More than 5 years	Total
As at 31 March 2023					
Trade payables	2,685.07	-	-	-	2,685.07
Other financial liabilities	61.00	-	-	1,023.10	1,084.10
Lease liability	236.31	220.93	514.40	559.57	1,531.21
As at 31 March 2022					
Trade payables	1,459.58	-	-	-	1,459.58
Other financial liabilities	1,768.93	1,699.10	271.93	-	3,739.96
Lease liability	41.74	10.57	-	-	52.31

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(c) The following table sets out the carrying amounts of non-derivative financial assets and financial liabilities expected to be recovered or settled more than 12 months after the reporting date.

(Amount in lacs)

	As at 31st March, 2023	As at 31st March, 2022
Financial assets		
Bank balance other than cash and cash equivalents above	-	-
Loans and advances to customers	-	-
Investment securities	-	-
Other financial assets	18.06	57.65
Financial liabilities		
Lease Liability	2,257.21	1,669.50

(d) The following table sets out the components of the Company's Liquidity Reserves.

(Amount in lacs)

	Carrying amount	Fair value	Carrying amount	Fair value
Cash And Cash Equivalents				
Bank balance other than cash and cash equivalents	707.87	-	1,276.08	
	-	-	-	-
Total liquidity reserves	707.87	-	1,276.08	-

(e) All the financial assets of the Company as at 31st March, 2023, as at 31st March, 2022 and as at 1st April, 2021 are unencumbered.

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Accompanying notes to the financial statements for the period ended 31st March 2023

(Amount in lacs)

Note 38 - Revenue from Contracts with Customers :

Set out below is the disaggregation of the Company's revenue from contracts with customers and reconciliation to Profit and Loss account:

	As at 31st March, 2023	As at 31st March, 2022
Type of Income		
Commission Income	6,726.51	4,205.26
Total revenue from contracts with customers	6,726.51	4,205.26
Geographical markets		
India	6,726.51	4,205.26
Outside India	-	-
Total revenue from contracts with customers	6,726.51	4,205.26
Timing of revenue recognition		
Services transferred at a point in time	6,726.51	4,205.26
Services transferred over time	-	-
Total revenue from contracts with customers	6,726.51	4,205.26

Note 39 - Trade Receivable ageing schedule :

Particulars	Unbilled	Not Due for payment	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31 Mar 2023			Outstanding for following periods from due date of payment					
(i) Undisputed Trade receivables – considered good	-	-	1,685.32	244.77	350.05	-	-	2,280.14
(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	-	-	-	-	-	-	-	-
Total	-	-	**1,685.32**	**244.77**	**350.05**	-	-	**2,280.14**

Particulars	Unbilled	Not Due for payment	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31 Mar 2022			Outstanding for following periods from due date of payment					
(i) Undisputed Trade receivables – considered good	-	-	1,558.48	1,038.91	53.16	8.57	-	2,659.13
(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	-	-	-	-	-	-	-	-
Total	-	-	**1,558.48**	**1,038.91**	**53.16**	**8.57**	-	**2,659.13**

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Note 40 - Trade Payable ageing schedule :

Particulars	As on 31 Mar 2023								
	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment						Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years		
MSME	-	-	-	-	-	-	-		-
Others	-	-	495.95	1.69	10.78	-	-		508.41
Disputed dues – MSME	-	-	-	-	-	-	-		-
Disputed dues - Others	-	-	-	-	-	-	-		-
Total	-	-	**495.95**	**1.69**	**10.78**	-	-		**508.41**

Particulars	As on 31 Mar 2022								
	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment						Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years		
MSME	-	-	-	-	-	-	-		-
Others	-	-	38.64	165.97	68.72	0.10	-		273.43
Disputed dues – MSME	-	-	-	-	-	-	-		-
Disputed dues - Others	-	-	-	-	-	-	-		-
Total	-	-	**38.64**	**165.97**	**68.72**	**0.10**	-		**273.43**

Note 41 - Events Occuring after Balance Sheet Date:

There have been no events after the reporting date that require disclosure in these financial statements.

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Accompanying notes to the finanical statements for the period Ended 31st March 2023

Note 42 - Trade Receivables

(a) The company is providing services to substantial number of small and big enterprises across the states in India. The fact that the payments from enterprises are made without any dispute or acceptance of payments is considerred as confirmation. However, effrorts are made to obtain 100% balance confirmation from all the enterprises. The management is however, of the view that there will be no material adjustments which will impact profit/loss accounts. (Refer Note No. 8)

(b) The Company is in the process of implementing policy for Expected Credit Loss. The Company has provided provision for receivables for amount of Rs. 2,73,51,527 during the year.

Note 43 - Trade Payables

The Management has taken up the matter of reconcilation and settlement of amount whichever not being confirmed by the suppliers and/or service providers. However, because of the volume of suppliers and/or service providers, it is not practically possible to obtain 100% confirmation of balances from all the creditors. During the year of audit, efforts are made to obtain balance confirmations of amount material to the financial statements. The management is however, of the view that there will be no material adjustments which will impact profit/loss accounts. (Refer Note No. 18 (a))

Note 44 - Advances to Parties

The Management has taken up the matter of reconcilation and settlement of amount whichever not being confirmed by the respectives parties . During the year of audit, efforts are made to obtain balance confirmations of amount material to the financial statements. The management is however, of the view that there will be no material adjustments which will impact profit/loss accounts (Refer Note No. 13).

Note 45 - Bank Reconciliation

Generally banks follow T+1 settlement cycle for clearing transactions , and some transactions are not reflected due to issues at bank's end. In case of bank account 502000074031 maintained with NSDL payments bank there is a difference of Rs 24,171 between bank records and company records as on 31 March 2022. However no such difference is observed for the financial year 2022-23. The closing balance as on 31 March 2023 is Rs. 80,475 in the bank account.In case of of the bank balances, one of the bank balance is not reconciled due to difference in opening balance.

Note 46 - Liabilities towards channel partners

The Management has taken up the matter of reconcilation of amount whichever not being confirmed by the channel partners. However, because of the volume of channel partners, it is not practically possible to obtain 100% confirmation of balances from all the channel partners. During the year of audit, efforts are made to obtain balance confirmations of amount material to the financial statements. The management is however, of the view that there will be no material adjustments which had impact profit/loss accounts. (Refer Note No. 18(b).

Note 47 - Advances recoverable in cash or kind

Balances of advances recoverable in cash or kind represents the control accounts with transaction banks which are pending for consequential adjustments arising from reconciliation, if any. The management is however, of the view that there will be no material adjustments in this regard and will be reconciled in the due course.(Refer Note No. 13).

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Note 48 - Goods and Service tax

(a) The Company is in the process of filling of Annual Return of Goods and Service Tax for Financial Year 2020-21 & 2021-22.

(b) Figures of GST receivable/payable are subject to reconciliation with the GST portal.

Note 49 - Prior period expenses

During the year the Company has identified the errors in booking of expenses of the earlier years and as assessed by the management, retrosepctive restatement is not practicable for a particular prior period.However, the company has provided the effect in the retained earnings for the same in the current year.

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Accompanying notes to the finanical statements for the period ended 31st March, 2023

(Amount in lacs)

Note 50 - Ratios:	Year ended 31st March, 2023	Year ended 31st March, 2022
(a) Current Ratio :		
Current assets	7,827.64	10,721.01
Current liabilities	6,145.04	5,207.94
Current Ratio	1.27	2.06
% change from previous year	(0.38)	0.09

Current assets include inventories, current investments, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets and other current assets.

Current liabilities include borrowings, lease liability, trade payables, other financial liabilities, current provisions and other current liabilities.

Reason for change more than 25%: Due to decrease in investments in current financial year, the current assets value has decreased.

	Year ended 31st March, 2023	Year ended 31st March, 2022
(b) Debt Equity Ratio :		
Non-current borrowings	-	-
Current maturities of long-term borrowings	-	-
Overdraft/ working capital	1,042.60	1,661.10
Total debt	1,042.60	1,661.10
Total equity	3,543.13	5,827.75
Debt Equity Ratio	0.29	0.29
% change from previous year	0.03	69.13
(c) Debt service coverage ratio :		
Profit/ (loss) before exceptional items and tax	(2,166.76)	28.71
Add: Depreciation and amortisation expense	165.85	66.35
Interest on long term loans		-
Interest on lease liabilities	69.94	5.79
Earnings available for debt services	(1,930.97)	100.85
Repayments made during the year/period		
Interest paid on long term loans	-	-
Interest paid on lease liabilities	69.94	5.79
Principal repayment for long term loans	-	-
Principal repayment for lease liabilities	154.70	38.29
Total interest and principal repayments	**224.64**	**44.08**
Debt service coverage ratio	**(8.60)**	**2.29**
% change from previous year	-476%	-46%

Reason for change more than 25%: Due to reporting of loss in current financial year debt service coverage ratio is adversely impacted.

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Accompanying notes to the finanical statements for the period ended 31st March, 2023

(Amount in lacs)

	Year ended 31st March, 2023	Year ended 31st March, 2022
(d) Return on Equity :		
Profit/(loss) for the period:	(2,215.18)	18.86
Total equity	3,543.13	5,827.75
Return on equity	(0.63)	0.00
% change from previous year	-19421%	-86%

Reason for change more than 25%: Due to reporting of loss in current financial year debt service coverage ratio is adversely impacted.

	Year ended 31st March, 2023	Year ended 31st March, 2022
(e) Inventory turnover ratio :		
Sale of goods	856.46	3,196.66
Opening inventories of finished goods	191.81	91.82
Closing inventories of finished goods	518.29	191.81
Average inventories of finished goods	355.05	141.81
Inventory turnover ratio	2.41	22.54
% change from previous year	-89%	279%

Reason for change more than 25%: Decrease in Inventory turnover ratio is due to lesser number of device dispatches to API partners in current financial year as compared to previous financial year.

	Year ended 31st March, 2023	Year ended 31st March, 2022
(f) Trade receivable turnover ratio :		
Revenue from operations	8,068.52	7,882.08
Opening gross trade receivables	2,659.13	703.78
Closing gross trade receivables	2,280.14	2,659.13
Average gross trade receivables	2,469.64	1,681.46
Trade receivables turnover ratio	3.27	4.69
% change from previous year	-30%	-25%
Trade receivables collection period	111.72	77.86
% change from previous year	43%	34%

Reason for change more than 25%: Decrease in trade receivable turnover ratio is due to lesser number of device dispatches to API partners and collections to be received from them as on 31 Mar 2023.

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Accompanying notes to the finanical statements for the period ended 31st March, 2023

	Year ended 31st March, 2023	(Amount in lacs) Year ended 31st March, 2022
(g) Trade payables turnover ratio :		
Total credit purchases	9,070.72	6,884.40
Opening trade payables	273.43	83.94
Closing trade payables	508.41	273.43
Average trade payables	390.92	178.69
Trade payables turnover ratio	23.20	38.53
% change from previous year	-40%	-47%

Reason for change more than 25%: Decrease in trade payable turnover ratio is due to increase in expenses (operating and non operating) during the financial year 2021-22.

Reason for change more than 25%: Decrease in trade payable turnover ratio is due to increase in expenses (operating and non operating) during the financial year 2022-23.

(h) Net capital turnover ratio :		
Revenue from operations	8,068.52	7,882.08
Current assets	7,827.64	10,721.01
Current liabilities	6,145.04	5,207.94
Working capital	1,682.60	5,513.07
Adjusted working capital	1,682.60	5,513.07
Net capital turnover ratio	4.80	1.43
% change from previous year	235%	-46%

Reason for change more than 25%: Current Assets value has decreased in current financial year, due to decrease in investments in current financial year.

(i) Net profit ratio :		
Profit / (Loss) for the year	(2,166.76)	28.71
Revenue from operations	8,068.52	7,882.08
Net Profit ratio	-26.85%	0.36%
% change from previous year	-7473%	-71%

Reason for change more than 25%: The Company is focussing on increasing the customer base and devloping infrastructure of the core business areas. As a result of the same net profit has decreased in the financial year 2021-22.

Reason for change more than 25%: Due to reporting of loss in current financial year net profit ratio is adversely impacted.

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Accompanying notes to the finanical statements for the period ended 31st March, 2023

(Amount in lacs)

	Year ended 31st March, 2023	Year ended 31st March, 2022
(j) Return on Capital Employed :		
Profit/ (loss) after tax	(2,215.18)	18.86
Add: Tax expenses/(credit)	48.42	9.85
Finance costs	185.54	47.15
Earnings before interest and tax	(1,981.21)	75.86
Equity	3,543.13	5,827.75
Long term debt	-	-
Capital employed	3,543.13	5,827.75
Pre-tax return on capital employed	-55.92%	1.30%
% change from previous year	-4396%	-80%

Reason for change more than 25%: Due to reporting of loss in current financial year net profit ratio is adversely impacted.

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Accompanying notes to the finanical statements for the period Ended 31st March 2023

Note 51 - During the year the Compnay has not done any transaction with Struck off Compnaies

Note 52 - The previous year's figures have been re-grouped/re-classified wherever required to conform to current year's classification