Preliminary Placement Document
Subject to Completion
Not for Circulation and Strictly Confidential
Serial Number: _____

The information in this Preliminary Placement Document is not complete and may be changed. The Issue is meant only for Eligible QIBs under Chapter VI of the SEBI ICDR Regulations, on a private placement basis and is not an offer to the public or to any other class of investors to purchase the Equity Shares. This Preliminary Placement Document is not an offer to sell any Equity Shares and is not soliciting an offer to subscribe to or buy the Equity Shares in any jurisdiction where such offer, sale or subscription is not permitted. It is being issued for the sole purpose of information or discussion relating to the Equity Shares that may be issued through the Placement Document.

Zaggle®

ZAGGLE PREPAID OCEAN SERVICES LIMITED

Zaggle Prepaid Ocean Services Limited (our "**Company**" or the "**Issuer**") was incorporated as 'Zaggle Prepaid Ocean Services Private Limited' at Hyderabad as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated June 2, 2011 issued by the Registrar of Companies, Andhra Pradesh at Hyderabad. Subsequently, our Company was converted into a public limited company under the Companies Act, 2013, pursuant to a resolution passed by our Board and a special resolution passed by our Shareholders at the EGM, each held on August 22, 2022 and consequently the name of our Company was changed to 'Zaggle Prepaid Ocean Services Limited' and a fresh certificate of incorporation dated September 13, 2022 was issued by the Registrar of Companies, Telangana at Hyderabad. For details of changes in the name and registered office of our Company, see "*General Information*" on page 232.

Registered Office: 15th Floor – Western Block, Vamasiram – Suvarna Durga Tech Park, Nanakramguda Village, Serilingampally Mandal, GHMC Serilingampally Circle, Ranga Reddy District, 500 032, Telangana, India | **Corporate Office**: B1-004, Ground Floor, Boomerang Building, C.T.S. No. 4A, Village Saki Naka, Andheri (East), Taluka Kurla, District Mumbai Suburban, Mumbai 400 072, Maharashtra, India
Tel: +91 40 2311 9049 | **Contact Person**: Hari Priya, Company Secretary and Compliance Officer
E-mail: companysecretary@zaggle.in | **Website**: www.zaggle.in | **Corporate Identity Number**: L65999TG2011PLC074795

Our Company is issuing up to [●] equity shares of face value of ₹1 each (the "**Equity Shares**") at a price of ₹[●] per Equity Share (the "**Issue Price**"), including a premium of ₹[●] per Equity Share, aggregating up to ₹[●] million (the "**Issue**"). For further details, see "*Summary of the Issue*" on page 41.

THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS"), SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT, 2013"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER.

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE, AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED UNDER THE SEBI ICDR REGULATIONS ("QIBs") IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS AND SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH BIDDER AND DOES NOT CONSTITUTE AN OFFER OR INVITATION TO OFFER OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO ELIGIBLE QIBs (AS DEFINED HEREINAFTER).

YOU ARE NOT AUTHORISED TO, AND MAY NOT (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILISE ANY MEDIA MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION, OR REPRODUCTION, OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT, 2013 OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND BIDDERS SHOULD NOT INVEST IN THIS ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL, OR PART, OF THEIR INVESTMENT. BIDDERS ARE ADVISED TO CAREFULLY READ "*RISK FACTORS*" ON PAGE 51 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THIS ISSUE. EACH BIDDER IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THIS ISSUE. BIDDERS OF THE EQUITY SHARES OFFERED SHOULD CONDUCT THEIR OWN DUE DILIGENCE OF OUR COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PRELIMINARY PLACEMENT DOCUMENT AND/ OR THE PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL AND/ OR LEGAL ADVISER.

The Equity Shares are listed on the National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**", together with NSE, the "**Stock Exchanges**"). The closing price of the outstanding Equity Shares on BSE and NSE on December 17, 2024 was ₹578.20 and ₹577.75 per Equity Share, respectively. In-principle approvals under Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI Listing Regulations**") for listing of the Equity Shares being Allotted pursuant to the Issue have been received from each of BSE and NSE on December 18, 2024. Applications shall be made for obtaining the final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of the business of our Company or the Equity Shares.

A copy of this Preliminary Placement Document dated December18, 2024 (which includes disclosures prescribed under Form PAS-4 (as defined hereinafter)) has been delivered to the Stock Exchanges and a copy of the Placement Document (which will include disclosures prescribed under Form PAS-4) will also be delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

Invitations for subscription, offers and sales of the Equity Shares to be issued pursuant to this Issue shall only be made pursuant to this Preliminary Placement Document together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, see "*Issue Procedure*" on page 187. This Preliminary Placement Document and the Placement Document relates to an issue made to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and no offer is being made to the public or any other class of investors. The distribution of this Preliminary Placement Document and the Placement Document or the disclosure of its contents without our Company's prior consent to any person, other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their subscription to Equity Shares, is unauthorised and prohibited. This Preliminary Placement Document shall be circulated only to such Eligible QIBs whose names are recorded by our Company prior to making an invitation to subscribe to the Equity Shares. Each Bidder, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The information on the websites of our Company or our Subsidiary (as defined hereinafter), as applicable or any website directly or indirectly linked to such websites or the websites of the Lead Managers or their affiliates does not constitute nor should form part of this Preliminary Placement Document and Bidders should not rely on such information contained in, or available through, any such websites for investment in this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdictions where those offers and sales are made. For the selling restrictions in certain other jurisdictions, see "*Selling Restrictions*" on page 201. See "*Transfer Restrictions*" on page 210 for information about transfer restrictions that apply to the Equity Shares sold in this Issue.

This Preliminary Placement Document is dated December 18, 2024.

LEAD MANAGERS TO THE ISSUE

Motilal Oswal Investment Advisors Limited	Equirus Capital Private Limited	Nuvama Wealth Management Limited
MOTILAL OSWAL INVESTMENT BANKING	equirus	nuvama

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all the information contained in this Preliminary Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all information with respect to our Company, its Subsidiary, and other consolidated entities, as applicable (collectively, the "**Group**") and the Equity Shares, which we consider material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Group and the Equity Shares are in all material respects, true, accurate and not misleading, and the opinions and intentions expressed in this Preliminary Placement Document with regard to the Group and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Company. There are no other facts in relation to the Group and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Preliminary Placement Document is provided as of the date of this Preliminary Placement Document and neither our Company nor the Lead Managers have any obligation to update such information to a later date.

Motilal Oswal Investment Advisors Limited, Equirus Capital Private Limited and Nuvama Wealth Management Limited (the "**Lead Managers**") have not separately verified the information contained in this Preliminary Placement Document (financial, legal, or otherwise). Accordingly, neither the Lead Managers, nor any of their shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Lead Managers or any of their shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with the Issue of the Equity Shares or their distribution or in connection with the Group.

Each person receiving this Preliminary Placement Document acknowledges that such person has not relied on the Lead Managers, our Group or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Group and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

This Preliminary Placement Document is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider subscribing for the Equity Shares in this Issue. No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company, or by or on behalf of the Lead Managers. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The Equity Shares offered in the Issue have not been approved, disapproved or recommended by the securities authority or any other regulatory authority of any jurisdiction, including SEBI, the United States Securities and Exchange Commission ("U.S. SEC"), any other federal or state authorities in the United States or the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions, including in the United States.

The information contained in this Preliminary Placement Document has been provided by our Company and from other sources identified herein. The distribution of this Preliminary Placement Document, or the disclosure of its contents, without the prior consent of our Company to any person, other than Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe to the Issue in consultation with the Lead Managers and their representatives, and those retained by Eligible QIBs to advise them with respect to their purchase of the Equity Shares, is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and not to further distribute or make any copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The distribution of this Preliminary Placement Document and the issue of the Equity Shares may be restricted in certain jurisdictions by applicable laws. As such, this Preliminary Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company and the Lead Managers that would permit an offering of the Equity Shares or distribution of this

Preliminary Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document, nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For further details, see "*Selling Restrictions*" on page 201. The Equity Shares purchased in the Issue are transferable only in accordance with the restrictions described under the sections "*Selling Restrictions*" and "*Transfer Restrictions*" beginning on pages 201 and 210, respectively and each purchaser of Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgements and agreements set forth in "*Representations by Investors*", "*Transfer Restrictions*" and "*Selling Restrictions*" on pages 6, 201 and 210, respectively.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. Accordingly, the Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

In making an investment decision, the prospective investors must rely on their own examination of our Group and the Equity Shares and the terms of the Issue, including the merits and risks involved. The prospective investor should not construe the contents of this Preliminary Placement Document as legal, business, tax, accounting or investment advice. The prospective investors should consult their own counsel and advisors as to the business, investment, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the Lead Managers are making any representation to any prospective investor, purchaser, offeree or subscriber to the Equity Shares in relation to this Issue regarding the legality of an investment in the Equity Shares by such prospective investor, purchaser, offeree or subscriber under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Group.

Each Bidder of the Equity Shares is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and it is eligible to invest in India and in our Company under Indian law, including under Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013, read with Rule 14 of the PAS Rules and rules made thereunder, and that it is not prohibited by the SEBI or any other statutory, regulatory or judicial authority in India or any other jurisdiction from buying, selling or dealing in securities, including the Equity Shares, or otherwise accessing the capital markets in India.

This Preliminary Placement Document contains summaries of certain terms of documents, which summaries are qualified in their entirety by the terms and conditions of such documents. This Preliminary Placement Document does not purport to contain all the information that any Eligible QIB may require. Further, this Preliminary Placement Document has been prepared for information purposes only and upon the express understanding that it will be used for the purposes set forth herein.

Our Company does not undertake to update the Placement Document to reflect subsequent events after the date of the Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with our Company. Neither the delivery of this Preliminary Placement Document, the Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of our Group since the date hereof.

Our Company and the Lead Managers are not liable for any amendment or modification or change to applicable laws or regulations that occurs after the date of the Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply to purchase Equity Shares in the Issue. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations (as defined hereinafter) and the Eligible QIB shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading Regulations (as defined hereinafter) and other applicable laws, rules, regulations, guidelines and circulars.

The information about us available on any website of the Stock Exchanges or on our Company's website, www.zaggle.in, any website directly and indirectly linked to the websites of our Company or our Subsidiary, as applicable or on the respective websites of the Lead Managers and their affiliates, other than this Preliminary Placement Document, does not constitute nor forms a part of this Preliminary Placement Document. The prospective investors should not rely on any such information contained in, or available through, any such websites, for their investment decision.

Our Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchanges and without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Equity Shares on the Stock Exchanges.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information in relation to prospective investors in certain other jurisdictions, see "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 201 and 210, respectively.

Any information about our Company available on any website of the Stock Exchanges, our Company or the Lead Managers, other than this Placement Document, shall not constitute a part of this Placement Document and no investment decision should be made on the basis of such information.

REPRESENTATIONS BY INVESTORS

All references to "you" and "your" in this section are to the prospective investors in the Issue. By Bidding for and/or subscribing to any Equity Shares in this Issue, you are deemed to have represented, warranted, acknowledged undertaken, and agreed to the contents set forth in the sections titled "*Notice to Investors",* "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 3, 201 and 210, respectively, and to have represented, warranted, acknowledged and agreed with our Company and the Lead Managers, as follows:

1. you are a "Qualified Institutional Buyer" as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations ("**QIB**") and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under the applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (as hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, and other applicable laws including the FEMA Rules (as defined hereinafter), the Companies Act, 2013 and all other applicable laws; and (ii) comply with all requirements under the SEBI ICDR Regulations, the Companies Act and all other applicable law in this relation, including reporting obligations, requirements/ making necessary filings, with appropriate authorities, including the RBI and the Stock Exchanges, in connection with the Issue;

2. you are eligible to invest in India under applicable law, including the FEMA Rules and any notifications, circulars or clarifications issued thereunder, each as amended, and have not been prohibited by the SEBI, the RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India;

3. if you are not a resident of India, but are an Eligible QIB, you are a foreign portfolio investor, and you confirm that you are an Eligible FPI (as defined hereinafter) and have a valid and existing registration with SEBI under the applicable laws in India, or a multilateral or bilateral development financial institution and can participate in the Issue only under Schedule II of the FEMA Rules and any other notifications, circulars or clarifications issued thereunder. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required, pursuant to applicable laws. You have not been prohibited by the SEBI, the RBI or any other regulatory authority, from buying, selling or dealing in securities or otherwise accessing the capital markets. Since FVCIs are not permitted to participate in the Issue, you confirm that you are not an FVCI;

4. you confirm that neither is your investment as an entity from a country which shares a land border with India nor is the beneficial owner of your investment situated in or is a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with the consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India and Rule 6 of the FEMA Rules. You confirm that no government approval is required under the FEMA Rules, the Companies Act or the PAS Rules, in connection with your purchase of the Equity Shares;

5. you will provide the information required under the Companies Act, the PAS Rules, the applicable provisions of the SEBI ICDR Regulations and any other applicable rules for record keeping by our Company, including your name, nationality, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue and the list of Eligible QIBs including the aforementioned details shall be filed with the RoC and SEBI, as may be required under the Companies Act and other applicable laws;

6. if you are Allotted Equity Shares pursuant to the Issue, you shall not sell the Equity Shares so acquired, for a period of one year from the date of Allotment, except on the Stock Exchanges and in accordance with any other resale restrictions applicable to you. For more information, please see "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 201 and 210, respectively;

7. you are aware that this Preliminary Placement Document and the Placement Document has not been, and will not be, filed as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of prospective investors other than Eligible QIBs. This Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed, verified or affirmed by the SEBI, the Stock Exchanges, RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs. The Placement Document shall be filed with the Stock Exchanges for record purposes only and be displayed on the websites of our Company and the Stock Exchanges;

8. you are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions applicable to you and that you have fully observed such laws and you have all necessary capacity and have obtained all necessary consents and authorities, as may be required and complied and shall comply with all necessary formalities

to enable you to participate in the Issue and to perform your obligations in relation thereto (including without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;

9. you are aware that neither our Company, the Lead Managers nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions you may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment of the Equity Shares, be a client of the Lead Managers. Neither the Lead Managers nor any of their shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates has any duty or responsibility to you for providing the protection afforded to its clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;

10. you are aware that the Equity Shares being issued pursuant to this Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and shall rank *pari passu* in all respects with the existing Equity Shares, including the right to receive all dividends and other distributions declared, made, or paid in respect of the Equity Shares after the date of Allotment of the Equity Shares, as applicable;

11. all statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Preliminary Placement Document. Neither our Company, nor the Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;

12. you are aware that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public or any other category of investors other than Eligible QIBs and the Allotment shall be on a discretionary basis at the discretion of our Company in consultation with the Lead Managers;

13. you have made, or have been deemed to have made, as applicable, the representations, warranties, acknowledgments and undertakings as set out in "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 201 and 210, respectively;

14. you have been provided a serially numbered copy of this Preliminary Placement Document, and have read it in its entirety including, in particular, the "*Risk Factors*" on page 51;

15. in making your investment decision, you have (i) relied on your own examination of the Group, the Equity Shares, and the terms of the Issue, including the merits and risks involved, (ii) made, and will continue to make, your own assessment of the Group, the Equity Shares and the terms of the Issue based on such information contained in this Preliminary Placement Document, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (vi) relied upon your own investigation and resources in deciding to invest in the Issue;

16. in making your investment decision to subscribe to the Equity Shares to be issued pursuant to the Issue, you have relied solely on the information contained in this Preliminary Placement Document and no other information, disclosure or representation by, or relating to, our Company, our Subsidiary, or any other party, and have not relied on any other information that is not set forth in this Preliminary Placement Document;

17. neither our Company nor the Lead Managers nor their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including the Issue and the use of proceeds from the sale of the Equity Shares). You will obtain your own independent tax advice and will not rely on our Company, the Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from the sale of the Equity Shares). You waive, and agree not to assert any claim against, either our Company, the Lead Managers or their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

18. you are a sophisticated investor and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares and you and any managed accounts for which you are subscribing for the Equity Shares: (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company and/or the Lead Managers and their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, for all or part of any such loss or losses that you may suffer, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in a similar jurisdiction. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute;

19. if you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire the Equity Shares for each such managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;

20. you are not: (a) a 'promoter' of our Company (as defined under Section 2(69) of the Companies Act, 2013 and under Regulation 2(oo) of the SEBI ICDR Regulations), and are not a person related to the Promoters (as defined hereinafter), either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any Promoters or members of the Promoter Group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto; and (b) an affiliate of our Company or any of the Lead Managers or a person acting on behalf of such affiliate;

21. you have no rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board of Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoters);

22. you are eligible to Bid for and hold Equity Shares so Allotted together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible in accordance with any applicable law;

23. to the best of your knowledge and belief, your aggregate holding, together with other Eligible QIBs in the Issue that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size (as defined hereinafter). For the purposes of this representation:

    a. Eligible QIBs "belonging to the same group" shall mean entities where: (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, among an Eligible QIB, its subsidiary or holding company and any other Eligible QIB; and

    b. 'Control' shall have the same meaning as is assigned to it under the SEBI Takeover Regulations;

24. you are aware that: (i) applications for in-principle approval, in terms of Regulation 28 of the SEBI Listing Regulations, for listing and admission of the Equity Shares and for trading on the Stock Exchanges, were made and an in-principle approval has been received by our Company from each of the Stock Exchanges, and (ii) after Allotment, final applications will be made by our Company for obtaining approvals from the Stock Exchanges for listing and trading of the Equity Shares, and that there can be no assurance that such approvals will be obtained on time, or at all. Neither our Company nor the Lead Managers nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising therefrom;

25. you shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

26. you are aware that: (a) in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose names and percentage of the post-Issue shareholding of the proposed Allottees in the Placement Document, however, disclosure of such details in relation to the proposed Allottees in the Placement

Document will not guarantee Allotment to them; and (b) submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Lead Managers;

27. you agree in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, that our Company shall file the list of Eligible QIBs (to whom this Preliminary Placement Document will be circulated) along with other particulars including your name, complete address, phone number, e-mail address, permanent account number and bank account details, including such other details as may be prescribed or otherwise required even after the closure of the Issue with the RoC and the SEBI within 30 days of circulation of this Preliminary Placement Document and other filings required under the Companies Act;

28. you acknowledge that this Preliminary Placement Document does not, and the Placement Document shall not, confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

29. you will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;

30. you are aware that if you, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, our Company shall be required to disclose the name of such Allottees and the number of Equity Shares Allotted, to the Stock Exchanges and the Stock Exchanges will make such information available on their websites and you consent to such disclosures being made by our Company;

31. you are aware and understand that the Lead Managers have entered into the Placement Agreement with our Company whereby the Lead Managers have, subject to the satisfaction of certain conditions set out therein, undertaken to manage the Issue and use their reasonable efforts to seek to procure subscription for the Equity Shares on the terms and conditions set out therein;

32. the contents of this Preliminary Placement Document are exclusively the responsibility of our Company and that neither the Lead Managers nor any person acting on their behalf or any of the counsel or advisors to the Issue has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting participation in the Issue, you agree to such condition and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, and you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Lead Managers or our Company or any other person and neither our Company nor the Lead Managers or any of their respective affiliates, including any view, statement, opinion or representation expressed in any document published or distributed by them, and the Lead Managers and their affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion that you may have obtained or received;

33. you understand that neither the Lead Managers nor any of their affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including on account of non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise;

34. you are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act, 2013;

35. you confirm that either (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the "**Company Presentations**") with regard to our Company or this Issue; or (ii) if you have participated in or attended any such Company Presentations: (a) you understand and acknowledge that the Lead Managers may not have the knowledge of the statements that our Company or its agents may have made at such Company Presentations and is therefore unable to determine whether the information provided to you at such meetings or presentations included any material misstatements or omissions, and, accordingly you acknowledge that

the Lead Managers have advised you not to rely in any way on any such information that was provided to you at such meetings or Company Presentations, and (b) you confirm that, to the best of your knowledge, you have not been provided any material or price sensitive information relating to our Company or the Issue that was not publicly available;

36. you are outside the United States, and you are purchasing the Equity Shares in an “offshore transaction” as defined in, and in reliance on Regulation S and in compliance with laws of all jurisdictions applicable to you and are not an affiliate of our Company’s or a person acting on behalf of an affiliate;

37. you are not acquiring or subscribing for the Equity Shares as a result of any “directed selling efforts” (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act;

38. you understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and unless so registered, may not be offered, sold or delivered within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described under “*Selling Restrictions*” and “*Transfer Restrictions*” on pages 201 and 210, respectively;

39. you have no right to withdraw your Application Form or revise your Bid downwards after the Issue Closing Date (as defined herein);

40. if you are acquiring the Equity Shares to be issued pursuant to this Issue for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to “you” to include such accounts;

41. each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue. You agree to indemnify and hold our Company and the Lead Managers and their respective affiliates, directors, officers, employees and controlling persons harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;

42. our Company, the Lead Managers, their respective affiliates, directors, officers, employees and controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Lead Managers on its own behalf and on behalf of our Company, and are irrevocable. You agree that the terms and provisions of the foregoing representations, warranties, acknowledgements and undertakings, shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by our Company and the Lead Managers and their permitted assigns, and the terms and provisions hereof shall be binding on our permitted assigns and permitted transferees. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the Lead Managers;

43. you agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Hyderabad, India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document;

44. the Bid made by you would not result in triggering a tender offer under the SEBI Takeover Regulations and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations; and

45. you are aware that the pre-Issue and post-Issue shareholding pattern of our Company, as required under the SEBI Listing Regulations, will be filed by our Company with the Stock Exchanges.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines, and approvals in terms of Regulation 21 of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (the "**SEBI FPI Regulations**") and the SEBI master circular dated May 30, 2024 for foreign portfolio investors, designated depository participants and eligible foreign investors, (the "**SEBI FPI Circular**"), Eligible FPIs, including the affiliates of the Lead Managers, who are registered as category I FPIs may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations, *i.e.*, as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) (all such offshore derivative instruments are referred to herein as "**P-Notes**") and persons who are eligible for registration as category I FPIs can subscribe to or deal in such P-Notes, provided that in the case of an entity that has an investment manager who is from a Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned category I FPIs may receive compensation from the purchasers of such instruments. Such P-Notes can be issued post compliance with all applicable laws, KYC norms and such other conditions as specified by the SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any persons unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to persons eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of the SEBI FPI Regulations. P-Notes have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document and the Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-notes, including, without limitation, any information regarding any risk factors relating thereto.

For further details relating to investment limits of FPIs, please see the section titled "*Issue Procedure*" on page 187. P-Notes may be issued only in favour of those entities which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Pursuant to its circular dated June 10, 2016, SEBI has introduced additional requirements applicable to P-Notes, including (i) KYC norms for issuers of P-Notes which require identification and verification of beneficial owners of entities subscribing to the P-Note holding more than a prescribed threshold; (ii) the requirement for issuers to file suspicious transaction reports with the Indian Financial Intelligence Unit; and (iii) the requirement for the issuer to report details of intermediate transfers in the monthly reports on P-Notes submitted to SEBI. An Eligible FPI shall also ensure that no further issue or transfer of any instrument referred to above is made by or on behalf of it to any person other than such entities regulated by appropriate foreign regulatory authorities. P-Notes have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P- Notes or the issuer(s) of any P-notes, including, without limitation, any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis. The SEBI has issued the SEBI FPI Circular to facilitate implementation of the SEBI FPI Regulations. In terms of the SEBI FPI Circular, the above mentioned restrictions shall also apply to subscribers of offshore derivative instruments and two or more subscribers of offshore derivative instruments having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the offshore derivative instruments. Further, in the event a prospective investor has investments as an FPI and as a subscriber of offshore derivative instruments, these investment restrictions shall apply on the aggregate of the FPI and offshore derivative instruments investments held in the underlying company. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments, affiliates of the Lead Managers which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the Lead Managers do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Lead Managers and does not constitute any obligation of or claim on the Lead Managers. Associates of the Lead Managers, which are FPIs, may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes.

Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

Also see "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 201 and 210, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges.

The Stock Exchanges do not in any manner:

(a) warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document;

(b) warrant that the Equity Shares to be issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or

(c) take any responsibility for the financial or other soundness of our Company, its Promoters, its management or any scheme or project of our Company,

and it should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'your', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investors', 'prospective investors' and 'potential investor' are to the Eligible QIBs who are the prospective investors in the Equity Shares proposed to be issued pursuant to the Issue, references to "the Company" or "our Company" or "the Issuer" refers to Zaggle Prepaid Ocean Services Limited, on a standalone basis, and any reference to "we", "us" or "our" refers to Zaggle Prepaid Ocean Services Limited, its subsidiaries and its associate, on a consolidated basis, as applicable and as reflected in the Audited Consolidated Financial Statements and Unaudited Consolidated Interim Financial Results.

In this Preliminary Placement Document, references to "US$", "U.S.$", "USD" and "U.S. dollars" are to the legal currency of the United States of America, references to "₹", "INR", "Rs.", "Indian Rupees" and "Rupees" are to the legal currency of the Republic of India, "Euro" or "€" are to the legal currency of the European Union.

All references herein to the "US" or "U.S." or the "United States" are to the United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia. All references herein to "India" are to the Republic of India and its territories and possessions and all references herein to the "Government" or "GoI" or the "Indian Government" or "Central Government" or the "State Government" are to the Government of India, or the governments of any state in India, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

The financial year of our Company commences on April 1 of each Calendar Year and ends on March 31 of the following Calendar Year, and, unless otherwise specified or if the context requires otherwise, all references to a particular 'financial year', 'Fiscal Year', 'Fiscal' or 'FY' are to the twelve-month period ended on March 31 of that year and references to a particular 'year' are to the Calendar Year ending on December 31 of that year.

Our Company publishes its financial statements in Indian Rupees in ₹ million.

As required under applicable regulations, and for the convenience of prospective investors, we have included the following in this Preliminary Placement Document:

(a) audited standalone financial statements of our Company as at and for the financial year ended March 31, 2022 prepared in accordance with Indian Accounting Standards ("**Ind AS**") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended (the "**Ind AS Rules**") and Section 133 of the Companies Act, 2013, which comprise the standalone balance sheet of our Company as at March 31, 2022, and the standalone statement of profit and loss, including other comprehensive income, the standalone statement of changes in equity and the standalone statement of cash flows of our Company for the year then ended, along with notes to the standalone financial statements, a summary of significant accounting policies and other explanatory information (the "**Fiscal 2022 Audited Standalone Financial Statements**");

(b) audited consolidated financial statements of our Group as at and for the financial year ended March 31, 2023 prepared in accordance with Ind AS notified under the Ind AS Rules and Section 133 of the Companies Act, 2013, which comprise the consolidated balance sheet of our Group as at March 31, 2023, and the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of our Group for the year then ended, along with notes to the consolidated financial statements, a summary of significant accounting policies and other explanatory information (the "**Fiscal 2023 Audited Consolidated Financial Statements**");

(c) audited consolidated financial statements of our Group as at and for the financial year ended March 31, 2024 prepared in accordance with Ind AS notified under the Ind AS Rules and Section 133 of the Companies Act, 2013, which comprise the consolidated balance sheet of our Group as at March 31, 2024, and the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of our Group for the year then ended, along with notes to the consolidated financial statements, a summary of significant accounting policies and other explanatory information (the "**Fiscal 2024 Audited Consolidated Financial Statements**", and together with the Fiscal 2023 Audited Consolidated Financial Statements and the Fiscal 2022 Audited Consolidated Financial Statements, collectively, the "**Audited Financial Statements**"); and

(d) unaudited consolidated interim financial statements of our Group as at and for the six-month periods ended September 30, 2024 and September 30, 2023, each prepared in accordance with Ind AS 34, other accounting principles generally accepted in India and in compliance with Section 133 of the Companies Act, which comprise the consolidated interim balance sheet of our Group as at September 30, 2024 and September 30, 2023, the consolidated interim statement of profit and loss, the consolidated interim statement of changes in equity and the consolidated interim statement of cash flow of our Group for the six-month periods ended September 30, 2024 and September 30, 2023, along with notes to the unaudited interim consolidated financial statements, a summary of significant accounting policies and other explanatory information (the "**Unaudited Consolidated Interim Financial Statements**", and together with the Audited Financial Statements, the "**Financial Information**").

See "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Selected Financial Information*", and "*Financial Information*" on pages 103, 43, and 235, respectively.

The Audited Financial Statements should be read along with their respective audit reports and the Unaudited Consolidated Interim Financial Statements should be read along with the limited review report dated November 13, 2024 of our Statutory Auditors. The prior joint statutory auditors, P R S V & Co. LLP, Chartered Accountants and M S K A & Associates, Chartered Accountant have issued audit reports dated May 23, 2024, August 29, 2023 and September 29, 2022 on our on our Audited Financial Statements as at and for Fiscals 2024, 2023 and 2022, respectively. For further details, see "*Selected Financial Information*", and "M*anagement's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 43 and 103, respectively. The Audited Financial Statements have been subjected to audit that has been performed in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act.

Except as specifically indicated otherwise and unless the context requires otherwise, all the financial information as at and for Fiscals 2024, 2023 and 2022, included in this Preliminary Placement Document have been derived from the Audited Financial Statements.

Our Company prepares its financial statements in accordance with Ind AS, the Companies Act, 2013 and other applicable statutory and/or regulatory requirements. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. ("**U.S. GAAP**") or International Financial Reporting Standards of the International Accounting Standards Board ("**IFRS**"). Our Company does not attempt to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Preliminary Placement Document, nor does our Company provide a reconciliation of its Financial Information to IFRS or U.S. GAAP. Accordingly, the degree to which the Financial Information, as included in this Preliminary Placement Document, prepared in accordance with Ind AS, will provide meaningful information is entirely dependent on the reader's familiarity with the respective Indian accounting policies and practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. See "*Risk Factors — Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition, results of operations and cash flows*" on page 80.

Figures in this Preliminary Placement Document have been presented in million or in whole numbers where the numbers have been too small to present in million unless stated otherwise. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources or presented in figures other than ₹ million. Our Audited Financial Statements and Unaudited Consolidated Interim Financial Statements are prepared in million and have been presented in this Preliminary Placement Document in million for presentation purposes.

In this Preliminary Placement Document, references to "million" represents "100,000". Certain figures contained in this Preliminary Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal.

In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Please note that the financial information included in this Preliminary Placement Document as at and for the six-month periods ended September 30, 2024 and September 30, 2023 has not been annualised.

Non-GAAP financial measures

Certain non-GAAP financial measures relating to our financial performance and financial condition such as EBIT, EBITDA, EBITDA Margin, Net Profit Ratio, RoE, Current Ratio, Debt to Equity Ratio, Interest Coverage Ratio, Debt Service Coverage Ratio and Net Capital Turnover Ratio ("**Non-GAAP Measures**") and certain operational performance indicators such as Customer Acquisition and Retention Cost, Acquisition and Retention Cost per Customer, Program Fees and SaaS fee are presented in this Preliminary Placement Document, to measure and analyse our financial and operational performance from period to period have been included in this Preliminary Placement Document. These Non-GAAP Measures, when taken together with financial measures prepared in accordance with Ind AS, may be helpful to investors because they provide an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies operating in our industry because they provide consistency and comparability with past financial performance.

See "*Definitions and Abbreviations—Non-GAAP Financial Measures*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures*" on pages 23 and 103, respectively, for the definitions and the manner of calculation of certain non-GAAP measures.

Non-GAAP Measures are presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with Ind AS. Where Non-GAAP Financial Measures are referred to as being "under Ind AS", this means the numbers have been derived using underlying Ind AS numbers. Non-GAAP Measures may be different from similarly titled non-GAAP measures used by other companies. The principal limitation of these Non-GAAP Measures is that they exclude significant expenses and income that are required by Ind AS to be recorded in our financial statements, as further detailed below. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these Non-GAAP Measures. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of Non-GAAP Measures to their most directly comparable Ind AS financial measures included below and to not rely on any single financial measure to evaluate our business. Prospective investors should read this information in conjunction with the Financial Information included in "*Financial Information*" on page 235.

Also see "*Risk Factors —We have included certain Non-GAAP Measures, industry metrics and key performance indicators related to our operating and financial performance in this Preliminary Placement Document that are subject to inherent challenges in measurement. These Non-GAAP Measures, industry metrics and key performance indicators may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.*" on page 74.

INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Preliminary Placement Document consists of estimates based on data reports compiled by government bodies, professional organisations and industry publications, data from other external sources and knowledge of the markets in which we compete. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends or on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, neither the accuracy nor completeness of information contained in the Frost & Sullivan Report (defined below) is guaranteed. The opinions expressed are not recommendation to buy, sell or hold an instrument. This data is subject to change and cannot be verified with complete certainty due to limitations on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Unless stated otherwise, the statistical information included in this Preliminary Placement Document relating to the industry in which we operate has been reproduced from various trade, industry and government publications and websites more particularly described in the section titled "***Industry Overview***" on page 133.

Unless stated otherwise, the industry, market and economic data included in this Preliminary Placement Document has been copied from or derived from the report titled "*Industry Report on SaaS based Fintech Market in India*" dated December 14, 2024 (the "**Frost & Sullivan Report**") prepared and issued by Frost & Sullivan pursuant to an engagement letter dated October 14, 2024, and exclusively commissioned and paid for by us in connection with the Issue. The Frost & Sullivan Report is subject to the following disclaimer:

*Frost & Sullivan has taken due care and caution in preparing this report ("**Frost & Sullivan Report**") based on the information obtained by Frost & Sullivan from sources which it considers reliable ("**Data**"). This Frost & Sullivan Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Frost & Sullivan Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Frost & Sullivan Report is to be construed as Frost & Sullivan providing or intending to provide any services in jurisdictions where Frost & Sullivan does not have the necessary permission and/or registration to carry out its business activities in this regard. Zaggle Prepaid Ocean Services Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Frost & Sullivan Report or part thereof outside India. No part of this Frost & Sullivan Report may be published/reproduced in any form without Frost & Sullivan's prior written approval.*

Frost & Sullivan is not in any manner related to our Company, our Directors, our Promoters, our Key Managerial Personnel, our Senior Management or our Subsidiary or our or the Lead Managers. The Frost & Sullivan Report is not exhaustive, is subject to various limitations and is based upon certain assumptions that are subjective in nature. While our Company has taken reasonable care in the reproduction of the information from the Frost & Sullivan Report, none of our Company, the Lead Managers, or their respective affiliates or advisors or any other person connected with the Issue has independently verified the data and statistics obtained from the Frost & Sullivan Report. While our Company has no reason to believe the data and statistics in the Frost & Sullivan Report to be incorrect, our Company or the Lead Managers cannot assure you that it is accurate, complete or reliable and, therefore, our Company or the Lead Managers makes no representation or warranty, express or implied, as to the accuracy, completeness or reliability of such data or statistics. Therefore, discussions of matters relating to India, its economy and the industry in which we currently operate are subject to the caveat that the data and statistics upon which such discussions are based may be inaccurate, incomplete or unreliable. Further, there can be no assurance that such data and statistics are stated or compiled on the same basis or with the same degree of accuracy as may be the case in other reports. Statements from third-parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Preliminary Placement Document.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Accordingly, investment decisions should not be based solely on such information. Further, the calculation of certain statistical and/ or financial information/ ratios specified in the sections "*Our Business*", "*Risk Factors*", "*Management's Discussions and Analysis of Results of Operations and Financial Condition*" and otherwise in this Preliminary Placement Document may vary from the manner such information is calculated under and for purposes of, and as specified in, the Frost & Sullivan Report. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors — Industry information included in this Preliminary Placement Document has been derived from an industry report commissioned and paid for by us exclusively in connection with the Issue.*" on page 75.

Unless otherwise indicated, all industry and other related information derived from the Frost & Sullivan Report and included herein with respect to any particular 'year', refers to such information for the Calendar Year ending on December 31 of that year.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute 'forward-looking statements'. The prospective investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "propose", "seek to", "shall", "likely", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. The forward-looking statements appear in a number of places throughout this Preliminary Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, among other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. In addition, even if the results of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Preliminary Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All statements regarding our expected financial condition, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. These forward-looking statements contained in this Preliminary Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- recent revenue growth rates may not be indicative of our future financial performance and we have limited operating history at our current scale;
- inability to retain and attract Customers, convert Customers using our beta or trial versions into paying Customers, or expand usage of our products within or across Customer organizations;
- termination of, or failure to maintain, our relationships with our banking partners, including our Preferred Banking Partners, or any changes to our interchange fees due to a variety of factors;
- failure to identify or successfully acquire target businesses and our efforts to integrate the businesses, technologies, services and products that we do acquire or invest in may not be successful, which could disrupt our business and strain our resources;
- challenges with adoption and usage of our products if they are not able to successfully integrate with other software applications;
- failure to effectively develop and expand our direct sales capabilities affecting our ability to expand usage of our products within our Customer and User base and achieve broader market acceptance of our products;
- absence of any listed industry peers in India or abroad making it difficult to benchmark and evaluate our financial performance against other operators who operate in the same industry as us;
- insufficiency of net proceeds for inorganic growth initiatives may require us to seek alternative forms of funding;
- high dependency on our Promoter and our Executive Chairman, Raj P Narayanam and our Promoter, Managing Director and Chief Executive officer, Avinash Ramesh Godkhindi, our Key Managerial Personnel or senior management personnel;
- operating in a highly competitive industry and an inability to compete successfully; and
- laws and regulation governing our business and operations may continue to change and evolve.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed in "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 51, 133, 153 and 103, respectively.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, any future gains, losses or impact on net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure the prospective investors that such expectations will prove to be correct. Given these uncertainties, the prospective investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as at the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and our Company or the Lead Managers undertake no obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward-looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements. In accordance with SEBI and Stock Exchange requirements, our Company and the Lead Managers will ensure that the eligible equity shareholders are informed of material developments until the time of the grant of listing and trading permissions by the Stock Exchanges.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company incorporated under the laws of India. As disclosed in "*Board of Directors and Senior Management*" on page 176, all of our Directors, Key Managerial Personnel and Senior Management are resident citizens of India and a substantial portion of the assets of our Company and of such persons are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce against them judgments of courts outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended ("**Civil Procedure Code**"). Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except:

(a) where the judgment has not been pronounced by a court of competent jurisdiction;

(b) where the judgment has not been given on the merits of the case;

(c) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;

(d) where the proceedings in which the judgment was obtained were opposed to natural justice;

(e) where the judgment has been obtained by fraud; and

(f) where the judgment sustains a claim founded on a breach of any law in force in India.

A foreign judgment which is conclusive under Section 13 of the Civil Procedure Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution.

Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Each of the United Kingdom, the Republic of Singapore, the United Arab Emirates and Hong Kong, among others, has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a foreign court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution. The suit must be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy in India, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws. We cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Our Company and the Lead Managers cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth, for the period indicated, information with respect to the exchange rates between the Rupee and the U.S. Dollar (in ₹ per U.S.$) and the Rupee and the Euro (in ₹ per €). The exchange rates are based on the reference rates released by the RBI and Financial Benchmark India Private Limited ("**FBIL**"), which are available on the website of FBIL. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. Dollars at any particular rate, the rates stated below, or at all.

U.S. Dollar

	Period end[1]	**Average**[2]	**High**[3]	**Low**[4]
	(₹ per U.S.$)			
For the year ended March 31,*^				
2024	83.38	82.79	83.60	81.69
2023	82.22	80.39	83.20	75.39
2022	75.81	74.51	76.92	72.48
Month ended*^				
November 30, 2024	84.50	84.36	84.50	84.11
October 31, 2024	84.09	84.03	84.09	83.81
September 30, 2024	83.79	83.81	83.98	83.49
August 31, 2024	83.87	83.90	83.97	83.72
July 31, 2024	83.74	83.59	83.74	83.40
June 30, 2024	83.45	83.47	83.59	83.07

Source: www.rbi.org.in and www.fbil.org.in

(1) *The price for the period end refers to the price as at the last trading day of the respective fiscal year or monthly periods.*
(2) *Average of the official rate for each working day of the relevant period.*
(3) *Maximum of the official rate for each working day of the relevant period.*
(4) *Minimum of the official rate for each working day of the relevant period.*

Notes:

* *If the RBI/ FBIL reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*
^ *The RBI/ FBIL reference rates have been rounded off to two decimal places.*

Euro

	Period end[1]	**Average**[2]	**High**[3]	**Low**[4]
	(₹ per €)			
For the year ended March 31,*^				
2024	90.22	89.80	92.45	87.06
2023	89.61	83.72	90.26	78.34
2022	84.66	86.56	90.51	83.48
Month ended*^				
November 30, 2024	89.36	89.63	91.66	88.32
October 31, 2024	91.25	91.57	93.31	90.70
September 30, 2024	93.53	93.06	93.53	92.54
August 31, 2024	90.90	92.41	93.76	90.46
July 31, 2024	90.62	90.59	91.44	89.64
June 30, 2024	89.25	89.89	91.02	89.25

Source: www.rbi.org.in and www.fbil.org.in

(5) *The price for the period end refers to the price as at the last trading day of the respective fiscal year or monthly periods.*
(6) *Average of the official rate for each working day of the relevant period.*
(7) *Maximum of the official rate for each working day of the relevant period.*
(8) *Minimum of the official rate for each working day of the relevant period.*

Notes:

* *If the RBI/ FBIL reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*
^ *The RBI/ FBIL reference rates have been rounded off to two decimal places.*

DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Preliminary Placement Document is intended for the convenience of the reader/ prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalized terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further any references to any agreement, document, statute, rules, guidelines, regulations or policies shall include amendments made thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in "Taxation", "Industry Overview", "Financial Information" and "Legal Proceedings" on pages 219, 133, 235, and 226, *respectively, shall have the meaning given to such terms in such sections.*

General Terms

Term	Description
Company *or* Our Company *or* the Company *or* the Issuer	Zaggle Prepaid Ocean Services Limited, a company incorporated under the Companies Act, 1956, whose Registered Office is situated at 15th Floor – Western Block, Vamasiram – Suvarna Durga Tech Park, Nanakramguda Village, Serilingampally Mandal, GHMC Serilingampally Circle, Ranga Reddy District, 500 032, Telangana, India
We *or* Our *or* Us *or* our Group	Unless the context otherwise indicates or implies, refers to Zaggle Prepaid Ocean Services Limited, its subsidiaries and its associate, on a consolidated basis, as applicable and as reflected in the Audited Consolidated Financial Statements and Unaudited Consolidated Interim Financial Results

Company Related Terms

Term	Description
Articles *or* Articles of Association *or* AoA	Articles of association of our Company, as amended
Audit Committee	The audit committee of the Board of Directors of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations, and as described in "*Board of Directors and Senior Management*" on page 176
Audited Financial Statements	Collectively, the Fiscal 2024 Audited Consolidated Financial Statements, the Fiscal 2023 Audited Consolidated Financial Statements and the Fiscal 2022 Audited Standalone Financial Statements
Auditors *or* Statutory Auditors	The statutory auditors of our Company, namely M S K A & Associates, Chartered Accountants.
Board of Directors *or* Board *or* our Board	The board of directors of our Company or any duly constituted committee thereof
Chief Financial Officer	Chief financial officer of our Company, being Venkata Aditya Kumar Grandhi
Corporate Office	The corporate office of our Company situated at B1-004, Ground Floor, Boomerang Building, C.T.S. No. 4A, Village Saki Naka, Andheri (East), Taluka Kurla, District Mumbai Suburban, Mumbai 400 072, Maharashtra, India
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board of Directors of our Company constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in "*Board of Directors and Senior Management*" on page 176
CSR Policy	Our corporate social responsibility policy
Directors	The directors on the Board of our Company as described in "*Board of Directors and Senior Management*" on page 176
ESOP Scheme	Zaggle ESOP 2022, as amended, as disclosed in "*Capital Structure – Employee Stock Option as on date of this Preliminary Placement Document*"
Equity Shares	Equity shares of our Company of face value ₹ 1 each
Executive Chairman	The chairman of the Board, being Raj P Narayanam
Executive Director(s)	The executive directors on our Board as described in "*Board of Directors and Senior Management*" on page 176
Financial Information	Collectively, the Audited Financial Statements and the Unaudited Consolidated Interim Financial Statements
Fiscal 2022 Audited Standalone Financial Statements	The audited standalone financial statements of our Company as at and for the financial year ended March 31, 2022 prepared in accordance with Ind AS notified under the Ind AS Rules and Section 133 of the Companies Act, 2013, which comprise the standalone balance sheet of our Company as at March 31, 2022, and the standalone statement of profit and loss, including other comprehensive income, the standalone statement of

Term	Description
	changes in equity and the standalone statement of cash flows of our Company for the year then ended, along with notes to the standalone financial statements, a summary of significant accounting policies and other explanatory information
Fiscal 2023 Audited Consolidated Financial Statements	The audited consolidated financial statements of our Group as at and for the financial year ended March 31, 2023 prepared in accordance with Ind AS notified under the Ind AS Rules and Section 133 of the Companies Act, 2013, which comprise the consolidated balance sheet of our Group as at March 31, 2023, and the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of our Group for the year then ended, along with notes to the consolidated financial statements, a summary of significant accounting policies and other explanatory information
Fiscal 2024 Audited Consolidated Financial Statements	The audited consolidated financial statements of our Group as at and for the financial year ended March 31, 2024 prepared in accordance with Ind AS notified under the Ind AS Rules and Section 133 of the Companies Act, 2013, which comprise the consolidated balance sheet of our Group as at March 31, 2024, and the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of our Group for the year then ended, along with notes to the consolidated financial statements, a summary of significant accounting policies and other explanatory information
Frost & Sullivan	Frost & Sullivan (India) Private Limited
Frost & Sullivan Report	Report titled "*Industry Report on SaaS based Fintech Market in India*" dated December 14, 2024 prepared by Frost & Sullivan, which is exclusively prepared for the purpose of the Issue and is commissioned and paid for by our Company. Frost & Sullivan was appointed pursuant to an engagement letter dated October 14, 2024
Independent Director(s)	Independent directors on the Board, as disclosed in "*Board of Directors and Senior Management*" on page 176
Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations as disclosed in "*Board of Directors and Senior Management*" on page 176
Managing Director and Chief Executive Officer	The managing director and chief executive officer of our Company, namely, Avinash Ramesh Godkhindi as disclosed in "*Board of Directors and Senior Management*" on page 176
Memorandum *or* Memorandum of Association *or* MoA	Memorandum of association of our Company, as amended
Nomination and Remuneration Committee	Nomination and remuneration committee of our Board of Directors of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as described in "*Board of Directors and Senior Management*" on page 176
Non-Executive Directors(s)	Non-executive directors on the Board, as disclosed in "*Board of Directors and Senior Management*" on page 176
Promoter Group	Entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations
Promoters	The promoters of our Company, namely, Raj P Narayanam and Avinash Ramesh Godkhindi
Registered Office	Registered office of our Company situated at 15th Floor – Western Block, Vamasiram – Suvarna Durga Tech Park, Nanakramguda Village, Serilingampally Mandal, GHMC Serilingampally Circle, Ranga Reddy District, 500032, Telangana, India
Registrar of Companies *or* RoC	Registrar of Companies, Telangana at Hyderabad
Risk Management Committee	The risk management committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in "*Board of Directors and Senior Management*" on page 176
SAISPL	Span Across IT Solutions Private Limited
Senior Management	Members of senior management of our Company in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations as disclosed in "*Board of Directors and Senior Management*" on page 176
Shareholders	Shareholders of our Company from time to time
Special Purpose Committee	The special purpose committee of our Board of Directors
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board of Directors of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in "*Board of Directors and Senior Management*" on page 176
Subsidiary	Subsidiary of our Company as defined under the Companies Act, 2013 and the applicable Accounting Standards, namely, Span Across IT Solutions Private Limited. For details, see *"Organisational Structure"* on page 174

Term	Description
Unaudited Consolidated Interim Financial Statements	The unaudited consolidated interim financial statements of our Group as at and for the six-month periods ended September 30, 2024 and September 30, 2023 prepared in accordance with Ind AS notified under the Ind AS Rules and Section 133 of the Companies Act, which comprise unaudited consolidated interim balance sheet as at September 30, 2024 and September 30, 2023, the unaudited consolidated interim statement of profit and loss (including other comprehensive income) for the six months ended September 30, 2024 and September 30, 2023, the unaudited consolidated interim statement of changes in equity and the consolidated interim statement of cash flow for the six months ended September 30, 2024 and September 30, 2023, along with notes to the unaudited interim consolidated financial statements, a summary of material accounting policies and other explanatory information

Business and Industry Related Terms

Term	Description
Acquisition and Retention Cost per Customer	Calculated as Customer Acquisition and Retention Cost divided by the number of new Customers added during the relevant financial year/ period.
Active Users	Users who have used our products or services on any of our platforms during the relevant year or specified period.
Aggregate Users on the platform	Aggregate Users on the platform refers to the total number of Users served by our Company as of date.
API	Application programming interface.
Average Users per account	Average Users per account refers to the total number of Users divided by total number of Customers.
B2B2C	Business-to-business-to-consumer
BBPS	Bharat Bill Payment System
Cash back expense per ₹1 earned from revenue from operations	Cash back expense per ₹1 earned from revenue from operations is calculated as revenue from operations divided by expenses towards incentives and cash back.
Churn	Churn refers to corporates and SMB customers discontinuing their subscription and other services on our platform.
Current Ratio	Current ratio is a liquidity ratio that measures the ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
Customers	Corporate customers.
Customer Acquisition and Retention Cost	Refers to digital marketing campaign costs, business promotion costs, feet on the street (FOS) and strategic partnership team salaries costs and other advertisement and marketing costs incurred for all new customers added in the business in the period.
Debt Service Coverage Ratio	Debt Service Coverage Ratio measures our ability to meet principal and interest payment obligations from available earnings and is calculated by dividing the sum of (i) earnings available for debt-service, i.e., the profit after tax, (ii) depreciation, (iii) interest, (iv) loss on sale of assets; by the sum of (i) interest and (ii) principal repayment (which excludes repayment of optionally convertible debentures pursuant to the term loan availed from ICICI Bank Limited) during the financial year/ period
Debt to Equity Ratio	Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term-borrowings) by Total Equity (which includes issued capital and all other equity reserves).
EBITDA	EBITDA refers to earnings before interest, taxes, depreciation and amortisation. EBITDA excludes other income but includes reversal of provision for doubtful debts.
EBITDA Margin	EBITDA margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
ERP	Enterprise resource planning.
FMCG	Fast-moving consumer goods.
fintech	Financial technology.
GAAP	Generally Accepted Accounting Principles.
GDPR	General Data Protection Regulation.
Gross Margin	Gross margin refers to gross profit as a percentage of total revenues earned during a financial year.
Gross Profit	Gross profit includes subscription fees, Program Fees, Propel platform revenue/gift cards, merchant revenue and value added services fees earned reduced by customer support, software support, network charges, costs of propel points/gift cards and other direct costs. Merchant revenues refers to the commission paid by merchants to us for increasing footfall in their stores and driving spends to such merchants. Value added services fees refers to the fees our Company earns by offering third party services to our existing User/ Customer base through our app/platform. For example: a finder's fee for a loan disbursed through a VAS partner to a User from one of the corporates/SMBs
IMPS	Immediate Payment Service

Term	Description
Interest Coverage Ratio	Interest coverage ratio measures our ability to make interest payments from available earnings and is calculated by dividing cash profit after tax plus interest payment by interest payment. Cash profit after tax is the sum of profit before tax and depreciation and amortisation expense but excludes current tax.
KPI	Key performance indicators.
KYC	Know your customer.
Net Capital Turnover Ratio	Net capital turnover ratio quantifies the effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (*i.e.*, current assets less current liabilities).
Net Profit Ratio/Margin	Net profit ratio/margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.
NBFCs	Non-Banking Financial Companies.
OCR	Optical character recognition.
Payment Networks	Third-party payment networks.
PIN	Personal identification number.
Platform fee *or* SaaS fee *or* Service fee	Platform fee / SaaS fee / Service fee refers to all fee income received by our Company from the Customers, including the fixed monthly subscription fees paid by our Customers on a per User basis and any one-time setup fees and any other fees that may be levied from time to time by our Company to the Customers.
Process *or* Processing	Collect, receive, access, store, process, generate, use, transfer, disclose, share, make accessible, protect, secure, and dispose of.
Banking Partners	Our key banking partners
Program Fees	Program Fees refers to the sum of (i) interchange fees earned on the spend that Users/ Customers make on the cards; (ii) any other income which we receive from our Banking Partners and third-party payment networks; and (iii) inactivity fees which is earned on the balance amount left on the cards. Interchange fees is the spend-based fees earned from a Payment Network for the transactions carried out by the Users/ Customers of business credit cards or prepaid cards at offline and/or online outlets.
Propel platform revenue/ gift cards	Propel platform revenue/gift cards refers to revenue which is received from our Customers for issuing reward points (Propel points) to Customers' employees and channel partners.
R&D	Research and development.
Return on Equity *or* RoE or Return on Net Worth *or* RoNW	Return on equity/ Return on net worth is equal to profit for the year divided by the Total Equity during that period, and is expressed as a percentage.
SaaS	Software as a service.
SMBs	Small and medium sized business.
UPI	Unified Payments Interface
Users	Employees, channel partners and customers of Customers.
VAS	Value added services.

Issue Related Terms

Term	Description
Allocated *or* Allocation	Allocation of Equity Shares, in consultation with the Lead Managers, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by them, in compliance with Chapter VI of the SEBI ICDR Regulations
Allotment *or* Allotted	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Bidders to whom Equity Shares of our Company are issued pursuant to the Issue
Application Amount	With respect to a Bidder shall mean the aggregate amount paid by such Bidder at the time of submitting a Bid in the Issue, including any revisions thereof
Application Form	Form (including any revisions thereof) which will be submitted by the Eligible QIBs for registering a Bid in the Issue
Bid Amount	The amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue on submission of the Application Form
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term "Bidding" shall be construed accordingly
Bidder(s)	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
CAN *or* Confirmation of Allocation Note	Note, advice or intimation confirming the Allocation of Equity Shares to Successful Bidders after determination of the Issue Price

Term	Description
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, *i.e.*, on or about [●], 2024
Designated Date	The date of credit of Equity Shares pursuant to the Issue to the demat accounts of the Allottees, as applicable, to the respective Allottees
Eligible FPIs	FPIs under FEMA, the SEBI FPI Regulations and any other applicable law, that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that are eligible to participate in the Issue and which are (a) not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or (b) restricted from participating in the Issue under applicable laws. However, FVCIs are not permitted to participate in the Issue.
Escrow Account	Special non-interest bearing, no-lien, current bank account without any cheque or overdraft facilities, opened in the name and style "M/S. ZAGGLE PREPAID OCEAN SERVICES LIMITED QIP ESCROW ACCOUNT" with the Escrow Bank, subject to the terms of the Escrow Agreement
Escrow Agreement	Agreement dated December 18, 2024 entered into by and among our Company, the Escrow Bank and the Lead Managers for collection of the Bid Amount and remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	AU Small Finance Bank Limited
Floor Price	Floor price of ₹550.73 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders by way of postal ballot accorded on December 2, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Issue	Offer, issuance and allotment of up to [●] Equity Shares aggregating up to ₹[●] million to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Closing Date	[●], 2024, the date after which our Company (or Lead Managers on behalf of our Company) shall cease acceptance of Application Forms and the Bid Amount
Issue Opening Date	December 18, 2024 the date on which our Company (or the Lead Managers on behalf of our Company) shall commence acceptance of the Application Forms and the Bid Amount
Issue Period	Period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids along with the Bid Amount
Issue Price	A price per Equity Share of ₹[●], at a premium of ₹[●] per Equity Share
Issue Size	Aggregate size of the Issue, up to ₹[●] million
Lead Managers	Motilal Oswal Investment Advisors Limited, Equirus Capital Private Limited and Nuvama Wealth Management Limited
Monitoring Agency	CARE Ratings Limited, a SEBI registered credit rating agency, appointed by our Company in accordance with the provisions of the SEBI ICDR Regulations
Monitoring Agency Agreement	Agreement dated December 18, 2024 entered into by and between our Company and the Monitoring Agency in relation to the responsibilities and obligations of the Monitoring Agency in accordance with regulation 173A of the SEBI ICDR Regulations, for monitoring the Net Proceeds
Mutual Fund	A mutual fund registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue
Placement Agreement	Placement agreement dated December 18, 2024 entered into by and between our Company and the Lead Managers
Placement Document	Placement document to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules made thereunder
Preliminary Placement Document	This preliminary placement document along with the Application Form, dated December 18, 2024 issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules made thereunder
QIB *or* Qualified Institutional Buyer	Qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with Rule 14 of the PAS Rules
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all, or part of the Bid Amount submitted by such Bidder pursuant to the Issue
Refund Intimation	The intimation from our Company to relevant Bidders confirming refund of the Refund Amount to their respective bank accounts
Relevant Date	December 18, 2024, being the date of the meeting in which the Special Purpose Committee decides to open the Issue.

Term	Description
Stock Exchanges	BSE and NSE
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Bid Amount and who will be Allocated Equity Shares in the Issue
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorized or obligated by law to remain closed in Mumbai, India

Conventional and General Terms/ Abbreviations

Term	Description
AGM	Annual general meeting
Alternate Investment Funds *or* AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS *or* Accounting Standards	Accounting standards issued by the ICAI
ASM	Additional Surveillance Measure, pre-emptive surveillance measures implemented by the Stock Exchanges
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate identification number
Civil Procedure Code *or* CPC	The Code of Civil Procedure, 1908
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
Companies Act *or* Companies Act, 2013	The Companies Act, 2013 and the rules made thereunder
Companies Act, 1956	The erstwhile Companies Act, 1956 and the rules made thereunder
CSR	Corporate social responsibility
CY *or* Calendar Year	Unless stated otherwise, the period of 12 months ending December 31 of that particular year
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
Depository Participant *or* DP	A depository participant as defined under the Depositories Act
DIN	Director identification number
DP ID	Depository participant identification number
DPIIT	Department for Promotion of Industry and Internal Trade
EGM	Extraordinary general meeting
EPS	Earnings per share
ERP	Enterprise resource planning
FBIL	Financial Benchmark India Private Limited
FDI	Foreign direct investment
FDI Policy	Consolidated FDI policy issued by the Department for Promotion of Industry and Internal Trade Ministry of Commerce and Industry, Government of India, with effect from October 15, 2020
FEMA	The Foreign Exchange Management Act, 1999 and the regulations issued thereunder
Financial Year *or* Fiscal Year(s) *or* Fiscal *or* FY	Period of 12 months ended March 31 of that particular year, unless otherwise stated
FMCG	Fast-moving consumer goods
Form PAS-4	Form PAS-4 as prescribed under the PAS Rules
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations
Fraudulent Borrower	An entity or person categorised as a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fugitive Economic Offender(s)	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI(s)	Foreign venture capital investors as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 and registered with SEBI thereunder
GDP	Gross domestic product

Term	Description
Government	Central Government and/ or the State Government, as applicable, unless otherwise specified
GSM	Graded Surveillance Measures, pre-emptive surveillance measures implemented by the Stock Exchanges
GST	Goods and services tax
HUF	Hindu undivided family
ICAI	The Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financial Reporting Standards
Income Tax Act	The Income-tax Act, 1961
Ind AS	Indian Accounting Standards notified under the Ind AS Rules read with Section 133 of the Companies Act, 2013
Ind AS Rules	The Companies (Indian Accounting Standards) Rules, 2015, as amended
ISIN	International securities identification number
IST	Indian standard time
IT	Information Technology
KYC	Know Your Customer
Labour Codes	Collectively, the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labour legislations
MCA	The Ministry of Corporate Affairs, Government of India
MNC	Multi-national corporations
NAV	Net Asset Value per Equity Share at a particular date computed based on Total Equity divided by number of Equity Shares
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NR	Non-resident or person(s) resident outside India, as defined under the FEMA
NRE	Non- Residential External
NRE Account	Non-resident external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non- Resident Ordinary
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCBs *or* Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
ODI	Off-shore Derivate Instruments
p.a.	Per annum
PAN	Permanent account number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014
PAT	Profit after tax
PMLA	Prevention of Money Laundering Act, 2002
R&D	Research and development
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Rs. *or* ₹ *or* Rupees *or* INR	Indian Rupee
RTGS	Real time gross settlement
SCR (SECC) Regulations	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992

Term	Description
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, read with the FPI Operational Guidelines
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI SBEBSE Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S. SEC	The United States Securities and Exchange Commission
U.S. Securities Act	The United States Securities Act of 1933
SI-NBFC	Systematically important non-banking financial company
Social Security Code	The Code on Social Security, 2020
State Government	Government of a State of India
Stock Exchanges	BSE and NSE
STT	Securities Transaction Tax
TAN	Tax deduction account number
TDS	Tax deductible at source
Trademarks Act	Trade Marks Act, 1999
U.S. GAAP	The generally accepted accounting principles followed in the U.S.
U.S.$ *or* U.S. Dollar *or* USD	United States Dollar, the legal currency of the United States of America
UoI	Union of India
USA *or* U.S. *or* United States	The United States of America, its territories or possessions, any state of the United States, and the District of Columbia
VCF	Venture capital fund as defined and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations

SUMMARY OF BUSINESS

Overview

We are a software-as-a-service ("**SaaS**") fintech platform, digitising spends with automated workflows tailored for businesses. We operate at the intersection of the SaaS and fintech ecosystems, offering our corporate cards through our unified platform, which integrates employee benefits, expense management, accounts payable and personal finance tools into a streamlined dashboard for corporate administrators and a user-friendly mobile application for employees and their ecosystem partners. We empower businesses to optimize their spending, enhance financial control and drive operational efficiency by addressing their needs of digitization, automation and optimization. We follow a plug and play approach, where we can introduce newer products and services to our existing and potential Customers (*i.e.*, businesses), leveraging our strong technology platform and network partners.

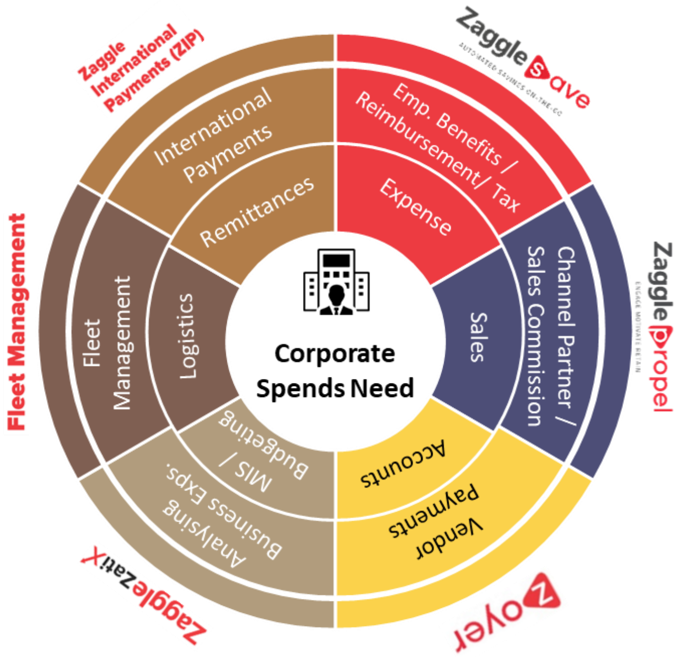
Incorporated in 2011, we operate in a segment where we interact and interface with our Customers (*i.e.*, businesses) and end Users (*i.e.*, amongst others, employees, vendors, dealers, suppliers and channel partners). We offer a variety of spend management solutions for a business' needs with regards to their key stakeholders (*i.e.*, end Users) such as employees, vendors, channel partners, dealers and suppliers through various payments solutions such as business credit cards, prepaid cards and unified payments interface ("**UPI**"). We have issued more than 50 million business credit cards and prepaid cards in partnership with banking partners and served more than 3 million users served, as of September 30, 2024.

We are sector-agnostic and cater to corporate customers ("**Customers**") across, amongst others, banking, financial services and insurance ("**BFSI**"), technology, healthcare, manufacturing, retail, fast-moving consumer goods ("**FMCG**"), infrastructure, pharmaceuticals, automobile and oil and gas industries. We have developed relationships with brands such as Wipro Limited, Emami Limited, Hiranandani Constructions Pvt Ltd, Wockhardt Ltd, Digicare Health Solutions Private Limited, Hoichoi Technologies Private Limited, WhiteOak Capital Asset Management Limited, Inox India Limited, Volvo Auto India Private Limited, Skoda Auto Volkswagen India Private Limited, IIFL Finance Limited and Motilal Oswal Financial Services Limited. Our Customers have grown at a CAGR of 31.17% from 1,753 as of March 31, 2022 to 3,016 as of March 31, 2024, and was 3,213 as of September 30, 2024. Our offerings have features such as a configurable platform for each Customer, allowing for partner on-boarding and automated workflows to track spends and reconciliations, which has helped maintain a consistent Customer retention rate, with only 0.49%, 0.67%, 1.62%, 1.54% and 0.37% of Customers terminating their contracts during the six months ended September 30, 2024 and 2023, and Fiscals 2024, 2023 and 2022, respectively.

We are placed at the intersection of the SaaS and fintech ecosystems, and our spend management platform is designed for: (i) employee expenses, reimbursements and benefits; (ii) accounts payable platform for vendor management; (iii) channel partner incentives for, amongst others, distributors, dealers, sub-dealers, retailers, agents and influencers; and (iv) specialised use cases and payments solutions such as fleet spend management system, analytics platform and international payments. Our core products portfolio include:

Employee expenses, reimbursements and benefits	• '**Save**', a SaaS-based platform to offer expense management solution for business spend management facilitating digitised employee reimbursements and tax benefits; • '**TaxSpanner**', a tax preparation and e-filing platform, offering digital tax solutions (such as income tax and GST filing) to businesses and individuals.

Accounts payable solution	• '**Zoyer**', an integrated data driven, SaaS based business spend management platform with embedded automated finance capabilities in core invoice to pay workflows. It also includes our petty cash solution which streamlines long-tail spending with automated petty cash management and digital fund transfers. Our spend analytics dashboard empowers corporates to enhance spend control, eliminate cash handling risks and minimize fraud.
Channel partner incentives	• '**Propel**', a corporate SaaS rewards and recognition platform for channel rewards and incentives, employee rewards and recognition through our banking partner co-branded prepaid gifting card or redemption of catalogue of brand vouchers through our platform.
Specialised use cases and payment solutions	• **'Zatix'**, an intelligent spend analytics platform, designed to empower businesses with greater cost efficiencies. • **'Fleet Management'**, a fleet spend management system for fleet owners and oil marketing companies/ CNG providers that offers dashboard and analytics along with advanced spend controls for fleet owner and automated approval workflow. • **'Zaggle International Payments ("ZIP")'**, an international payments platform, that offers transparency, and efficiency with convenience and compliance.



Our primary Customers provide us with access to their employees, channel partners, vendors and consumers (together, the "**Users**"), giving us the benefit of a diversified User base. As of September 30, 2024, we had 2,578 corporate accounts (*i.e.*, more than 250 Users) and 635 small and medium-sized business ("**SMB**") accounts (*i.e.*, up to 250 Users). Our Customers use our software to manage spends related to their employees, business, channel partners, vendors and consumers.

We offer a SaaS fintech platform with low customer acquisition and retention costs in the business-to-business-to-consumer ("**B2B2C**") segment. Our approach revolves around cross-selling, up-selling, and offering our products and services in strategic partnerships with other players in the operating ecosystems. Through our arrangements with partner banks and fintechs, our Customers are able to offer their employees, channel partners, vendors and consumers a suite of SaaS fintech solutions. We offer an integrated value proposition through our platform, providing a combination of payment instruments as well as an integrated mobile application that digitises business and employee spends. Application programming interface ("**API**") integrations on the platforms provided to our Customers offer them enhanced convenience and an efficient user experience through a simplified dashboard. This enables a clear, distinct and integrated access to our products, and gives us an opportunity to promote and offer our third-party associations through the same interface. Our ability to offer diversified SaaS offerings to an existing customer base enables us to launch new products and cross-sell products to our wide User base, such as our recently launched Fleet Payment Solution and ZIP solution. Accordingly, we have partnered with various businesses to offer their products and value-added services ("**VAS**"), including insurance, investment and tax planning, to our Users on our platform. Further, as part of our offering, we have collaborated with certain key banking partners, including IndusInd Bank Limited, NSDL Payments Bank Limited, ICICI Bank, IDFC First Bank Limited, Kotak Mahindra Bank Limited and Axis Bank Limited (our "**Banking Partners**"), and with card networks for forex cards.

Strengths

Differentiated SaaS-based fintech platform, with an omni-channel offering through a combination of embedded finance, payment instruments, mobile application and API integrations

Our SaaS fintech offerings are deeply embedded in the spend management segment, comprising Propel, Save, Zoyer, Fleet Management, Zatix, ZIP and TaxSpanner. These innovative spend management solutions are designed to provide businesses with employee expenses, reimbursements and benefits, accounts payable platform for vendor management, channel partner incentives, and specialized solutions such as fleet spend management and international payments. Our key SaaS fintech offerings include:

- '*Save*', is a SaaS-based platform and mobile application focused on employee expense management and benefits. It features automated workflows, digitized employee reimbursements, and an employee benefits module. This platform is bundled with a prepaid card or business credit card along with our dashboard and a mobile application for the user, with an ability to create multiple wallets for a single user, that can be used at any online or offline terminal across all networks. 'Save' enables our Customers to digitise, aggregate and manage their employee spends, enabling efficiencies through automated workflows.

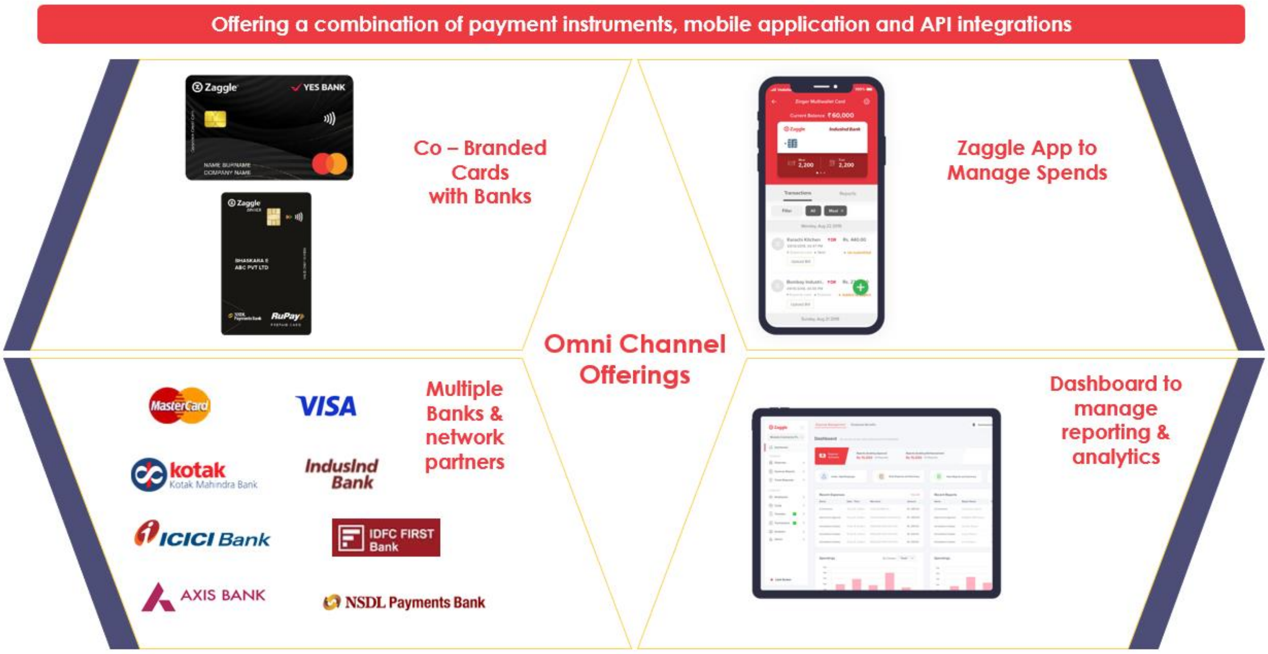
- '*Propel*', is a corporate SaaS platform for channel rewards and incentives, employee rewards and recognition. 'Propel', through its automated rewards and recognition platform, drives sales and business performance for our Customers, enabling them to drive growth and unlock value in their business operations. Propel allows our Customers to have an increased engagement with their employees and channel partners, contributing to their growth.

- '*Zoyer*', is an integrated data-driven accounts payable platform with embedded finance capabilities that drives efficiencies by digitizing vendor procure-to-pay solutions and providing seamless petty cash management, automated invoice processing and utility bill payments. It also offers insights into enterprise wide spends, and digitized management of cash outflows to improve business performance.

We combine our unified SaaS fintech platform with a comprehensive product stack that digitises spend management and rewards for businesses, along with our offering of payment instruments, such as the cobranded corporate credit cards, ZIP (foreign exchange cards and remittances that simplifies international payments for Users), Zakey (a contactless payment device that allows Users to make cashless and contactless payments at various locations) and Zinger Multi-wallet Card (a reloadable card with multiple wallets that works at both online and offline outlets, including UPI, are accepted in India).

Our mobile application provides our Customers and Users with a real time view of card details, account balance, transactions (including transfers to bank accounts), card security, easy expense management by allowing for bills to be uploaded, approved, and paid for corporate spending and such other benefits. Our platform can be used for setting spending limits for employees according to their role and designation, prohibit designated spends (for alcohol), prohibit transactions at non-designated merchant establishments (for example in a bar), enabling an organisation to efficiently manage corporate spending. Furthermore, API integrations (which are hosted through the cloud) with our banking partners, card networks and merchants provide us with access to their user base.

Our omni-channel technology offering is depicted below.

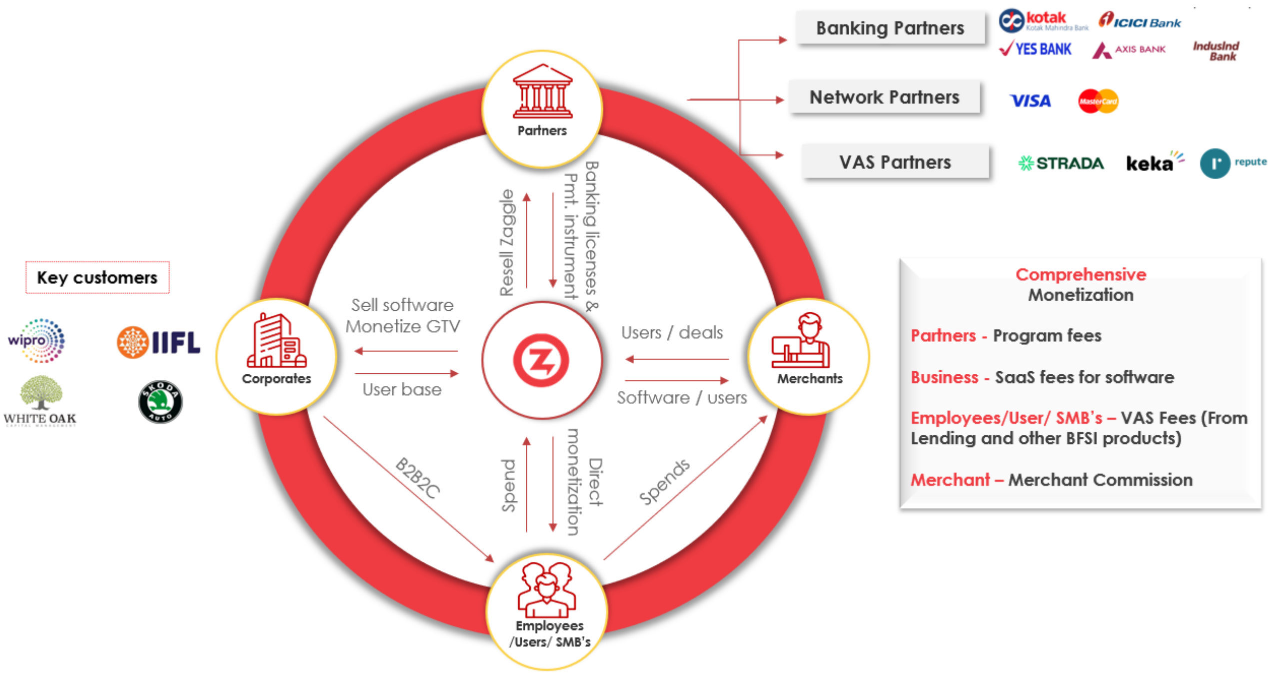


Unique SaaS fintech ecosystem play with strong network effect, in-house developed technology and significant cross selling potential

Our unique SaaS fintech ecosystem allows for parties with complementary services to connect, creating a strong network effect for businesses, employees, channel partners, customers, merchants and banks. We provide a composite omnichannel SaaS fintech offering under a single application and payment instrument. Our SaaS offerings (comprising Propel, Save, Zoyer, Fleet Management, Zatix, ZIP and TaxSpanner) work together with our omnichannel product offerings (comprising, amongst others, business credit cards, prepaid cards, mobile application, analytics solutions), which allows our Customers to offer a seamless and integrated experience to their end-Users across multiple channels and platforms. The API integrations of all our offerings with our customers' enterprise resource planning ("**ERP**") and other internal platforms provide our Customers and Users with ease of access and utility under a single application. The APIs are representational state transfer ("**REST**") based which makes them configurable and are designed with the developers in mind for easy consumption and quick integration. Moreover, the deep integration with our Customers' technology stack results in more customised interactions for our Users, thereby enhancing our Customer loyalty and retention.

We provide our offerings to our Customers and Users who include employees, vendors, channel partners, consumers, dealers, suppliers and influencers, while partnering with merchants, banks, fintechs and NBFCs, providing a strong value proposition to each stakeholder.

These benefits provided by our platform to each of the stakeholders enhance their usage of our platform, thus forming a strong network effect. The benefits of our offerings across stakeholders are depicted in the graphic set forth below.



Profitable business model with diverse sources of revenue and low customer acquisition and retention costs

We have achieved strong growth in revenues and consistent profitability in the last three Fiscals. Our revenue from operations have grown at a CAGR of 44.54% during Fiscal 2022 and 2024. Our profit after tax was ₹370.28 million, ₹96.40 million, ₹440.20 million, ₹229.01 million and ₹419.21 million in the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively, demonstrating growth in scale across our businesses which was primarily attributable to an increase of 75.81% in our User base from 1,723,350 Users as of March 31, 2022 to 3,029,859 Users as of September 30, 2024, along with a corresponding increase in spending by our Users that facilitated an increase in the interchange fees received due to an overall increase in the scale of our business, commensurate with the growth in the digital payments industry. This has enabled us to diversify our streams of revenue.

We generate revenue from operations through various sources, including program fee, propel platform revenue/ gift cards and platform fee/ SaaS fee/ service fee subscription fees, which reduces our reliance on any single customer segment, product category, or market as well as provides flexibility to adapt to changing market conditions and customer preferences.

Program fees is one of the largest components of our total revenue from operations, which in turn primarily consists of our portion of interchange fees which are spend-based fees that our Banking Partners earn for the transactions carried out by the Users/ Customers of business credit cards and prepaid cards at offline and/or online merchant points of sale and which we receive from our Banking Partners. Owing to the strong business value proposition we offer to our Banking Partners, we are able to receive a larger share of the interchange fees compared to our Banking Partners. We reduce the cost to serve and cost to acquire customers for our Banking Partners, while increasing their cross-sell opportunity and revenue streams. Our Banking Partners generate revenue from float income in prepaid cards, interest income in business credit cards and a share of the interchange fees, while we bear the entire cost of issuing, managing and marketing the cards.

Our focus on diversification of our streams of revenue in recent periods has resulted in reduction of contribution of interchange fees to 37.38% of our total revenue from operations in the six month period ended September 30, 2024 from 50.66% in Fiscal 2022. We charge our Customers a platform fee, SaaS fee and service fee for implementing our product offerings. We earn fees from periodic subscriptions from our Customers for the usage of our software and also generate revenue by monetizing 'Propel Points' which are reward points that are calculated, issued and redeemed on our platform. In particular, the introduction of Zoyer, an integrated data driven, SaaS based Accounts Payable platform, has increased the revenue generated from program fees by 89.93% from Fiscal 2023 to Fiscal 2024 and 162.01% from the six months ended September 30, 2023 to the six months ended September 30, 2024.

In addition to the revenue stream from subscription fees (including add-on charges, if any), we have also begun to earn merchant commissions and commission on VAS sales. We also work with wealth management partners to offer their loan and wealth management products to our Users. Additionally, we have partnered with industry participants and financial institutions such as RZPX Private Limited and Strada India Private Limited, who offer our products 'Save', 'Propel' and

'Zoyer' to their customers. Further, we have recently entered into a referral partnership agreement with Mastercard Technology Private Limited ("**Mastercard**"), wherein Mastercard shall, in its sole discretion, introduce us to their customers in order for us to offer and sell our products. Under the terms of our contracts, we earn a referral fee for each successful loan or financial product availed by the users of our platforms but take no credit risks on our balance sheet which is borne by the partner who also conducts the KYC and underwriting processes.

Set forth below is a breakdown of our different sources of revenue for the financial years and periods indicated.

Revenue from contracts with customers	**Six month period ended September 30, 2024**		**Six month period ended September 30, 2023**	
	Amount	**Percentage of total**	**Amount**	**Percentage of total**
	(₹ million)	*(%)*	*(₹ million)*	*(%)*
Program Fee	2,530.50	45.61	965.82	31.90
Propel platform revenue/gift cards	2,847.62	51.33	1,914.73	63.25
Platform fee/ SaaS fee/ Service fee	169.51	3.06	146.66	4.84
Total	**5,547.63**	**100.00**	**3,027.21**	**100.00**

Revenue from contracts with customers	**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount	**Percentage of total**	**Amount**	**Percentage of total**	**Amount**	**Percentage of total**
	(₹ million)	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*
Program Fee	3,218.43	41.50	1,694.53	30.62	2,007.03	54.06
Propel platform revenue/gift cards	4,225.06	54.47	3,597.75	65.00	1,539.22	41.46
Platform fee/ SaaS fee/ Service fee	312.49	4.03	242.32	4.38	166.30	4.48
Total	**7,755.98**	**100.00**	**5,534.60**	**100.00**	**3,712.55**	**100.00**

Our business model is a key differentiator which implements our strategy of acquiring large User bases through our corporate and SMB Customers that enables us to limit our costs incurred on the acquisition of new Users relative to other B2C/retail focused players. Our Customer Acquisition and Retention Costs accounted for 5.71%, 8.02%, 7.35%, 6.26% and 5.80% of our total expenses in the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Customer Acquisition and Retention Costs comprised 5.30%, 7.73%, 6.89%, 5.92% and 5.01% of our total revenue from operations in the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. We incurred sales, advertisement, business promotion and marketing expense of ₹313.92 million, ₹200.64 million and ₹129.67 million in Fiscals 2024, 2023 and 2022, respectively. Furthermore, our platform is also equipped for cross-selling and up-selling opportunities.

Strong relationships with customer across sectors and network partners

Customers: We have a diversified Customer base covering leading brands across multiple industry verticals such as BFSI, technology, healthcare, manufacturing, retail, FMCG, infrastructure, automobile, pharmaceuticals and oil and gas industries. We have been successful in developing relationships with some of the well-known names, including Wipro Limited, Emami Limited, Hiranandani Constructions Pvt Ltd, Wockhardt Ltd, Digicare Health Solutions Private Limited, Hoichoi Technologies Private Limited, WhiteOak Capital Asset Management Limited, Inox India Limited, Volvo Auto India Private Limited, Skoda Auto Volkswagen India Private Limited, IIFL Finance Limited and Motilal Oswal Financial Services Limited.

As of September 30, 2024, we had more than 3.03 million Active Users with 635 SMB accounts and 2,578 corporate accounts. Our Customer base as of September 30, 2024 was 3,213 and has grown at a CAGR of 27.42% during Fiscals 2022 and 2024. We have a strong customer retention capability with the churn rate for Customers terminating their contracts with us being consistently low at 0.49%, 0.67%, 1.62%, 1.54% and 0.37% in the six months ended September 30, 2024, the six months ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. With our integrated and diverse product and service offerings with latest technology that is highly customizable and flexible, customer service, focus on long-term value creation and deep integrations with our Customer's ERP systems, we have successfully increased the stickiness of our corporate customers. Our ability to offer Customers subscription-based services helps provide a recurring revenue stream.

Network Partners: One of our key strengths is our strong relationships with our network partners, who are essential for us to further develop our fintech capabilities, expand our reach and offer diversified suite of products and services. We have developed strong relationships with our network partners, which include: (i) Banking Partners, such as IndusInd Bank

Limited, NSDL Payments Bank Limited, ICICI Bank, IDFC First Bank Limited, Kotak Mahindra Bank Limited and Axis Bank Limited; (ii) Payment Networks; (iii) fintechs, such as RZPX Private Limited; (iv) merchants; (v) channel partners; (vi) VAS partners; and (viii) other partners such as Strada India Private Limited, Keka Technologies Private Limited, Easy Trip Planners Limited, Repyute Networks Private Limited and Riya Travel and Tours (India) Private Limited. In addition, the agreements with Visa Worldwide Pte. Limited and our Company outline the following 5-year partnerships to develop and market co-brand cards in India: (i) prepaid forex card; (ii) consumer credit card; (iii) commercial credit card; and (iv) domestic prepaid card.

We have been partnering with some of our network partners, and built a strong value proposition for them to partner with us. For instance, for our Banking Partners, we act as a corporate firewall for our network partners, ensuring compliance, security, and quality of service for their customers. We also provide them with opportunities to cross sell their products and services, earn float income from the prepaid and business cards, and acquire new customers through our platform. Additionally, we benefit from the customer referrals and feedback that our network partners generate, which help us improve our offerings and reach more potential customers.

Seasoned management team with deep domain expertise supported by a professional workforce

We are led by our Promoter and Executive Chairman, Raj P Narayanam, who established our business in 2011 and has experience in the technology and FinTech industry. He was also honoured as the "Top 50 Indian Digital Finance Influencers 2024" by The Digital Fifth, for his contributions to the FinTech revolution in India and also received the "FinTech Leader of the Year" award at the BW Festival of FinTech Conclave & Awards 2024 as well as the "Lifetime Achievement Award" at the International Startup Festival in 2024. Further, our Promoter, Managing Director and Chief Executive Officer, Avinash Ramesh Godkhindi has been on the Board of Zaggle since May 7, 2012. He holds a Masters' degree in Business Administration from the University of Chicago. He has been awarded the "Inspiring CEO" award by the Economic Times in 2022 and has extensive experience in the banking industry, having worked with Citibank N.A., India prior to joining our Company. Our Promoters play a pivotal role in providing us strategic guidance and direction. We believe that our Promoters have been instrumental in our growth, and that their vision and expertise will continue to provide us with a significant competitive advantage as we seek to expand our business and operations.

Our senior management team is supported by our educated and professionally qualified workforce, comprising professionals with extensive knowledge, understanding and experience in the fintech, banking, technology, infrastructure and healthcare industries. For instance, our Chief Financial Officer, Venkata Aditya Kumar Grandhi, has experience in the financial services industry. Our senior management team has domain and industry expertise as well as the ability to launch products and lead teams, that will be advantageous as we seek to grow our businesses, including the introduction of new products and verticals. Furthermore, this industry expertise provides our senior management with the vision to steer the long-term strategic direction of our business. We have also further strengthened our senior management team at the 'Chief x Officer ("**CXO**") level with diverse and experienced leaders. For example, Saurabh Puri, our Chief Business Officer (categorized on July 30, 2024), came on board in March 2022; Latha Iyer, our Chief Human Resources Officer (categorized on July 30, 2024), in August 2022; and Srikanth Gaddam, our Chief Technology Officer (categorized on July 30, 2024), in July 2023.

Our Board consists of Directors with a diverse mix of experience in various sectors, and also comprises three experienced independent directors, including Aravamudan Krishna Kumar, who has significant experience in the banking industry. In October 2024, we further strengthened our Board by appointing Virat Sunil Diwanji. With over three decades of experience in the banking industry, his expertise will be instrumental in driving further growth in the fintech sector. The committees of our Board, such as the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee and the Corporate Social Responsibility Committee, work in tandem and supervise the activities of our executive leadership.

For further details, see "*Board of Directors and Senior Management*" on page 176.

Strategies

As the digital revolution accelerates, businesses are increasingly moving away from outdated, in-house solutions and adopting agile, adaptable digital platforms. We believe we stand at the forefront of this transformation in spend management. By leveraging APIs, we create unified platforms that streamline critical corporate functions such as expense management, vendor payments, employee benefits, channel incentives and travel management. Our business model is profitable and scalable, underpinned by software excellence, trusted partnerships with banks and a diverse client base. These factors collectively enable us to capitalize on the rapidly growing market and deliver value to our customers. The key elements of our strategy are summarised below:

Pursue selective strategic acquisitions and investments to grow our business

In addition to generating organic growth opportunities, we have a demonstrated history of integrating acquisitions with our business and consolidating our position in the fintech industry. For instance, pursuant to a share purchase agreement dated September 26, 2024, we acquired an additional 53.32% shareholding in Span Across IT Solutions Private Limited, a company that deals in online income tax return preparation services and development of software. This acquisition was completed on September 30, 2024 and resulted in us holding 98.32% shareholding in Span Across IT Solutions Private Limited. As a result, Span Across IT Solutions Private Limited became our Subsidiary with effect from September 30, 2024. We follow a disciplined and opportunistic approach to acquisitions, and our track record of efficiently integrating acquired businesses, realizing cost synergies, and consolidating our position in the market is a testament to our expertise. Our ability to consolidate acquisitions has been a key strength, enabling us to continue to deliver superior value to our customers and stakeholders.

We intend to continue to actively pursue strategic investments and acquisitions that are complementary to our business and in the fintech space that we operate in. We evaluate each potential acquisition to determine how the product offering or solution will integrate with our existing portfolio and what synergies we can derive from such potential investments or acquisitions. Our corporate development team consists of professionals who evaluate potential M&A opportunities that might enable us to further enhance our current market share and/ or product offering or offer a new segment on the digital spend management platform. These acquisitions could include companies providing access to software for loyalty programs, reward and recognition, payments integrated space, non-banking financial companies, supply chain financing and vendor payments, that may be seen as a VAS for our Customers/ Users to enhance their experience and increase Customer/ User retention and loyalty, other SaaS companies and companies that provide us access to newer target demographics and markets within India and in international geographies that are positioned to support our business model and products. For further details, see “- *Use of Proceeds*” on page 91.

While we intend to enhance our penetration in existing markets as they continue to grow, we are also working towards expanding our footprint globally. In June 2022, we commissioned a study by Aranca of 16 international markets for potential expansion and have shortlisted the United States, the United Kingdom and Brazil, each of which exhibits a large target audience, high fintech adoption, economic stability and a large addressable market for our offerings. We may undertake investments in certain target markets by incorporating new entities, contingent on various factors, including the regulatory requirements in such geographies. We also intend to collaborate with various vendors to expand our portfolio of offerings, increasing our acceptability with Customers.

Continue to increase our Customer base of corporate accounts, SMB accounts, start-ups and merchants

Set forth below are details of our Customers using our products and services, as of the dates indicated.

Particulars	**As of September 30,**		**As of March 31,**		
	2024	**2023**	**2024**	**2023**	**2022**
Number of Customers	3,213	2,732	3,016	2,411	1,753
Increase in number of Customers from the prior financial year end/ period end *(%)*	17.61	-	25.09	37.54	-

Set forth below are details of our Active Users, total Users and average User base per business, as of the dates indicated.

Particulars	**As of September 30,**		**As of March 31,**		
	2024	**2023**	**2024**	**2023**	**2022**
Active Users*	3,029,859	2,523,674	2,734,674	2,274,138	1,723,350
Increase in number of Users from the prior financial year end/ period *(%)*	20.06	-	20.25	31.96	-
Total Users	3,765,432	3,094,312	3,364,532	2,997,816	2,643,545
Average User base per business	943	924	907	943	983

** Active Users are Users who have used our products or services on any of our platforms during the relevant year or specific period above.*

According to the Frost & Sullivan Report, the FinTech SaaS market is expected to grow from ₹120.24 billion in 2024 (expected) to ₹689.29 billion in 2030 (expected) at a CAGR of 33.78%. Further, the growth of the credit and prepaid cards market are much higher than the debit card market. India’s credit card market is expanding rapidly, driven by growing consumer demand for digital payments, the rise of e-commerce, and a shift towards cashless transactions. Moreover, India’s spend management market is witnessing notable growth as businesses increasingly seek streamlined financial oversight and operational efficiency. The Indian spend market is expected to grow from ₹98.85 billion in 2024 (expect) to ₹207.25 billion in 2030 (expected) at a CAGR of 13.13%. In addition, India's accounts payable market is advancing rapidly as businesses emphasize streamlined financial operations and stronger cash flow management. The accounts payable market is expected to grow from ₹11.86 billion in 2024 (expected) to ₹21.76 billion in 2030 (expected) at a CAGR of 10.64%. In addition, the number of new company registrations in India are at an all-time high and is expected to grow at a CAGR of approximately 28.0%. (*Source: Frost & Sullivan Report*) This offers us significant opportunities and headroom for future growth. We intend to continue to leverage our strong customer relationships, and invest in our direct and indirect sales and marketing capabilities, to continue to acquire new Customers in India.

Continue to scale and expand by increasing user penetration and cross selling within our existing Customer base

Our customer base of 3,213 organisations as of September 30, 2024 represents a growth opportunity for us through potential access to their employees, partners, and their customers. Expansion in these organisations is driven by adding Users, increasing adoption of our products by other departments within the organisation, displaying the offerings to our customers through a variety of third-party products that help increase User base penetration and loyalty towards our brand. Our multi-product platform offers significant cross-sell opportunities such as insurance, investments, loans, retail and corporate credit cards, tax advisory and purchase cards, among others. We plan to continue scaling our offerings through effective cross-sell and up-sell opportunities to offer new products to our existing Customers. Our Customer base and partnerships with our Banking Partners, financial institutions and merchants, provides us with the ability to cross-sell and up-sell our products and services to a large User base. We have recently entered into an agreement with Open Network for Digital Commerce to facilitate the issuance of prepaid payment instruments to customers or sponsor organisations for rewarding their employees, partners and consumers. We are also focused on scaling Zoyer and Zatix to drive growth and provide deeper insights to our corporate clients.

By offering our products and services to different departments within an existing Customer, we continue to grow our User base by increasing penetration within our existing Customers across departments and drive higher spending per employee through cross-selling and up-selling opportunities. We believe that the annual amount of spending per employee is expected to increase in the coming years. As the annual amount of spending per employee increases, and more of our Customers offer our cards and solutions to an increased number of their employees and channel partners, we anticipate that the funds disbursed through our platform or wallets will increase, and in turn the amount spent by such Users at various merchants available through our platform or who support our wallets, resulting in better growth of our business and operations.

Continue to innovate to introduce new products and use cases

Since inception, we have expanded our offerings from employee rewards to rewards for channel partners of businesses, to recognition for employees, to employee tax benefits, to employee reimbursement, to employees' expense management solutions, to vendor payments, to selling of software to banks and financial institutions, to fleet spend management solutions and recently to international payments. Our commitment to innovation is evident through initiatives such as API integrations for enhanced user experience and the introduction of contactless payment options, such as Zakey.

We cross-sell corporate credit cards and purchase cards along with other value-added services through our Banking Partners. Through our partnership with lending platform, we are able to provide our Users with additional services on our platform such as availing advance salaries. Our partnerships with our Banking Partners enable our SMB Customers to seek access to working capital for their business operations. In Fiscal 2024, we launched a spend management system, Fleet Management, for fleet management for fleet owners and oil marketing companies/ CNG providers to manage their fleet expenses efficiently. Fleet Management offers dashboard and analytics along with advanced spend controls for fleet owner and automated approval workflow. We also launched an international payments solution, ZIP, in Fiscal 2024 that simplifies global transactions by offering end-to-end payment tracking, live foreign exchange rates and instance issuance of foreign inward remittance certificates. Further, in Fiscal 2023, we introduced Zakey, a contactless payment device in the form of a "key fob", in partnership with our Banking Partners. Through Zakey, Users can make cashless and contactless payments at various locations such as cafeterias, fuel outlets and fast-food counters for up to ₹5,000 without entering a PIN and by tapping the key fob on the POS machine. The Zaggle app can used to view transaction history and Zakey can be locked and unlocked through the Zaggle app. Zakey can be also utilised for corporate gifting to employees of our Customers and channel partners given its hassle free set up usage. We intend to extend our technology platform with a view that the continued efforts of our technology team could offer a higher value proposition for certain Customers and could result in an increased adoption of our products by both new and existing Customers.

Leverage strategic partnerships with financial institutions and merchants

Our partnerships are categorised into two broad categories: (i) growth; and (ii) VAS.

To drive growth, we have partnered with industry participants and financial institutions such as RZPX Private Limited and Strada India Private Limited who offer our products ‘Save’, ‘Propel’ and ‘Zoyer’ to their customers. Further, we have recently entered into a referral partnership agreement with Mastercard, wherein Mastercard shall, in its sole discretion, introduce us to their customers in order for us to offer and sell our products. We intend to leverage on the insights of our partners to provide and build new solutions for our Customers and Users, while acquiring new Customers, merchants and Users with the support of our partners including the development of new technologies and ideas.

We also have VAS partnerships for services such as insurance, investment and tax planning. For example, we have tied up with a financial and investment services provider for marketing their products and to provide our Users with access to investment products. In addition to using our own sales and marketing teams, we plan to leverage our partner networks while adding new partners to explore additional go-to-market opportunities and grow our Customer base. We have partnered with a lending platform to market their loan products to our user base.

Going forward, we also intend to enable our Banking Partners to penetrate into large and small businesses, attracting a wider Customer base that provides an opportunity to cross-sell their offerings.

SUMMARY OF THE ISSUE

Set forth below is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including "*Risk Factors*", "*Use of Proceeds*", "*Placement and Lock-Up*", "*Issue Procedure*" and "*Description of the Equity Shares*" on pages 51, 91, 199, 187 and 216, respectively.

Issuer	Zaggle Prepaid Ocean Services Limited
Face Value	₹1 per Equity Share
Issue Price	₹[●] per Equity Share (including a premium of ₹[●] per Equity Share)
Floor Price	₹550.73 per Equity Share, calculated in accordance with Regulation 176 of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. However, our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders of our Company accorded through their resolution dated December 2, 2024 by way of postal ballot and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Size	Issue of up to [●] Equity Shares, aggregating up to approximately ₹[●] million A minimum of 10% of the Issue Size, *i.e.,* up to [●] Equity Shares, shall be available for Allocation to Mutual Funds only and the balance [●] Equity Shares will be available for Allocation to all QIBs, including Mutual Funds. In case of under-subscription or no subscription in the portion available for Allocation to Mutual Funds, such portion or part thereof may be Allotted to other Eligible QIBs.
Date of Board resolution approving the Issue	October 30, 2024
Date of Shareholders' resolution via postal ballot approving the Issue	December 2, 2024
Eligible Investors	QIBs as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179 of the SEBI ICDR Regulations, to whom this Preliminary Placement Document and the Application Form are circulated and who are eligible to bid and participate in the Issue. FVCIs are not permitted to participate in the Issue. The list of QIBs to whom this Preliminary Placement Document and Application Form is delivered shall be determined by our Company, in consultation with the Lead Managers, at its discretion. For further details, see "*Issue Procedure—Qualified Institutional Buyers*", "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 193, 201 and 210, respectively.
Dividend	See "*Description of the Equity Shares*" and "*Dividends*" on pages 216 and 102, respectively.
Indian taxation	See "*Taxation*" on page 219.
Equity Shares issued, subscribed, fully paid-up and outstanding immediately prior to the Issue	122,835,933 Equity Shares of face value of ₹1 each
Equity Shares issued, subscribed, fully paid-up and outstanding immediately after to the Issue	[●]
Issue Procedure	The Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act, 2013, read with rules made thereunder, including Rule 14 of the PAS Rules, and Chapter VI of the SEBI ICDR Regulations. For further details, see "*Issue Procedure*" on page 187.
Listing and trading	Our Company has obtained in-principle approvals each dated December 18, 2024 in terms of Regulation 28(1)(a) of the SEBI Listing Regulations from the Stock Exchanges, for listing of the Equity Shares to be issued pursuant to the Issue. Our Company will make applications to each of the Stock Exchanges after Allotment to obtain final listing and trading approval for the Equity Shares after the Allotment and after the credit of the Equity Shares to the beneficiary account of the Allottee with its Depository Participant, respectively. The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges.

Proposed Allottees	See "*Proposed Allottees in the Issue*" on page 234 for names of the proposed Allottees and the percentage of post-Issue capital that may be held by them in our Company.	
Lock-up	For details in relation to lock-up, see "*Placement and Lock-up*" on page 199 for a description of restrictions on our Company in relation to the Equity Shares.	
Transferability restrictions	The Equity Shares to be issued pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the Stock Exchanges. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. For details in relation to other transfer restrictions, see "*Transfer Restrictions*" on page 210.	
Use of Proceeds	The gross proceeds from the Issue will be approximately ₹[●] million. The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, will be approximately ₹[●] million, which is proposed to be utilized for (i) strategic investments, acquisitions and inorganic growth opportunities by our Company and our Subsidiary, SAISPL; (ii) pre-payment/ re-payment, in part or full, of certain outstanding borrowings availed by our Company; and (iii) general corporate purposes. See "*Use of Proceeds*" on page 91 for additional information regarding the use of net proceeds from the Issue.	
Risk factors	See "*Risk Factors*" on page 51 for a discussion of risks you should consider before investing in the Equity Shares.	
Closing Date	The Allotment of the Equity Shares pursuant to the Issue is expected to be made on or about [●], 2024.	
Ranking	The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* with the existing Equity Shares of our Company, including in respect of voting rights and dividends. The holders of Equity Shares (as at the record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, the SEBI Listing Regulations and other applicable laws and regulations. Shareholders may attend and vote in Shareholders' meetings in accordance with the provisions of the Companies Act, 2013. For further details, see "*Dividends*" and "*Description of the Equity Shares*" on pages 102 and 216, respectively.	
Voting Rights	See "*Description of the Equity Shares—Voting Rights*" on page 216.	
Security codes for the Equity Shares	ISIN	INE07K301024
	BSE Code	543985
	NSE Symbol	ZAGGLE

SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information derived from our Audited Financial Statements and Unaudited Consolidated Interim Financial Statements prepared in accordance with the applicable accounting standards and the Companies Act, 2013, and presented in "Financial Information" on page 235. Such selected financial information should be read in conjunction with the information set out in "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 103.

Summary of our audited consolidated balance sheet as at March 31, 2024, March 31, 2023 and March 31, 2022

Particulars	As at March 31,		
	2024	2023	2022
	(₹ million)		
Assets			
Non-current assets			
Property, plant and equipment	25.32	23.48	19.77
Right-of-use assets	119.10	196.73	55.15
Intangible assets	81.56	68.90	44.29
Intangible assets under development	498.63	108.68	15.00
Investments in an associate	247.50	-	-
Financial assets			
a) Investments	12.33	4.85	-
b) Other financial assets	46.12	14.69	7.30
Income tax assets (net)	11.00	119.01	123.59
Deferred tax assets (net)	27.60	23.10	24.59
Other non-current assets	27.22	29.77	21.38
Total non-current assets	**1,096.38**	**589.21**	**311.07**
Current assets			
Inventories	3.58	0.97	1.12
Financial assets			
a) Investments	5.20	12.32	-
b) Trade receivables	1,746.21	1,026.59	429.51
c) Cash and cash equivalents	79.40	195.89	7.11
d) Bank balance other than (c) above	2,713.67	30.07	29.00
e) Other financial assets	30.40	1.15	-
Other current assets	1,286.52	491.39	148.72
Total current assets	**5,864.98**	**1,758.38**	**615.46**
Total assets	**6,961.36**	**2,347.59**	**926.53**
Equity and liabilities			
Equity			
a) Equity share capital	122.49	92.22	1.80
b) Other equity	5,631.33	395.29	(37.38)
Equity attributable to owners of the Company	**5,753.82**	**487.51**	**(35.58)**
Non-controlling interest	-	-	-
Total equity	**5,753.82**	**487.51**	**(35.58)**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	154.73	513.29	483.27
(ii) Lease liabilities	87.57	158.65	51.04
b) Provisions	16.40	11.43	7.22
Total non-current liability	**258.70**	**683.37**	**541.53**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	581.29	697.44	161.45
(ii) Lease liabilities	42.68	44.10	7.35
(iii) Trade payables			
- Total outstanding dues of micro and small enterprises	6.53	9.63	7.77
- Total outstanding dues of creditor other than micro and small enterprises	13.10	82.56	99.58

Particulars	As at March 31,		
	2024	2023	2022
	(₹ million)		
(iv) Other financial liabilities	21.11	23.66	10.38
b) Provisions	0.95	0.22	0.14
c) Other current liabilities	281.77	271.30	133.91
Current tax liabilities (net)	1.41	47.80	-
Total current liabilities	**948.84**	**1,176.71**	**420.58**
Total liabilities	**1,207.54**	**1,860.08**	**962.11**
Total equity and liabilities	**6,961.36**	**2,347.59**	**926.53**

Summary of our audited consolidated statements of profit and loss for the Fiscals 2024, 2023 and 2022

Particulars	For the year ended March 31,		
	2024	2023	2022
	(₹ million)		
Income			
a) Revenue from operations	7,755.98	5,534.60	3,712.55
b) Other income	112.71	11.15	4.09
Total revenue	**7,868.69**	**5,545.75**	**3,716.64**
Expenses			
a) Cost of point redemption / gift cards	3,797.16	3,188.70	1,435.08
b) Consumption of cards	12.28	17.53	17.78
c) Employee benefits expense	512.82	435.83	154.30
d) Finance costs	137.17	113.77	69.88
e) Depreciation and amortisation expense	83.63	61.99	20.97
f) Other expenses	2,727.82	1,411.58	1,506.85
Total expenses	**7,270.88**	**5,229.40**	**3,204.86**
Exceptional income/ (expense)	-	-	-
Profit/ (loss) before tax	**597.81**	**316.35**	**511.78**
Tax expense			
a) Current tax	162.11	85.97	10.79
b) Deferred tax	(4.50)	1.37	81.78
Total tax expenses	**157.61**	**87.34**	**92.57**
Profit/ (loss) for the year	**440.20**	**229.01**	**419.21**
Other comprehensive income			
a) Items that will not be reclassified subsequently to profit or loss	(2.33)	0.46	0.87
b) income tax related item that will not be reclassified to profit & loss	(0.63)	(0.12)	(0.22)
Total other comprehensive income / (loss) for the year net of taxes (IV)	**(2.96)**	**0.34**	**0.65**
Total comprehensive income / (loss) for the year (III +IV)	**437.24**	**229.35**	**419.86**
Profit/ (loss) for the year attributable to			
Owners of the Company	**440.20**	**229.01**	**419.21**
Non-controlling interest	-	-	-
Other comprehensive income for the year attributable to			
Owners of the Company	**(2.96)**	**0.34**	**0.65**
Non-controlling interest	-	-	-
Total comprehensive income for the year attributable to:			
Owners of the Company	**437.24**	**229.35**	**419.86**
Non-controlling interest	-	-	-
Earnings/ (loss) per equity share (EPS)			
Basic earnings per share (Nominal value of share ₹10)	4.06	2.48	4.57
Diluted earnings per share (Nominal value of share ₹10)	4.03	2.46	4.57

Summary of our audited consolidated cash flow statements for the Fiscals 2024, 2023 and 2022

Particulars	For the year ended March 31,		
	2024	2023	2022
	(₹ million)		
Cash flow from operating activities			
Profit before tax	**597.81**	**316.35**	**511.78**
Adjustments for:			
Depreciation and amortisation expense	83.63	61.99	20.97
Interest expense	123.64	102.87	66.88
Interest expense on lease liabilities	13.53	10.90	3.00
Liabilities no longer required written back	-	(2.26)	(1.17)
Net gain on termination of lease	(4.26)	-	-
Provision / (Reversal) of credit impaired trade receivables	-	(16.23)	14.66
Interest income	(102.55)	(4.16)	(1.32)
Employee share based compensation expenses	149.77	144.13	-
Operating profit before working capital changes	**861.57**	**613.59**	**614.80**
Movement in working capital			
Increase in trade receivables	(719.62)	(580.85)	(217.36)
Decrease/(increase) in inventories	(2.61)	0.15	1.57
Increase in Other financial assets	(31.43)	(12.67)	(3.17)
Increase in other assets	(784.55)	(284.41)	(49.25)
Decrease in trade payables	(72.56)	(12.90)	(83.69)
Increase in provisions	5.70	3.83	2.46
Increase / (decrease) in Other financial liabilities	(2.56)	13.28	-
Increase / (decrease) in other current liabilities	10.47	137.39	(4.63)
Cash used in Operations	**(735.59)**	**(122.59)**	**260.73**
Income taxes paid, (net of refund)	(91.87)	(33.59)	(59.92)
Net cash used in operating activities	**(827.46)**	**(156.18)**	**200.81**
Cash Flow From Investing Activities			
Purchase of Property, Plant and Equipment, intangible assets, Intangibles under development including capital advance	(459.44)	(161.71)	(75.72)
Movement in other than cash and cash equivalents, net	(2,683.60)	(1.07)	(24.00)
Investment in associate	(247.50)	-	-
Investment in unquoted funds	(5.00)	(22.17)	-
Proceeds from sale of investment in quoted mutual funds	11.97	-	-
Interest received	64.68	3.47	1.03
Net cash used in investing activities	**(3,318.89)**	**(181.48)**	**(98.69)**
Cash flows from financing activities			
Proceeds from issue of equity shares including security premium	4,872.91	149.61	-
Share issue expenses	(210.41)	(61.65)	-
Proceeds from long term borrowings	367.95	500.00	250.24
Repayment of long term borrowings	(995.37)	(130.00)	(335.96)
Proceeds from short term borrowings (net)	152.71	196.01	4.67
Payment of lease liabilities	(34.29)	(24.66)	(11.15)
Interest paid	(123.64)	(102.87)	(30.70)
Net cash flow generated from / (used) in financing activities	**4,029.86**	**526.44**	**(122.90)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(116.49)**	**188.78**	**(20.78)**
Cash and cash equivalents at the beginning of year	195.89	7.11	27.89
Cash and cash equivalents at the end of year	**79.40**	**195.89**	**7.11**
Component of cash and cash equivalent			
Cash in hand	0.18	-	0.24
Balance with banks in current account	79.22	195.89	6.87

Summary of our balance sheet as at September 30, 2024 from the Unaudited Consolidated Interim Financial Statements

Particulars	As at September 30,
	2024
	(₹ million)
Assets	

Non-current assets	
Property, plant and equipment	368.89
Right-of-use assets	92.69
Goodwill	583.07
Intangible assets	228.62
Intangible assets under development	497.51
Financial assets	
a) Investments	22.13
b) Other financial assets	49.47
Income tax assets (net)	21.44
Deferred tax assets (net)	12.94
Other non-current assets	27.44
Total non-current assets	**1,904.20**
Current assets	
Inventories	7.98
Financial assets	
a) Investments	-
b) Trade receivables	2,019.40
c) Cash and cash equivalents	73.42
d) Bank balance other than (c) above	1,754.02
e) Other financial assets	46.36
Other current assets	1,731.63
Total current assets	**5,632.81**
Total assets	**7,537.01**
Equity and liabilities	
Equity	
a) Equity share capital	122.61
b) Other equity	6,070.07
Equity attributable to owners of the Company	**6,192.68**
Non-controlling interest	10.13
Total equity	**6,202.81**
Liabilities	
Non-current liabilities	
a) Financial liabilities	
(i) Borrowings	75.84
(ii) Lease liabilities	75.08
b) Provisions	18.44
Total non-current liability	**169.36**
Current liabilities	
a) Financial liabilities	
(i) Borrowings	513.84
(ii) Lease liabilities	28.25

(iii) Trade payables	
- Total outstanding dues of micro and small enterprises	4.26
- Total outstanding dues of creditor other than micro and small enterprises	23.71
(iv) Other financial liabilities	29.93
b) Provisions	0.93
c) Other current liabilities	538.27
Current tax liabilities (net)	25.65
Total current liabilities	**1,164.84**
Total liabilities	**1,334.20**
Total equity and liabilities	**7,537.01**

Summary of our profit and loss for the six-month periods ended September 30, 2024 from the Unaudited Consolidated Interim Financial Statements

Particulars	**For the six-month period ended September 30,**
	2024
	(₹ million)
Income	
a) Revenue from operations	5,547.63
b) Other income	105.30
Total revenue	**5,652.93**
Expenses	
a) Cost of point redemption / gift cards	2,718.12
b) Consumption of cards	5.79
c) Employee benefits expense	320.00
d) Finance costs	42.71
e) Depreciation and amortisation expense	45.75
f) Other expenses	2,012.33
Total expenses	**5,144.70**
Exceptional income/ (expense)	-
Profit before share of profit of an associate	**508.23**
Share of profit of an associate	0.47
Profit before tax	**508.70**
Tax expense	
a) Current tax	124.38
b) Deferred tax	14.04
Total tax expenses	**138.42**
Profit/ (loss) for the year	**370.28**
Other comprehensive income	
a) Items that will not be reclassified subsequently to profit or loss	4.70
b) income tax related item that will not be reclassified to profit & loss	(1.18)
Total other comprehensive income / (loss) for the year net of taxes (IV)	**3.52**
Total comprehensive income / (loss) for the year (III +IV)	**373.80**
Profit/ (loss) for the year attributable to	
Owners of the Company	**370.28**

Non-controlling interest	-
Other comprehensive income for the year attributable to	
Owners of the Company	**3.52**
Non-controlling interest	-
Total comprehensive income for the year attributable to:	
Owners of the Company	**373.80**
Non-controlling interest	-
Earnings/ (loss) per equity share (EPS)	
Basic earnings per share (Nominal value of share ₹10)	3.02
Diluted earnings per share (Nominal value of share ₹10)	3.01

**not annualised*

Summary of our cash flows for the six-month periods ended September 30, 2024 from the Unaudited Consolidated Interim Financial Statements

Particulars	For the six-month period ended September 30,
	2024
	(₹ million)
Cash flow from operating activities	
Profit before tax	**508.70**
Adjustments for:	
Depreciation and amortisation expense	45.75
Interest expense	42.71
Profit on sale of property, plant and equipment	0.16
Provision for credit impaired trade receivables	2.60
Net gain on termination of lease	(2.69)
Share of profit from Associate	(0.47)
Gain on re-measurement of investment in Associate	(22.75)
Interest income	(78.87)
Employee share based compensation expenses	59.63
Operating profit before working capital changes	**554.77**
Movement in working capital	
Increase in trade receivables	(270.94)
Increase in inventories	(4.40)
Increase in Other financial assets	(4.92)
Increase in other assets	(445.12)
Increase in trade payables	2.26
Increase in provisions	2.02
Increase in Other financial liabilities	5.85
Increase in other current liabilities	254.56
Cash used in Operations	**94.08**
Income taxes paid, (net of refund)	(108.41)
Net cash used in operating activities	**(14.33)**

Cash Flow From Investing Activities	
Purchase of Property, Plant and Equipment, intangible assets, Intangibles under development including capital advance	(465.22)
Proceeds from sale of property, plant and equipment	1.90
Movement in other than cash and cash equivalents, net	959.85
Investment in subsidiary	(320.75)
Investment in unquoted funds	(7.14)
Proceeds from sale of investment in quoted mutual funds	5.20
Interest received	64.81
Net cash flow from/ (used in) investing activities	**238.65**
Cash flows from financing activities	
Proceeds from issue of equity shares including security premium	5.42
Share issue expenses	
Proceeds from long term borrowings	-
Repayment of long term borrowings	(113.37)
Repayment from short term borrowings (net)	(67.45)
Payment of lease liabilities	(19.33)
Interest paid	(35.57)
Net cash flow generated from / (used) in financing activities	**(230.30)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(5.98)**
Cash and cash equivalents at the beginning of year	79.40
Cash and cash equivalents at the end of year	**73.42**
Component of cash and cash equivalent	
Cash in hand	1.03
Balance with banks in current account	72.39

RELATED PARTY TRANSACTIONS

For details of our related party transactions in the Fiscals 2024, 2023 and 2022, in accordance with the requirements under Ind AS, see "*Financial Information*" beginning on page 235.

RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Preliminary Placement Document, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described in this section are those that we consider to be the most significant to our business, results of operations and financial condition as of the date of this Preliminary Placement Document. The risks described below may not be exhaustive or the only ones relevant to us, the Equity Shares or the industry segments in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently do not deem material may arise or may become material in the future. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks mentioned below. If any or a combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and investors may lose all or part of their investment. Furthermore, some events may be material collectively rather than individually.

In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Industry Overview", "Our Business", and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 133, 153 and 103, respectively, as well as the other financial and statistical information contained in this Preliminary Placement Document. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. Potential investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to legal and regulatory environment which may differ in certain respects from that of other countries.

This Preliminary Placement Document also contains forward-looking statements that involves risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Preliminary Placement Document. See "Forward-Looking Statements" on page 19.

In this Preliminary Placement Document, unless the context otherwise indicates, requires or implies, any reference to "the Company" or "our Company" refers to Zaggle Prepaid Ocean Services Limited, on a standalone basis, and any reference to "we", "us" or "our" refers to Zaggle Prepaid Ocean Services Limited, its subsidiaries and its associate, on a consolidated basis, as applicable and as reflected in the Audited Consolidated Financial Statements and Unaudited Consolidated Interim Financial Results.

Unless otherwise stated, or unless the context otherwise requires, the financial information for Fiscals 2022, 2023 and 2024 included herein is derived from the Audited Financial Statements and the financial information as at and for the six months ended September 30, 2023 and September 30, 2024, included herein is derived from the Unaudited Consolidated Interim Financial Statements disclosed to the Stock Exchanges pursuant to Regulation 33 of the SEBI Listing Regulations. All the consolidated financial information as at and for the six months ended September 30, 2023 have been extracted from the comparative period column included in the Unaudited Consolidated Interim Financial Statements as at and for the six months ended September 30, 2024. For further information, see "Financial Information" on page 235. The financial information as at and for the six months ended September 30, 2024 is not indicative of our Company's annual performance and not comparable with the annual financial information. Our financial year ends on March 31 of each year. Accordingly, references to "Fiscal 2022", "Fiscal 2023" and "Fiscal 2024", are to the 12-month period ended March 31 of the relevant year.

*Unless stated otherwise, industry and market data used in this section has been obtained or derived from a report titled "Industry Report on SaaS based Fintech Market in India" dated December 14, 2024 (the "**Frost & Sullivan Report**"), prepared and issued by Frost & Sullivan pursuant to an engagement letter dated October 14, 2024, and exclusively commissioned and paid for by us in connection with the Issue. The industry related information included herein includes excerpts from the Frost & Sullivan Report and may have been rearranged by us for the purposes of presentation. There are no parts, data or information (that may be material for the proposed Issue), that have been left out or changed in any manner. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Frost & Sullivan Report and included herein with respect to any particular year is in relation to the relevant calendar year. For more information, see "Presentation of Financial and Other Information" and "- Industry information included in this Preliminary Placement Document has been derived from an industry report commissioned and paid for by us exclusively in connection with the Issue." on pages 14 and 75, respectively.*

INTERNAL RISKS

Risks relating to our business and industry

1. Our recent revenue growth rates may not be indicative of our future financial performance. We have limited operating history at our current scale. Failure to effectively manage our growth could materially and adversely affect the success of our business and/or impact our margins and profitability.

The table below sets forth our revenue from operations and profit after tax for the financial years and periods indicated.

	Six month period ended September 30,		Fiscal		
	2024	2023	2024	2023	2022
Revenue from operations *(₹ million)*	5,547.63	3,027.21	7,755.98	5,534.60	3,712.55
Increase from the prior financial year end/ period end *(%)*	83.26	-	40.14	49.08	-
Profit after tax *(₹ million)*	370.28	96.40	440.20	229.01	419.21
Increase from the prior financial year end/ period end *(%)*	284.11	-	92.22	(45.37)	-

We have experienced rapid growth in the three preceding Fiscals and the six month period ended September 30, 2024, which was primarily attributable to increases in our User/Customer base in these periods that in turn was accompanied by an increase in spending by our Users /Customers that facilitated an increase in Program Fees we received due to an overall increase in the scale of our business. We also experienced significant growth in our revenue from 'Zoyer', 'Propel' and 'Save' in the six months ended September 30, 2024 and Fiscal 2024 as we promoted our business credit cards or prepaid cards during such periods and witnessed an increase in the adoption rate among Corporates and SMBs of vendor payments through business credit cards, expense management and rewards and recognition solutions. For further information on our products, see "*Our Business – Our Business Operations - Our product and service offerings*" on page 165. Our Program Fees, which we derive from our arrangements with our banking partners, primarily consists of our share of interchange fees, the spend-based fees earned from third-party payment networks (the "**Payment Networks**") for the transactions carried out by the Users/ Customer of prepaid or business credit cards at offline and/or online outlets, pursuant to contractual agreements between the Payment Networks and our banking partners, including the key banking partners with whom we have collaborated, such as IndusInd Bank Limited, NSDL Payments Bank Limited, ICICI Bank, IDFC First Bank Limited, Kotak Mahindra Bank Limited and Axis Bank Limited (together, our "**Banking Partners**"). The table below sets forth brief details of our Active Users, as of the dates indicated.

Particulars	As of September 30,		As of March 31,		
	2024	2023	2024	2023	2022
Active Users*	3,029,859	2,523,674	2,734,674	2,274,138	1,723,350
Increase in number of Users from the prior financial year end/ period *(%)*	20.06	-	20.25	31.96	-

** Active Users are Users who have used our products or services on any of our platforms during the relevant year or specific period above.*

The table below sets forth brief details of our Customers using our products and services, as of the dates indicated.

Particulars	As of September 30,		As of March 31,		
	2024	2023	2024	2023	2022
Number of Customers	3,213	2,732	3,016	2,411	1,753
Increase in number of Customers from the prior financial year end/ period end *(%)*	17.61	-	25.09	37.54	-

For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Principal Factors Affecting our Financial Condition and Results of Operations—Impact of interchange fees*" on page 103.

Our revenue growth trajectory could decline in future financial periods or our revenue could cease to grow or decrease and may not be consistent with our recent operating history. Further, we may experience significant fluctuations in our financial performance due to a number of factors. Our revenue growth depends on a number of factors, including our ability to:

- attract new Customers, grow or maintain our Customer retention rate, expand usage within large enterprises (*i.e.*, accounts with 250 Users and above) ("**corporates**" or "**corporate accounts**") and small and medium-sized businesses (*i.e.*, less than 250 Users) ("**SMBs**" or "**SMB accounts**");
- maintain or increase our User/ Customer base, which directly impacts our income from Program Fees;
- continue to manage our relationships with our Banking Partners and other third parties;
- gain continued acceptance for our products and expand the use, features and capabilities of our products;
- withstand competitive pressures and price our subscription plans effectively in a competitive landscape;
- provide satisfactory User and Customer experiences and service, and maintain the security and reliability of our products and services;
- continue to expand our sales force while continuing to improve and expand our technology, administrative, financial and compliance infrastructure, systems and processes;
- scale and adapt our operational, financial and management controls, as well as our reporting systems and procedures to manage increased responsibilities and complexities arising from the expansion of our business and as a public listed company; and
- comply with existing and new applicable laws and regulations.

We may not successfully accomplish any of these objectives, and as a result, it is difficult for us to forecast our future results of operations. In addition, in order to fuel our growth, we expect to continue to expend financial and other resources on:

- the expansion and enablement of our sales and services and promoting our capabilities to drive increased adoption of our products; and
- investments in differentiating our offerings, including investments in the development of new products, technologies, features and functions and entering into strategic technology and sales channel partnerships.

These initiatives may not necessarily yield the desired outcomes for us and may not be profitable or EBITDA accretive. We expect our operating expenses to increase in future periods, and if our revenue growth does not increase in a commensurate manner as anticipated, our business and financial condition would be adversely affected. We have also encountered in the past, and expect to encounter in the future, risks and uncertainties frequently experienced by growing companies in rapidly evolving industries. Moreover, we may not be able to sustain the pace of improvements to our products or introduce new products as frequently as our competitors. If our assumptions regarding the risks and uncertainties which we use to plan our business are incorrect or change or if we do not address these risks successfully, our growth rates may slow down. While there have been no such instances in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future. Our inability to manage our business and implement our growth strategy could materially and adversely affect our business, financial condition and profitability.

2. *We may be unable to retain existing Customers, attract new Customers, convert Customers using our beta or trial versions into paying Customers, or expand usage of our products within or across Customer organizations due to various factors.*

Our business is subscription based and Customers are not obligated to renew expired subscriptions. The term of the agreements we enter into with our Customers typically ranges from one to three years, until such agreements are terminated or, in certain instances, we have subsisting statements of works or purchase orders with the Customers. In addition, certain of our Customers are entitled to terminate our agreements with or without cause.

Set forth below is our number of Customers, Users, the percentage of our revenue from operations accounting for non-renewal of subscriptions and the number of contracts with Customers expired and not renewed, for the financial years and periods indicated.

Financial Year/ Period	Number of Customers	Number of Users	Percentage of revenue accounting for non-renewal of subscriptions (%)	Number of contracts with Customers expired and not renewed
Six month period ended September 30, 2024	3,213	3,029,859	0.49	17
Fiscal 2024	3016	2,734,674	1.62	39
Fiscal 2023	2,411	2,274,138	1.54	27
Fiscal 2022	1,753	1,723,350	0.37	4

Set forth below is our revenue from our top five Customers and top 10 Customers, including as a percentage of the total revenue from operations, for the financial years and periods indicated.

Particulars	Six month period ended September 30, 2024		Six month period ended September 30, 2023	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹ million)	*(%)*	*(₹ million)*	*(%)*
Top five Customers	253.34	4.57	208.23	6.88
Top 10 Customers	369.11	6.65	298.24	9.85

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹ million)	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*
Top five Customers	488.87	6.30	451.93	8.17	349.31	9.41
Top 10 Customers	694.42	8.95	631.36	11.41	490.94	13.22

Set forth below is our revenue from existing or old Customers and new Customers, including as a percentage of the total revenue from operations, for the financial years and periods indicated.

Particulars	Six month period ended September 30, 2024		Six month period ended September 30, 2023	
	Revenue from operations	Percentage of total revenue from operations	Revenue from operations	Percentage of total revenue from operations
	(₹ million)	*(%)*	*(₹ million)*	*(%)*
Existing or old Customers*	4,011.49	72.31	2,145.99	70.89
New Customers	1,536.14	27.69	881.22	29.11

** Customers who were already customers as of the end of the previous period.*

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations	Percentage of total revenue from operations	Revenue from operations	Percentage of total revenue from operations	Revenue from operations	Percentage of total revenue from operations
	(₹ million)	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*
Existing or old Customers*	5,526.91	71.26	3,904.28	70.54	2,549.61	68.68
New Customers	2,229.07	28.74	1,630.32	29.46	1,162.94	31.32

** Customers who were already customers as of the end of the previous period.*

In order for us to maintain or improve our operating results through the network effects that our existing Customers drive on our platforms or to increase our margins, we must increase our Customer base through various methods. While our agreements are renewed from time to time as and when they expire, in the ordinary course of business, there may be time periods between renewals where we do not have any formal arrangements in place with counterparties in relation to the services rendered. In addition, because many of our new Customers originate from word-of-mouth and other non-paid referrals from existing Customers, we must ensure that our existing Customers continue using our products satisfactorily in order for us to benefit from those referrals. We encourage SMB customers on our free beta version to upgrade to paid subscription plans, and Customers of our base level paid plans to purchase more features and add-ons. In the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, the number of SMB customers who have not become paid members after using our free beta version were 31, 26, 76, 87 and 55, respectively. Additionally, we seek to expand our reach within organizations by adding new Users/ Customers, having organizations upgrade their plans with us, or expanding their use of our products into other departments within the organization.

Our Customers may not renew their subscription plans when our current engagements are completed or are terminated, and we may fail to convert SMB customers using free beta or trial versions into paying Customers. We may also fail to expand usage within existing Customers or add new paying Customers as a result of a number of factors, including as a result of our Customers' dissatisfaction with our products or our pricing structures or their preference for the capabilities of the products and services offered by our competitors or the adverse effects of general economic conditions or budgetary constraints. Other factors that may influence such decisions include, but are not limited to, our ability to:

- continually enhance and improve our products and introduce new features, integration and capabilities that reflect the changing nature of the market;
- provide quality Customer experience and support, compete effectively against alternative products or services and ensure the effectiveness of our marketing programs; and
- attract, retain, and effectively train and motivate new sales and marketing personnel and develop or expand relationships with our partners.

We may, in the future, experience a reduction in renewal rates and increased churn rates, particularly within our SMB customers, many of whom are on month-to-month subscriptions. We cannot assure you that we will continue to achieve growth rates in the number of Customers in the future similar to those that we have achieved in historical periods, which may materially and adversely affect our business, cash flows, results of operations and financial condition.

3. Any termination of, or failure to maintain, our relationships with our banking partners or any changes to our interchange fees due to a variety of factors, could adversely affect our business, results of operations and financial condition.

We are dependent on our relationships with our banking partners for a substantial portion of our revenue, which is derived from Program Fees generated from our arrangements with such banking partners. Set forth below is our revenue from Program Fees, including as a percentage of our total revenue from operations, for the financial years and periods indicated.

	Six month period ended September 30, 2024	Six month period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Program Fees *(₹ million)*	2,530.50	965.82	3,218.43	1,694.53	2,007.03
Revenue from Program Fees as a percentage of total revenue from operations *(%)*	45.61	31.90	41.50	30.62	54.06

While there have been no instances of termination of, or failure to maintain, relationships with our banking partners in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future. Any termination of, or failure to maintain, our relationships with our banking partners, or failure to enter into arrangements with new banking partners, could result in loss of, or reduction in, the revenue that we earn from Program Fees, which could adversely affect our business, cash flows, results of operations and financial condition.

Our revenue from Program Fees primarily consists of our share of interchange fees which are calculated according to contractual agreements entered into by our Banking Partners with the Payment Networks, and are largely earned as a percentage of the spending levels on a business credit card or prepaid card. Together, we have issued more than 50 million co-branded prepaid cards since the inception of our business, as of September 30, 2024. Interchange fees constituted a significant portion of our Program Fees earned in the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022. Set forth below is the contribution of interchange fees from business credit cards or prepaid cards business including as a percentage of our total revenue from operations, for the financial years and periods indicated.

	Six month period ended September 30,		Fiscal		
	2024	2023	2024	2023	2022
Contribution of interchange fees *(₹ million)*	2,073.67	532.93	2,616.46	1,225.62	1,880.62

Interchange fees as a percentage of total revenue from operations *(%)*	37.38	17.60	33.73	22.14	50.66

Interchange fees earned by us are up to 2.20% of the spend that Users/ Customers make on business credit cards or prepaid cards at offline and/or online outlets. We receive a portion of the interchange fees earned by our banking partners when Users/ Customers make transactions using our business credit cards or prepaid cards. Interchange reimbursement rates in India are generally decided by a Payment Network and are broadly influenced by: (i) the industry of the merchant where the cards are used; (ii) merchant category codes; (iii) transaction value; and (iv) jurisdiction of the transaction (whether domestic or international). The quantum of interchange fees could also broadly influenced by various factors outside our control and any change in general economic or market conditions such as consumer demand, consumer confidence, inflation, employment and disposable income levels, interest rate levels, demographic trends, technological changes or changes in laws or regulations which, among other things, may prescribe a ceiling on, or otherwise restrict our ability to charge interchange fees or similar fees. While there have been no instances of changes in interchange fees that led to a material adverse effect on our business and operations in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future. Also see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Principal Factors Affecting our Financial Condition and Results of Operations—Impact of interchange fees*" on page 103.

In some jurisdictions, interchange fees and related practices are subject to regulations that have limited the ability of certain networks to establish default rates including, in certain cases, imposing ceilings on permissible interchange fees. Regulators and legislative bodies are seeking to reduce interchange fees through legislation, competition-related regulatory proceedings, central bank regulation or litigation. Regulatory developments in certain countries could influence regulatory approaches in other countries, including India. In India, the RBI has implemented regulations limiting interchange fees payable on debit card transactions, and similar regulations could be extended to prepaid or business credit card transactions in the future. Such changes may require us to restructure our activities and incur additional expenses to comply with such laws and regulations which could adversely affect our business, cash flows, results of operations and financial condition. Also see "- *Laws and regulation governing our business and operations may continue to change and evolve and the introduction of new laws and regulation applicable to our business may adversely affect our financial condition, results of operations and profitability. Further, the businesses of our banking partners are regulated by the RBI and any change in the RBI's policies, decisions and regulatory framework could adversely affect our business, cash flows, results of operations and financial condition.*" on page 62.

4. ***We are dependent on third-party Payment Networks, channel partners and third-party providers for various aspects of our business and our growth, and any failure to maintain these relationships could adversely affect our business, results of operations and financial condition.***

We and our banking partners are dependent on Payment Networks to process payments made using our business credit cards or prepaid cards. Our banking partners earn spend-based fees for transactions carried out by the Users/ Customers of business credit cards or prepaid cards at offline and/or online outlets. Based on the contractual agreements entered into with our banking partners, we receive a portion of such fees (which are largely earned as a percentage of the spending levels on a business credit cards or prepaid cards) earned by them. Further, we also earn business development incentives from our arrangements with Payment Networks.

Set forth below are the fees paid to Payment Networks, including as a percentage of the revenue from Program Fees, for the financial years and periods indicated.

Particulars	**Six month period ended September 30, 2024**		**Six month period ended September 30, 2023**	
	Amount	**Percentage of the revenue from Program Fees**	**Amount**	**Percentage of the revenue from Program Fees**
	(₹ million)	*(%)*	*(₹ million)*	*(%)*
Fees paid to Payment Network	17.48	0.69	7.79	0.81

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	Percentage of the revenue from Program Fees	Amount	Percentage of the revenue from Program Fees	Amount	Percentage of the revenue from Program Fees
	(₹ million)	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*
Fees paid to Payment Network	21.99	0.68	23.30	1.38	6.22	0.31

We cannot assure you that arrangements involving the Payment Networks will be renewed on terms commercially favourable to us, or at all. A change in applicable regulatory landscape could prompt the Payment Networks to impose additional requirements on our banking partners and/or us or may adversely affect their ability to continue to offer their full suite of services to us. Furthermore, if we or our banking partners are unsuccessful in maintaining beneficial relationships with Payment Networks, our business, financial condition and results of operations could be materially and adversely affected. In addition, we cannot assure you that our banking partners will be able to comply at all times with changes in network operating rules, or that any changes to, or adverse interpretations of, the network operating rules would not be costly or difficult to implement, which could materially and adversely affect our business, results of operations and financial condition. While there have been no such instances in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future. For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Principal Factors Affecting our Financial Condition and Results of Operations*" on page 103.

We also believe that continued growth in our business is dependent upon identifying, developing, and maintaining strategic relationships with additional channel/ partners that can drive substantial revenue. Our agreements with our existing channel partners are non-exclusive, so our channel partners may offer Customers the products of several different companies, including products that compete with ours. They may also cease marketing our products with limited or no notice and without penalty. Furthermore, our agreements with our existing channel partners are not renewed automatically and the continuity of our relationship with them is dependent upon their internal policies and applicable law, and are subject to fresh negotiations. These factors have contributed to the limited revenue to date generated from our relationships with our existing channel partners. There may be periods before renewals where we do not have any contractual arrangements with any channel partners. We cannot assure you that we will be able to renew our existing relationships with our channel partners, on favourable terms or at all, and we cannot assure you as to the continuity of our existing relationships with them. We expect that any additional channel partners we identify and develop will be similarly non-exclusive and not bound by any requirement to continue to market our products. If we fail to identify additional channel partners in a timely and cost-effective manner, or at all, or are unable to assist our current and future channel partners in independently selling and deploying our software-as-a-service ("**SaaS**") products, our business, results of operations and financial condition could be adversely affected. If our channel partners do not effectively market and sell our products, or fail to meet the needs of our Customers, our reputation and ability to grow our business could also be adversely affected.

We further depend on our relationships with third-party providers who provide products and services such as transaction processing, logistics services and call centre support services, among others. If any of these third parties experience difficulty meeting our requirements or standards, become unavailable due to extended outages or interruptions, temporarily or permanently cease operations, face financial distress or other business disruptions such as a security incident, increase their fees, or if our relationships with any of these providers deteriorate, we could suffer liabilities, penalties, fines, increased costs, and delays in our ability to provide Customers with our products and services. Additionally, if any of the agreements we have entered into with such third parties are terminated or not renewed without adequate transition arrangements, our ability to manage our finances could be interrupted, receipt of payments from Customers may be delayed, our processes for managing sales of our offerings could be impaired, our ability to generate and manage sales leads could be weakened, our reputation could be harmed, and our business operations could be disrupted. While there have been no such instances in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future. Any such disruptions may adversely impact our business and our financial condition, results of operations or cash flows could be adversely affected until we replace such providers or develop replacement technology or operations. In addition, if we are unsuccessful in identifying high-quality service providers, negotiating cost-effective relationships with them or effectively managing these relationships, it could adversely affect our business, results of operations and financial condition.

5. ***We may fail to identify or successfully acquire target businesses and our efforts to integrate the businesses, technologies, services and products that we do acquire or invest in may not be successful, which could disrupt our business and strain our resources.***

From time to time, we make strategic acquisitions to expand our business. For further details, see "*Our Business – Strategies - Pursue selective strategic acquisitions and investments to grow our business*" on page 161. As part of our business strategy, we may, in the future, evaluate and consider a wide array of strategic alliances, investments and acquisitions in line with our overall business strategy. We will continue to identify and evaluate opportunities for potential strategic transactions, including acquisitions of businesses, new technologies, solutions and other assets and investments that complement our existing business, and enhance our capabilities. However, completing these transactions may involve challenges and risks, and we may encounter unexpected difficulties or incur unexpected costs, including but not limited to: (i) the difficulties in identifying or being able to complete the acquisition of suitable acquisition targets; (ii) competition with other potential acquirers of such targets; (iii) the need for payment of purchase consideration in the form of securities or cash; and (iv) the need to obtain governmental, statutory and other regulatory approvals for any acquisition or other form of inorganic growth.

Further, while we conduct financial and legal due diligence on target entities before making investments, we cannot assure you that we will be able to identify all material risks and liabilities associated with the relevant target entity. Following the acquisition of any target entities, we may also have to assume their liabilities and be exposed to unanticipated risks associated with them. Risks that we may face post-acquisition include: (i) exposure to unanticipated contingent liabilities of acquired businesses, including but not limited to taxation, litigation or regulatory breaches; (ii) the non-realization of anticipated benefits, expected return on investment and/or synergies from such transactions; (iii) the inability to retain key personnel necessary to favourably execute the combined companies' business plan; (iv) retaining customers post-acquisition; and (v) the diversion of diverting management's attention, particularly in circumstances of an unsuccessful venture.

Moreover, our potential acquisitions or investments may be in entities or businesses that operate in a regulated sector and such acquisition or investment would be subject to obtaining requisite governmental, statutory and other regulatory approvals. We may also pursue strategic investments and acquisitions in new business segments where we have hitherto limited or no experience.

If we fail to integrate or manage acquired companies efficiently and divert management resources to do this or do not perform to our expectations, we may not be able to realize the benefits of the acquisitions, and our business, financial condition and results of operations, as well as overall growth prospects, could be materially and adversely affected.

For further details, see "*Use of Proceeds*" and "- *In the event that our net proceeds to be utilized towards inorganic growth initiatives are insufficient, we may have to seek alternative forms of funding. Further, the deployment of net proceeds towards such inorganic growth initiatives may not take place within the period currently intended and may be reduced or extended*" on pages 91 and 61, respectively.

6. ***We may encounter challenges with adoption and usage of our products if they are not able to successfully integrate with other software applications, which could adversely affect our business, results of operations and financial condition.***

We rely on the providers of software systems to allow us access to their APIs to enable integration of our products with a variety of hardware and software platforms and SaaS products and technologies, and we need to continuously modify and enhance our products to adapt to changes in hardware, software, and browser technologies. We are typically subject to standard terms and conditions of such providers, which govern the distribution, operation, and fees of such software systems, and which are subject to change by such providers from time to time. Our business will be materially and adversely affected if any key provider of such software systems:

- discontinues or limits our access to its software or APIs;
- modifies its terms of service or other policies, including fees charged to, or other restrictions on, us or other application developers;
- changes how information is accessed by us, our Customers or our Users;
- establishes more favourable relationships with one or more of our competitors; or
- develops or otherwise favours its own competitive offerings over our products.

We depend on the interoperability of our products with third-party services, mobile devices, software applications, mobile operating systems and servers, which predominantly use third-party cloud-enabled hardware, software, networking, browsers, database technologies and protocols that we do not control. We may not be able to modify our products and offerings to assure their compatibility with that of other software products and services, which may continue to evolve from time to time. In addition, some of our competitors may be able to disrupt operation or compatibility of our products or services or exert strong business influence on the terms thereof. The loss of interoperability, whether due to the actions of third parties or otherwise, and any changes in technologies that degrade the functionality of our products or give preferential treatment to competitive services could adversely affect adoption and usage of our products. We cannot assure you that our competitors' products or services will not be preferred over ours or that interoperability of our products will not decrease in the future.

While there have been no instances of failure to integrate our products with other software applications in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future. If we are not able to integrate with other third-party applications or if it is difficult for Customers to access and use our products, our business, results of operations and financial condition could be materially and adversely affected.

7. Failure to effectively develop and expand our direct sales capabilities could affect our ability to expand usage of our products within our Customer and User base and achieve broader market acceptance of our products.

As part of our strategy to grow and to expand the use of our products within our Customer and User base and achieve broader market acceptance across organizations, we plan to continue expanding our direct sales force and establish sales teams. This expansion will require us to continue to invest significant financial and other resources to grow and train our direct sales force. Our expenses towards advertising and brand promotion includes expenses towards our sale campaigns at corporates sites, branding and advertising, strategic partnership costs, and sales promotions through online and offline channels. As of September 30, 2024, we had a sales force of 161 employees. Set out below is a breakdown of the expenses we incurred on developing our sales capabilities, for the financial years and periods indicated.

Expenses incurred towards developing our sales capabilities	**Six month period ended September 30, 2024**	**Six month period ended September 30, 2023**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
	(₹ million)				
Customer Acquisition and Retention Cost[1][3]	293.90	234.01	534.12	327.40	185.83
Acquisition and Retention Cost per Customer[2][3]	1.49	0.73	0.88	0.50	0.28
Expenses towards business promotion and marketing	141.57	136.76	313.92	200.64	129.67
Sales team payroll cost	152.33	97.25	220.20	126.76	56.16

[1] Customer Acquisition and Retention Cost refers to digital marketing campaign costs, business promotion costs, feet on the street (FOS) and strategic partnership team salaries costs and other advertisement and marketing costs incurred for all the new customers added in the business in the period.
[2] Acquisition and Retention Cost per Customer is calculated as Customer Acquisition and Retention Cost divided by the number of new Customers added during the period.
[3] Our Customer Acquisition and Retention Costs and our Acquisition and Retention Cost per Customer increased commensurate with the increase in our new corporate and SMB Customers and increased spends by our Users/ Customers, as we offered them increased incentives and cash backs, encouraging our Users/ Customers to transact using their cards, thereby driving spends and increasing our revenues.

Our business, results of operations and financial condition may be adversely affected if these efforts do not generate a corresponding increase in revenue. We may not achieve anticipated revenue growth from expanding our direct sales force if we are unable to hire and develop talented direct sales personnel, or if our new direct sales personnel are unable to achieve desired productivity levels within a reasonable period of time, or if we are unable to retain our existing direct sales personnel. Our ability to achieve revenue growth will depend, in large part, on our success in recruiting, training, and retaining sufficient numbers of sales personnel to support our growth. While there have been no instances of failure to effectively develop and expand our direct sales capabilities in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future. Also see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Principal Factors Affecting our Financial Condition and Results of Operations—Impact of Customer Acquisition and Retention Costs*" on page 103.

8. Our Company does not have any listed industry peer in India or abroad and it may be difficult to benchmark and evaluate our financial performance against other operators who operate in the same industry as us.

We offer a diversified offering of fintech products and services, including business credit or prepaid cards in India in partnership with certain of our banking partners, along with certain SaaS offerings, including tax and payroll software. For further information, see "*Our Business*" on page 153.

Our business model and diversified product offerings makes our business such that there is no industry peer listed in India or abroad which are of comparable size, belong to the same industry and follow a similar business model. Consequently, there is limited information in the public domain about our peers and it may be difficult to benchmark and evaluate our financial performance against other operators who operate in the same industry as us. However, with the rise of technology-driven start-ups in our segments, there exist various companies which offer one or more notionally or feature-wise similar product or service as our Company, such as spend management, fintech solutions and loyalty cards. Few examples of such companies include Payhawk, Divvy, Brex, Pleo, Ramp, Expensify, Corpay, Edenered, Wex, Happay, SAP Concur, Pluxeem Paymate, Enkash, Qwikcliver and XOXODay (*Source: Frost & Sullivan Report*).

Therefore, investors must rely on their own examination of our accounting ratios, Non-GAAP Measures and key performance indicators relating to our financial and operating performance for the purposes of investment in this Issue. We cannot assure you that our Non-GAAP Measures, key performance indicators and accounting ratios will improve in the future. An inability to improve or maintain our Non-GAAP Measures, key performance indicators and accounting ratios may adversely affect the market price of the Equity Shares. Moreover, there are no standard methodologies in the industry for the calculation of such indicators, measures and metrics.

Our competitive position may differ from that presented in this Preliminary Placement Document and may not be based on a benchmark with our listed industry peers in India or abroad. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, announcements by us or our competitors of significant acquisitions, strategic alliances, other external conditions or situations, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

Also see "- *We have included certain Non-GAAP Measures, industry metrics and key performance indicators related to our operating and financial performance in this Preliminary Placement Document that are subject to inherent challenges in measurement. These Non-GAAP Measures, industry metrics and key performance indicators may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies*", "*Our Business - Key Performance Indicators*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Non-GAAP Measures*" on pages 74, 155 and 103, respectively.

9. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been appraised by any bank or financial institution and our management will have broad discretion over the use of the Net Proceeds. Utilisation of Net Proceeds may be subject to change based on various factors, some of which are beyond our control. Further, any variation in the utilisation of the Net Proceeds from the terms and conditions as disclosed in this Preliminary Placement Document shall be subject to certain compliance requirements, including prior Shareholders' approval.

We propose to utilise the proceeds for the purposes described in "*Use of Proceeds*" on page 91. We cannot predict whether such utilisation will result in increased sales or have a positive impact on our business more generally or yield any profits for our Company. Our deployment of the Net Proceeds has been determined based on management estimates, current circumstances of our business and prevailing market conditions, which are subject to change in the future. The estimates for the proposed expenditure are based on several variables, a significant variation in any one or a combination of which could have an adverse effect. Furthermore, the deployment of funds has not been appraised by any bank or financial institution. We operate in a highly competitive and dynamic industry and we may have to revise our funding requirements and deployment from time to time on account of various factors beyond our control, such as consumer confidence, inflation, employment and disposable income levels, demographic trends, technological changes, changing customer preferences, which are subject to change in the future, increasing regulations or changes in government policies, our Board's analysis of economic trends and business requirements, competitive landscape, as well as general factors affecting our business, results of operations, financial condition and access to capital such as credit availability and interest rate levels.

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. Furthermore, pending utilisation of Net Proceeds towards the Use of Proceeds, our Company will have the flexibility to deploy the Net Proceeds and to deposit the Net Proceeds temporarily in deposits with one or more scheduled commercial banks included in Second Schedule of Reserve Bank of India Act, 1939, as may be approved by our Board. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds and we cannot assure you that we will earn significant interest income on, or that we will not suffer unanticipated diminution in the value of, such temporary deposits. Furthermore, various risks and uncertainties, such as economic trends and business requirements, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital and including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business.

In accordance with Section 13(8) and Section 27 of the Companies Act, we cannot change the utilisation of the Net Proceeds or the terms of any contract as disclosed in this Preliminary Placement Document without obtaining the approval of Shareholders' through a special resolution. We may not be able to obtain the Shareholders' approval in a timely manner, or at all, in the event we need to make such changes. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

Furthermore, as required under Section 27 of the Companies Act, our Promoters would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the Use of Proceeds' or vary the terms of such contracts, at a price and manner as prescribed by SEBI. The requirement to provide an exit opportunity to such dissenting shareholders may deter our Promoters from agreeing to any changes made to the proposed utilisation of the Net Proceeds, even if such change is in our interest. Further, we cannot assure you that our Promoters will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of 'Use of Proceeds' to use any unutilised proceeds of the Issue, if any, or vary the terms of any contract referred to in this Preliminary Placement Document, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of the Net Proceeds, if any, or varying the terms of any contract, which may adversely affect our business, results of operations and cash flows.

10. In the event that our Net Proceeds to be utilized towards inorganic growth initiatives are insufficient, we may have to seek alternative forms of funding. Further, the deployment of Net Proceeds towards such inorganic growth initiatives may not take place within the period currently intended and may be reduced or extended.

We continuously look to pursue strategic investments and organic and inorganic growth opportunities, as set forth in "*Use of Proceeds*" beginning on page 91. Pursuant to our overall strategy to continue scaling our business, we intend to keep pursuing acquisitions which are complementary to our business and which will enhance our product capabilities. We propose to utilize a portion of the Net Proceeds aggregating to ₹[●] million towards pursuing inorganic growth opportunities. The timing and amount of Net Proceeds to be used will be at our management's discretion. The amounts deployed towards such initiatives may not be the total value or cost of such acquisitions or investments, resulting in a shortfall in raising the requisite capital from the Net Proceeds towards such acquisitions or investments. We may have to seek alternative forms of funding. The deployment of the Net Proceeds may also not take place within the period currently intended and may be reduced or extended.

As of the date of this Preliminary Placement Document, our Company has not entered into any definitive agreement for investment or acquisition for which it intends to utilize Net Proceeds. The actual deployment of funds will depend on a number of factors, including (i) identification of target company; (ii) Board's analysis of economic trends and business requirements; (iii) increased competition; and (iv) business and strategy; and (v) other commercial considerations.

11. We are dependent on our Promoter and our Executive Chairman, Raj P Narayanam and our Promoter, Managing Director and Chief Executive officer, Avinash Ramesh Godkhindi, our Key Managerial Personnel or senior management personnel and the loss of, or our inability to hire, retain, train, and motivate qualified personnel could adversely affect our business, results of operations and financial condition.

We are highly dependent on our senior management and other key management personnel for setting our strategic business direction and managing our business. For further details, see "*Our Business – Strengths - Seasoned* *management team with deep domain expertise supported by a professional workforce*" and "*Board of Directors and Senior Management*" on pages 161 and 176, respectively. Our success depends to a large extent upon the continued efforts and services of such personnel with technical expertise, and we rely significantly on their experience. Our success also depends, in part, on key customer relationships forged by them and we cannot assure you that we will be able to continue to maintain these customer relationships, or renew them, if we are unable to retain such members of our Key Managerial Personnel and senior management, which could adversely affect our business and results of operations.

Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. Due to the current limited pool of skilled personnel, competition for senior management, commercial and finance professionals in our industry is intense. As of September 30, 2024, we had 396 employees. As a percentage of our total workforce, our attrition levels for our permanent employees were 16.25%, 17.31%, 30.91%, 31.00% and 27.00% in the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. A loss of services of our Promoters, senior management or other key personnel or our inability to recruit or train a sufficient number of experienced or skilled personnel or our inability to manage the attrition levels in different employee categories may adversely affect our business, future cash flows, results of operations and prospects. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting experienced or skilled personnel.

12. We operate in a highly competitive industry, and an inability to compete successfully could materially and adversely affect our business, financial condition, results of operations and future prospects.

India's spend management market and the financial technology ("**fintech**") space is rapidly evolving, is increasingly competitive, fragmented, and subject to changing technology, shifting user and customer needs, new market entrants, and frequent introductions of new products and services. We compete with a number of companies that range in size from large and diversified enterprises with significant financial resources to smaller companies. The market for our products is rapidly evolving and highly competitive and in the future there may likely be an increasing number of similar products offered by additional competitors. Our competitors (including our existing partners) may develop or implement similar or better technology. With a constantly changing market environment, our future business strategies, practices and results may not meet expectations or respond quickly enough to customer demand, and we may face operational difficulties in adjusting to any changes.

Some of our current and potential competitors may have longer operating histories, higher brand recognition, stronger and more extensive partner relationships, significantly greater financial, technical, marketing, and other resources, lower labour and development costs, and larger customer bases than we do. These competitors may invest and engage in more extensive R&D efforts, undertake more far-reaching promotions, and adopt more aggressive pricing policies that will allow them to build larger customer bases than we have. Moreover, large Customers may demand greater price concessions or other more favourable terms. Furthermore, our potential and existing competitors may make acquisitions or enter into strategic relationships and rapidly acquire significant market share due to a larger customer base, superior product offering, more effective sales and marketing operations, or greater financial, technical, and other resources.

Any one of these competitive pressures in our market, or our failure to compete effectively, may result in price reductions; fewer Customers/ Users; reduced revenue, gross profit, and gross margin; increased net losses; and loss of market share. While there have been no such instances in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future. Any failure to meet and address these factors could adversely affect our business, results of operations and financial condition.

13. Laws and regulation governing our business and operations may continue to change and evolve and the introduction of new laws and regulation applicable to our business may adversely affect our financial condition, results of operations and profitability. Further, the businesses of our banking partners are regulated by the RBI and any change in the RBI's policies, decisions and regulatory framework could adversely affect our business, cash flows, results of operations and financial condition.

Our business is subject to regulation by various statutory and regulatory authorities in India, including the MCA and the RBI, and other authorities responsible for enforcing compliance with privacy and data protection related laws, foreign investment laws, intellectual property laws, consumer protection laws and direct and indirect tax laws. Any failure or alleged failure to comply with the applicable laws, regulations or requirements could subject us to enforcement actions by the relevant authority. Moreover, the laws and regulations governing our business are evolving and may be amended, supplemented or changed at any time. We are exposed to the risk of varying and evolving interpretation of complex laws and regulations governing our business.

For instance, the Department of Payment and Settlement System of the RBI in June 2022 issued a "Payment Vision 2025" which, among other things, introduces revised guidelines for PPIs, including a "closed system PPI". In the absence of any concrete regulatory proposals as of the date of this Preliminary Placement Document, we cannot ascertain the impact of the introduction of any new regulations or guidelines involving PPIs on our business. While there have been no instances of non-compliance with laws and regulations applicable to our business by us in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future. Furthermore, if we fail to comply with new or changed laws or regulations and standards or unintentionally disclose unpublished price sensitive information, we may be subject to regulatory actions and our business and reputation may be materially and adversely affected.

Additionally, the businesses of our banking partners are regulated by the RBI and any change in the RBI's policies, decisions and regulatory framework could adversely affect our business, cash flows, results of operations and financial condition. For instance, the RBI has implemented regulations limiting interchange fees payable on debit card transactions, and similar regulations could be extended to business credit or prepaid card transactions in the future. Additionally, our banking partners are subject to certain regulations by various government authorities, including the RBI. Introduction of new laws or regulations by the RBI in respect of our arrangement with our Banking Partners, if promulgated, could adversely affect our business, financial condition and results of operations. Compliance with new regulations governing our banking partners could also result in significant expenditure for them that could cause them to renegotiate or terminate existing agreements, or curtail their operations, which could adversely affect our business and financial performance. Furthermore, any adverse regulatory action that changes a banking partner's business or adversely affects its financial condition or results of operations, may adversely affect our partnership with such banking partner thereby adversely affecting our business, financial condition and results of operations.

Certain of these laws and regulations are relatively new and evolving, and their interpretation and enforcement may involve uncertainties. As a result, we may be required to seek and follow additional procedures, modify or adjust certain activities, obtain new and additional licenses, registrations or authorizations and incur additional expenses to comply with such laws and regulations, any of which could adversely affect our future development and business. For instance, we are not required to obtain any authorizations or license from the RBI for undertaking our business in its current form; our banking partners, under our co-branding arrangements, hold the requisite authorizations and licenses. If any change in laws or regulations requires us to obtain such authorization or licenses from the RBI, we cannot assure you that we will be able to obtain such authorizations and licenses in a timely manner, or at all. Failure to obtain the relevant authorization or licenses from the RBI could result in loss of our ability to operate the relevant business, which could adversely affect our financial condition, results of operations and prospects.

14. Our sites, networks, and systems may in the future experience security incidents or breaches, or we may be unable to comply with the relevant data protection or privacy laws, which could potentially damage our reputation and adversely affect our business, cash flows, results of operations and financial condition.

We collect, receive, access, store, process, generate, use, transfer, disclose, share, make accessible, protect, secure, and dispose of (collectively, "**Data Processing**") a large amount of information from our Users, Customers, and our own employees, including personally identifiable and other sensitive and confidential information necessary to operate our business, for legal and marketing purposes, and for other business-related purposes. Information technology networks and systems, and the Data Processing they perform, may be susceptible to damage, disruptions, or shutdowns, software or hardware vulnerabilities, security incidents, ransomware attacks, social engineering attacks, supply-chain attacks, failures during the process of upgrading or replacing software, databases, or components, power outages, fires, natural disasters, hardware failures, computer viruses, attacks by computer hackers, telecommunication failures, user errors (including non-employees who may have authorised access to our networks), user malfeasance, or catastrophic events.

Additionally, as part of our operations, we are required to comply with the Information Technology Act, 2000 and the rules thereunder, each as amended and which provides for civil and criminal liability, as well as the General Data Protection Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 ("**GDPR**"). India has already implemented certain privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, which impose limitations and restrictions on the collection, use, disclosure and transfer of personal information, including sensitive personal data or information. Further, the Digital Personal Data Protection Act, 2023 was published in the official Gazette of India on August 11, 2023 ("**DPA**"). The DPA lays down framework for processing of digital personal data within India where such data is: (i) collected online, or (ii) collected offline and is digitised. The DPA also deals with processing of digital personal data in a manner that recognizes both the right of individuals to protect their personal data and the need to process personal data for lawful purposes. Any actual or perceived failure by us to comply with privacy, data protection, information security, consumer privacy or related laws or regulation could result in proceedings, actions, or penalties against us.

Practices regarding the collection, use, storage, transmission and security of personal information by companies operating over the internet have recently come under increased public scrutiny around the world. In the European Union, the GDPR, requires companies to implement and remain compliant with
regulations regarding the handling of personal data, including its use, protection and the ability of persons whose data is stored to correct or delete such data about themselves. The EU's directive on privacy and electronic communications imposes obligations on the use of personal information in the context of electronic communications, particularly with respect to online tracking technologies and direct marketing. The certifications we maintain and standards we comply with, including the U.S. Federal Risk and Authorization Management Program and PCI-DSS, are becoming more stringent. Our handling of data is subject to a variety of laws and regulations, including regulation by various government agencies, such as the Federal Trade Commission, and various state, local and foreign agencies. Our data handling also is subject to contractual obligations and industry standards. The U.S. federal and various state and foreign governments have adopted or proposed limitations on the collection, distribution, use and storage of data relating to individuals, including the use of contact information and other data for marketing, advertising and other communications with individuals and businesses. In the United States, various laws and regulations apply to the collection, processing, disclosure and security of certain types of data. Additionally, the FTC and many state attorneys general are interpreting federal and state consumer protection laws as imposing standards for the online collection, use, dissemination and security of data. Other countries in Asia, Europe and Latin America have passed or are considering similar privacy regulations, resulting in additional compliance burdens and uncertainty as to how some of these laws will be interpreted. Any liability we may incur for violation of such laws and regulations and related costs of compliance and other burdens may adversely affect our business and profitability. We could be adversely affected if legislation or regulations are expanded to require changes in our business practices or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively affect our business, results of operations or financial condition.

While we and our third-party service providers have implemented security measures, technical controls, and contractual precautions designed to identify, detect, and prevent unauthorised Data Processing, our security measures, as well as those of our third-party service providers, could fail or may be insufficient, resulting in the unauthorised access to or the disclosure, modification, misuse, unavailability, destruction, or loss of our or our Customers' data or other sensitive information. If any such risks were to materialise, it could potentially damage our reputation and adversely affect our business, cash flows, results of operations and financial condition. Further, while there have been no instances of security breaches or inability to comply with the relevant data protection or privacy laws in the past, there can be no assurance that such instances will not occur in the future.

15. We experienced negative operating cash flows in the six months ended September 30, 2024 and 2023, and Fiscals 2024 and 2023, and negative net worth as of March 31, 2022, which may make it difficult or expensive for us to obtain future financing or meet our liquidity needs.

The table below summarises the statement of cash flows, as derived from our cash flow statements, for the periods indicated:

	Six month period ended September 30,		**Fiscal**		
	2024	**2023**	**2024**	**2023**	**2022**
	(₹ million)				
Net cash (used in)/inflow from operating activities	(14.33)	(351.67)	(827.46)	(156.18)	200.81
Net cash used in investing activities	238.65	(3,495.96)	(3,318.89)	(181.48)	(98.69)
Net cash generated/(used) in financing activities	(230.30)	3,901.51	4,029.86	526.44	(122.90)
Net increase/(decrease) in cash and cash equivalents	**(5.98)**	**53.88**	**(116.49)**	**188.78**	**(20.78)**

To the extent that we have negative operating cash flows in future periods, we may need to allocate a portion of our cash reserves to fund such negative cash flows. We may also be required to raise additional funds through the issuance of equity or debt securities. We cannot assure you that we will be able to generate a positive cash flow from our operations, or that we will not have negative operating cash flows in the future due to further higher levels of trade receivables and that, if this were to occur in the future, whether we would be able to finance our working capital or other business requirements, or secure other financing when needed, on acceptable commercial terms, or at all. Our actual financial position and results of operations may differ materially from the expectations of our management. For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 103.

Set out below are details of our net worth as of the dates indicated below, derived from the Financial Information:

Particulars	As of September 30,		As of March 31,		
	2024	2023	2024	2023	2022
	(₹ million)				
Net Worth	6,192.68	5,311.80	5,753.82	487.51	(35.58)

While our net worth turned positive subsequent to March 31, 2022, we cannot assure you that we will be able to increase our revenue from operations to sufficient levels in order to match our operating and other expenses which would not adversely affect our profitability or our ability to maintain positive cash flow on a consistent basis, or that we will be able to achieve a positive net worth in periods going forward, which may make it difficult or expensive for us to obtain future financing or meet our liquidity needs. In addition, continued negative net worth may not be perceived positively by external parties such as our Customers, Users, bankers, suppliers or other third parties, which may damage our reputation, limit our growth and adversely affect our business and operations.

16. Service disruptions or failures of our Company's or our third-party service providers' information systems and networks as a result of computer viruses, misappropriation of data or other bad acts, natural disasters, extreme weather, accidental releases of information or other similar events may disrupt our business, damage our reputation, expose us to regulatory investigations, actions, litigation, fines and penalties or have a negative impact on our results of operations including but not limited to loss of revenue or profit, loss of Customers or sales and other adverse consequences.

In the ordinary course of our business, we may process proprietary, confidential, and sensitive data, including personal information. We may rely upon third-party service providers and technologies to operate critical business systems to process sensitive data in a variety of contexts. Our ability to monitor these third parties' information security practices is limited, and these third parties may not have adequate information security measures in place. We and the third parties on which we rely may be subject to a variety of evolving threats, including but not limited to social-engineering attacks (including through phishing attacks), malicious code (such as viruses and worms), malware (including as a result of advanced persistent threat intrusions), denial-of-service attacks (such as credential stuffing), personnel misconduct or error, ransomware attacks, supply-chain attacks, software bugs, server malfunctions, software or hardware failures, loss of data or other information technology assets, adware, telecommunications failures and other similar threats.

Our contracts may not contain limitations of liability, and even where they do, we cannot assure you that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our data privacy and security obligations. We cannot be sure that our insurance coverage will be adequate or sufficient to protect us from or to mitigate liabilities arising out of our privacy and security practices, that such coverage will continue to be available on commercially reasonable terms or at all, or that such coverage will pay future claims. For details in relation to failure or perceived failure by us to comply with privacy and data protection laws and regulations, please also see "- *Our sites, networks, and systems may in the future experience security incidents or breaches, or we may be unable to comply with the relevant data protection or privacy laws, which could potentially damage our reputation and adversely affect our business, cash flows, results of operations and financial condition.*" on page 63.

Shutdowns or service disruptions of our information systems or network caused by power outages, natural disasters, extreme weather, terrorist attacks, pandemics (such as the COVID-19 global pandemic), wars (such as Russia's invasion of Ukraine), or other similar events pose increasing risks. Shutdowns or disruption from such events could have an adverse impact on us and our Customers, including degradation or disruption of service, loss of data, release or threatened release of data publicly, misuse or threatened misuse of data, and damage to equipment and data. System redundancy may be ineffective or inadequate, and our disaster recovery planning may not be sufficient to cover everything that could happen. Significant events could result in a disruption of our operations, reduced revenues, the loss of or damage to the integrity of data used by management to make decisions and operate our business, damage to our reputation or brands or a loss of Customers. We may not have adequate insurance coverage to compensate it for any losses associated with such events. While there have been no instances of service disruptions or failures of our Company's or our third-party service providers' information systems and networks that led to a material adverse effect on our business or operations, or inadequate insurance coverage in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future.

17. Our business depends on our reputation, brand identity, intellectual property and knowhow and any harm to them may adversely affect our business, cash flows, results of operations and financial condition.

We are dependent on our reputation for all aspects of our business with Customers, employees, vendors, third-party service providers, and others with whom we conduct business or potential future business. Any negative publicity or public complaints about our Company, its shareholders, directors, business partners, whether real or perceived, could harm our reputation, affecting our ability to rely on word of mouth and other online channels, adversely affecting our business, cash flows, results of operations and financial condition. If we fail to promote and maintain the "Zaggle" brand, which we believe is critical to expanding our customer base and establishing and maintaining relationships with partners, or if we incur excessive expenses in this effort, our business, results of operations, and financial condition could be adversely affected. Successful promotion of our brand will depend largely on the effectiveness of our marketing efforts and on our ability to ensure that our products remain high-quality, reliable, and useful at competitive prices, as well as with respect to our free trial version. While there have been no instances of negative publicity or public complaints or failure to promote or maintain our brand that led to a material adverse effect on our business or operations in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future.

As of the date of this Preliminary Placement Document, we had 92 trademark registrations including "Zaggle", "Zaggle, the Prepaid Ocean", "Zaggle Stored Value Discount Card", "Zaggle Zinger", "Zaggle Wave", and "BoMB" under various classes including Class 9, 16, 18, 24, 25, 35, 36, and 42 for which we have obtained registration certificates from the Trade Marks Registry, Government of India under the Trade Marks Act. 15 of our trademark applications, including 3 of those relating to our key brand, "Zaggle" have been objected or opposed. For further details, see "*Our Business - Intellectual Property*" on page 172. In the absence of these trademarks, we may not be able to initiate an infringement action against any infringing third party. With respect to our trademarks that have been applied for and/or objected or opposed, we cannot assure you that we will be successful in such a challenge, nor can we provide any assurance that such trademarks will be granted. As a result, we may not be able to prevent infringement of our trademarks and a passing-off action may not provide sufficient protection until such time that this registration is granted. While there have been no instances of infringement of our trademarks and a passing-off action that led to a material adverse effect on our business or operations in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future.

18. We are exposed to counterparty credit risk and any delay in, or non-receipt of, payments may materially and adversely affect our cash flows and results of operations.

We are exposed to counterparty credit risk in the usual course of our business due to the nature of, and the inherent risks involved in, dealings, agreements and arrangements with our counterparties who may delay or fail to make payments or perform their other contractual obligations. In accordance with the tender terms or contracts that we enter into in respect of sale of our products and services, we may grant certain credit terms to certain customers, and in certain cases, we may experience delays in payments by our customers even beyond the credit period afforded to them. Our working capital requirements may further increase if credit period against sales or services rendered is increased. We have, and may continue to have, outstanding trade receivables. The table below sets forth details relating to our trade receivables as of the dates indicated below, and as a percentage of our revenue from operations for the financial years and periods indicated.

Particulars	**As of September 30,**		**As of March 31,**		
	2024	**2023**	**2024**	**2023**	**2022**
Trade receivables *(₹ million)*	2,019.40	1,211.53	1,746.21	1,026.59	429.51
As a percentage of revenue from operations (%)	36.40	40.02	22.51	18.55	11.57

The credit period offered by our business partners is generally lesser than what we generally grant our customers, which may potentially result in certain cash flow mismatches. We cannot assure you that we will not experience any cash flow mismatches in the future or that our cash flow management measures will function properly, or at all. We also provide advances to our suppliers for procuring vouchers as well as certain small amounts of advances to our employees. The table below sets forth details relating to the advances to our suppliers and our employees that remain outstanding as of the dates indicated below.

Particulars	**As of September 30,**		**As of March 31,**		
	2024	**2023**	**2024**	**2023**	**2022**
Advances to our suppliers that remain outstanding *(₹ million)*	339.74	48.52	46.36	81.98	50.33
Advances to our employees that remain outstanding *(₹ million)*	3.07	2.68	3.75	3.00	0.48

If we fail to properly manage the possible cash flow mismatches, our cash flows, financial condition and results of operations could be materially and adversely affected.

The financial condition of our customers, business partners and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions which may be beyond our control. A slowdown in the general economy or a potential credit crisis could cause our customers, business partners or other counterparties to suffer disruptions in their businesses or experience financial distress, their access to the credit markets could be limited, and they could file for insolvency or bankruptcy protection and there can be no assurance regarding the continued viability of our counterparties or that we will accurately assess their creditworthiness. Such conditions could cause our counterparties to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. The table below sets forth details relating to our allowances for credit impaired trade receivables, as of the dates indicated below.

Particulars	**As of September 30,**		**As of March 31,**		
	2024	**2023**	**2024**	**2023**	**2022**
	(₹ million)				
Allowances for credit impaired trade receivables	60.16	57.56	57.56	57.56	73.79

While there have been no instances of delays in or non-receipt of payments of our customers, business partners or other counterparties that led to material adverse effect on our business and operations in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future. Further, we cannot assure you that we will be able to collect the whole or any part of any overdue payments and a significant delay in, or non-receipt of, large payments or non-performance by our customers, business partners or other counterparties could adversely affect our cash flows and results of operations.

19. *Our business is subject to seasonality which may cause our revenues to vary across any given financial year causing comparisons of our results of operations and cash flows between different quarters in a financial year to not be meaningful.*

We are impacted by seasonal variations in sales volumes which may cause our revenues to vary between different quarters in a financial year. Typically, we see higher transaction volumes associated with the festive sale period in the third quarter of each financial year, which encompasses holidays in India such as Diwali, Christmas and annual sales events such as the end of season sales. Furthermore, we also experience an increase in transaction volumes in the fourth quarter of each financial year, with Users transacting to exhaust any pending balance on their cards before the end of a financial year. As a result, our results of operations and cash flows across quarters in a financial year may not be comparable and any such comparisons may not be meaningful or may not be indicative of our annual financial results or our results in any future quarters or periods. We expect to experience seasonal trends in our business in the future, making results of operations variable from quarter to quarter. For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Future Relationship Between Cost and Income—Seasonality of business*" on page 103.

20. We recognise revenue over the term of the contracts with our Customers. Consequently, downturns in sales may not be immediately reflected in our operating results until one or more quarters following the actual decrease in sales.

Our revenue is measured based on the consideration specified in a contract with a customer, net of variable portion (*e.g.*, discounts), indirect taxes and excluding amount collected on behalf of third parties. We generally recognise revenue when we transfer control over a product or service to a customer, with the specific amount of revenue recognised correlating to the consideration to which the Company expects to be entitled in exchange for the product or service (or portions thereof). We recognise revenue only to the extent that is highly probable that a significant reversal will not occur. A decline in revenue (whether due to a general downturn in sales, market acceptance of our products, changes in pricing, or rate of expansion or retention) may not be fully reflected in our financial results until one or more quarters following an actual decrease in sales.

21. We may be unable to service our debt obligations in a timely manner or to comply with various financial and other covenants and other terms and conditions of our financing agreements.

As of September 30, 2024, we had total outstanding borrowings of ₹589.68 million which included term loans, cash credit, overdraft facilities, property/home loan and vehicle loans from ICICI Bank Limited, and an overdraft facility from Yes Bank Limited. Our total outstanding borrowings could have several consequences, including but not limited to the following:

- a portion of our cash flows may be used towards repayment of our existing debt, which will reduce the availability of our cash flows to fund working capital, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted; and
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness is at variable interest rates.

Our financing agreements with ICICI Bank Limited also include various conditions and covenants that require us to obtain lender consent prior to carrying out certain activities or entering into certain transactions. Typically, restrictive covenants under the terms of our financing documents with ICICI Bank Limited relate to obtaining prior consent of the lenders, before:

- availing any loans from any bank/financial institution;
- effecting any change in our Company's capital structure or constitutional documents; and
- changing shareholding of our Promoters in our Company beyond certain specified levels.

A failure to observe the restrictive covenants under our financing agreements or to obtain necessary consents required thereunder may trigger an event of default which may lead to, among other things, acceleration of the facility and declaration of outstanding amounts under facility immediately due and payable, cancellation of the undrawn commitments under the facility, enforcement of the security or exercise of any other rights under the transaction documents or applicable law.

Any failure to comply with the conditions and covenants in our financing agreements or the creation of additional encumbrances by us or the guarantors that is not waived by the lenders or otherwise cured or the occurrence of a material adverse event may trigger an event of default which may lead to, among other things, acceleration of the facility and declaration of outstanding amounts under the relevant financing facility immediately due and payable, imposition of a penal interest, cancellation of the undrawn commitments under the facility, enforcement of the security or exercise of any other rights under the financing documents or applicable law, any of which could adversely affect our business growth and our financial condition and cash flows. Our future borrowings may also contain similar or additional restrictive covenants. Furthermore, during any period in which we are in default, we may be unable to obtain further financing, or any refinancing of our debt could be at higher rates of interest with more onerous covenants.

Any of these circumstances could lead to initiation of adverse actions by ICICI Bank Limited or Yes Bank, which could, in-turn, adversely affect our reputation, business, credit ratings, cash flows, results of operations and financial condition.

22. ***Any failure of our internal controls over financial reporting may cause adverse unexpected operating results, affect our reported results of operations or otherwise harm our business and financial results.***

Our management is responsible for establishing and maintaining effective internal control over financial reporting. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of financial reporting for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that we would prevent or detect a misstatement of our financial statements or fraud. Our growth and acquisition of other companies with procedures not identical to our own could place significant additional pressure on our system of internal control over financial reporting. For instance, the acquisition of Magixo as wholly-owned subsidiary of our Company from Vinita Raj Narayanam (spouse of Raj P Narayanam, one of our Promoters), e-Yantra and the amalgamation of Magixo into our Company thereafter, is reflected as an amalgamation adjustment deficit account of ₹8.58 million as of March 31, 2022 in our Audited Financial Statements for Fiscal 2022. Any failure to maintain an effective system of internal control over financial reporting could limit our ability to report our financial results accurately and timely or to detect and prevent fraud. A significant financial reporting failure or material weakness in internal control over financial reporting could cause a loss of investor confidence and decline in the market price of our common stock, increase our costs, lead to litigation or result in negative publicity that could damage our reputation or otherwise harm our business, results of operations and financial condition.

23. ***We have certain contingent liabilities, which if they materialise, may adversely affect our financial condition, cash flows and results of operations.***

Our contingent liabilities may become actual liabilities and if a significant portion of these liabilities materialise, it could have an adverse effect on our business, financial condition and results of operations. Furthermore, we cannot assure you that we will not incur similar or increased levels of contingent liabilities in the current Fiscal or in the future.

As of March 31, 2024, our Financial Information disclosed the following contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets:

Particulars	**As of March 31, 2024**
	(₹ million)
Claims against the Company not acknowledged as debt	
i) Service Tax	24.73
ii) Income tax matters	40.92

i) During Fiscal 2020, our Company had received a show cause notice towards service tax demand amounting to ₹272.04 million charged on the face value of sale of its prepaid cards/ gift vouchers etc. Our Company filed appeals before the Commissioner of Central tax, Hyderabad against the aforesaid demand. In the month October 2022, our Company received an order dated March 30, 2022 from Commissioner of Central tax, Hyderabad dropping demand amounting to ₹259.75 million and upheld the demand amounting to ₹12.29 million and further imposed a penalty and late fee for ₹12.44 million. Our Company has further filed an appeal against the said demand before CESTAT and amount paid under protest ₹4.32 million.
ii) During Fiscal 2024, our Company received a demand notice under section 156 of Income Tax 1956 pertaining to Fiscal 2022 demanding ₹40.92 million by not allowing the deduction on account of carry forward losses, bad debts written off and IndAS adjustments. The Company filed a appeal against the said demand before Commissioner of Income Tax -Appeals.

24. ***We had filed compounding applications before the Regional Director, South East Region, Hyderabad for condoning and compounding certain past non-compliances and there have been delays in payment of certain statutory dues by our Company. While these non-compliances are no longer outstanding, we cannot assure you that such lapses will not occur in the future, or that we will be able to rectify or mitigate such lapses in a timely manner, or at all.***

In accordance with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, our Company was required to disclose details of the employee stock option scheme formulated in 2017 (the "**2017 Scheme**") in the director's report for the Fiscal ended 2018**,** including, among other things, the number of options granted, vested, exercised, lapsed, the exercise price, variation of terms of options and money realized by exercise of options in the directors' report. Our Company approved the 2017 Scheme in 2017 and granted the options to its employees on December 27, 2017 without disclosing the relevant details in the director's report for Fiscal 2018. In this regard, we had filed a compounding application with the Regional Director, South East Region, Hyderabad (the "**Regional Director**") on June 3, 2022. Pursuant to order dated January 10, 2023, our Company and certain of our Directors were directed by the Regional Director to pay an aggregate compounding fee ₹30,000, which was paid by our Company and the relevant Directors.

Further, in accordance with Section 77 of the Companies Act, our Company was required to register the charge created pursuant to availing certain loan facilities, with the RoC within 30 days or 60 days from the date of creation of charge by payment of normal fees or by paying additional fees, respectively. In the years 2020 and 2021, our Company availed two vehicle loans and one home loan from ICICI Bank Limited and created charge on assets pursuant to such loan, without registering such charge with the RoC within the prescribed period. In this regard, we had filed a compounding application with the Regional Director, South East Region, Hyderabad on November 24, 2022. Pursuant to order dated June 15, 2023, our Company and certain of our Directors were directed by the Registrar of Companies to pay an aggregate penalty of ₹300,000, which was paid by our Company and the relevant Directors.

Further, we have had instances of delay in payment of certain statutory dues with respect to delay in payment of GST and tax deduction at source (TDS) for the period between January 2023 to February 2023 which stood at ₹49.89 million as of March 31, 2023.

As of the date of this Preliminary Placement Document, while these non-compliances and delays in payment of statutory dues are no longer outstanding, we cannot assure you that such lapses will not occur in the future, or that we will be able to rectify or mitigate such lapses in a timely manner or at all. If we are subject to any penalties or other regulatory actions, our reputation, business and results of operation could be adversely affected. If we are subject to any penalties or other regulatory actions, our reputation, business and results of operation could be adversely affected.

25. There are outstanding legal proceedings involving our Company, Promoters and Directors. Any adverse outcome in such proceedings could adversely affect our reputation, business, cash flows, results of operations and financial condition.

There are certain outstanding legal proceedings involving our Company, Promoters and Directors. For further details, see "*Legal Proceedings*" on page 226. These proceedings are pending at different levels of adjudication before various courts and tribunals. Such proceedings could divert management time and attention and consume financial resources in their defence. Furthermore, an adverse outcome in such proceedings could adversely affect our reputation, business, cash flows, results of operations and financial condition.

We cannot provide any assurance that these legal proceedings will be decided in favour of our Company, Promoters and Directors. In addition, we cannot assure you that no additional liability will arise out of these proceedings. Adverse decisions in such proceedings may adversely affect our business, results of operations and financial condition.

26. An inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations may adversely affect our business, results of operations and financial condition.

Our operations are subject to certain government regulations, and in respect of our existing operations we are required to obtain and maintain statutory and regulatory permits, certificates and approvals including approvals under the relevant state specific shops and establishment legislations and other labour and tax related approvals. We cannot assure you that the relevant authorities will issue such permits or approvals in time or at all. Failure or delay in obtaining or maintaining or renewing the required permits or approvals within applicable time or at all may result in interruption of our operations. Furthermore, the relevant authorities may initiate actions against us, restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties or otherwise suffer disruption in our activities, any of which could adversely affect our business, results of operations and financial condition. The approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Further, while there have been no instances of inability to obtain or renew license and approvals or non-compliance with any terms of the conditions of such license or approvals in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future.

27. Real or perceived software errors, interruptions, failures, vulnerabilities, or bugs in our products, defects, or outages of our technology platform or IT systems and any potential inadequacies in our redundancies,

business continuity plans or disaster recovery plans, could impair our ability to effectively provide our products, services and solutions.

The software technology underlying and integrating with our products is inherently complex and may contain material defects or errors. Errors, failures, vulnerabilities, or bugs have in the past, and may in the future, occur in our products, especially when updates are deployed or new features, integrations, or capabilities are rolled out. Any such errors, failures, vulnerabilities, or bugs may not be found until after new features, integrations, or capabilities have been released. We will need to ensure that our products can scale to meet the evolving needs of Customers, particularly as we increase our focus on larger teams and organizations. Real or perceived software errors, failures, vulnerabilities, or bugs in our products could result in an interruption in the availability of our products, negative publicity, unfavourable user experience, loss or leaking of personal information and data of organizations, loss of or delay in market acceptance of our products, loss of competitive position, regulatory fines, or claims by organizations for losses sustained by them, all of which could adversely affect our business, results of operations and financial condition. Further, while there have been no instances of software errors, failures, vulnerabilities, or bugs in our products that led to a material adverse effect on our business or operations in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future.

Moreover, some of our systems may not be fully redundant and our disaster recovery planning and business continuity planning does not account for all possible scenarios. Hence, our systems may not be adequately designed with the necessary reliability and redundancy to provide the required back-up or failover to other data centres in our data centre network when one part of the IT system goes down. This could lead to performance delays or outages that could be harmful to our business. In addition, our technology platform, IT system and related technologies may become outdated, and we may not be able to replace or introduce upgrades as quickly as our competitors or within budgeted costs for such upgrades.

28. Our insurance coverage may not be adequate to cover all future costs and losses the incurrence or magnitude of which are unforeseen or unpredictable and could result in an adverse effect on our business and results of operations.

We maintain limited insurance coverage for key risks relating to our business. We have obtained cyber liability insurance, comprehensive general liability insurance, directors and officers liability insurance policy and vehicle insurance to cover the various risks related to our business. We have not obtained insurance policies to cover potential risks and liabilities, such as workmen insurance policy or business interruption, for our business. For further details on our insurance arrangements, see "*Our Business - Insurance*" on page 172.

Accordingly, we do not have any coverage to compensate for losses that may occur, particularly with respect to loss of business or operations. Although our claims have not exceeded our insurance coverage in the past, we cannot assure you that this will not occur in the future. In addition, not all risks associated with our operations may be insurable, on commercially reasonable terms or at all. Natural disasters in the future or occurrence of any other event for which we are not adequately or sufficiently insured may cause significant disruption to our operations that could materially and adversely affect our business and operations. If we are subject to litigation or claims or our operations are interrupted for a sustained period, we cannot assure you that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption. Furthermore, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. If we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss or our claims are rejected for any reason, our business and results of operations could be adversely affected.

29. Our international expansion efforts may not be successful and may expose us to complex management, legal, tax, competition and economic risks.

We have no business experience overseas and may not be successful in newer international markets, where we believe there exists significant growth potential, such as the United States, the United Kingdom and Brazil. We may undertake certain investments in certain target markets by incorporating new entities, contingent on various factors including the regulatory requirements of such geographies, either in the form of equity or debt or a combination of both or in any other manner as may be decided by our management. All such investments by us will be subject to compliance with the provisions of applicable law in India and of the respective geographies.

Developing new markets requires significant investments of time and resources, and may present new and difficult technological, operational and compliance challenges which may lead to higher costs than we have historically experienced. We will also need to understand and comply with various new requirements applicable to us in those regions. If we experience service disruptions, failures, or other issues, our business may be materially and adversely affected and it could damage our reputation, and limit our growth, business and prospects. We cannot assure you that our expansion into newer geographies will recoup our investments in a timely manner, or at all. Furthermore, failure to forecast demand or growth accurately in new geographies, or eventual reputational damages from engaging in or withdrawing from these geographies, could adversely affect our business, results of operations and financial condition.

Expanding operations into new geographic markets may subject our business to increased risks, including but not limited to:

- increased licensing, regulatory and compliance requirements, including those governing data protection, money-laundering and tax;
- competition from service providers or other entrenched market participants that have greater experience in the local markets than we do;
- changes to the way we do business as compared with our current operations, including increased costs increased exchange rate exposure and exposure to regional economic and political instability;
- integration with local financial institution partners and other third-party service providers; and
- difficulties in staffing, recruiting and retaining qualified employees for our foreign operations.

As a result of these risks, our international expansion efforts may not be successful or may be hampered, which would limit our ability to grow our business.

30. Certain properties on which our offices operate are neither owned by us nor leased to us on a perpetual basis. Any breach of the terms or non-renewal of the leave and license agreements may lead to disruptions and affect our business operations.

Certain of our offices are situated on properties that are leased from other private parties with terms ranging from one year to 10 years, and renewable as per the terms of the agreements entered into with such parties. We have also entered into arrangements with third parties for co-working spaces in Kolkata, and Gurugram. For details of our properties, please see "*Our Business - Property*" on page 173.

Any use of the leased or licensed properties pursuant to the lease or license arrangements is required to be in compliance with the terms and conditions contained in such arrangements. The lessors may terminate the leases in the event of a breach of the terms of the relevant agreements, including delay in payment or non-payment of rent and/or for convenience. Furthermore, under our arrangement with third parties for co-working spaces where our offices are situated, the owner of the co-working spaces are required to procure certain licenses such as the shops establishment license. There is no assurance that we or such third parties will be able to renew these leases or licenses on commercially acceptable terms, or at all. We may not be able to effectively relocate our offices and, even if we are able to relocate, there is no assurance that we can resume the same level of operation or revenue contribution after such new location. While there have been no instances of non-renewal or the renewal of any such property related arrangements on unfavourable terms that led to a material adverse effect on our business or operations in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future. Any non-renewal of such arrangements or the renewal of any such arrangements on unfavourable terms could lead to disruptions to our business and have an adverse impact on our results of operations.

31. Our Promoters i.e., our Executive Chairman, our Managing Director and Chief Executive Officer and our Independent Directors hold Equity Shares in our Company and are therefore interested in our Company's performance in addition to their remuneration or benefits and reimbursement of expenses.

Our Promoters, i.e., Raj P Narayanam, (Executive Chairman) and Avinash Ramesh Godkhindi (Managing Director and Chief Executive Officer) and our Independent Directors, i.e., Abhay Deshpande Raosaheb and Prerna Tandon are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, as applicable, to the extent of each of their shareholding in our Company as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares. As of the date of this Preliminary Placement Document, our Promoters held an aggregate of 53,805,702 Equity Shares, constituting 43.88% of the issued, subscribed and paid-up Equity Share capital of our Company. We cannot assure you that our Promoters and/or our Independent Directors will exercise their rights as a shareholder to the benefit and best interest of our Company or not take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders.

Further, our Company has entered into a consultancy agreement dated November 1, 2024 (the "**Consultancy Agreement**") with Virat Sunil Diwanji (the "**Consultant**"), also one of our Directors. Pursuant to the Consultancy Agreement, which shall continue unless terminated, the Company has engaged the Consultant to provide services in relation to developing strategy and facilitating execution of promoting the existing products of our Company, evaluating and advising us in connection with modification of our existing product offerings, facilitating in forging alliances with banking institutions, evaluating potential investment/ acquisition opportunities for inorganic growth of our Company, among others.

For further details on the interest of our Promoters, our Directors, our KMPs and our Senior Management, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Board of Directors and Senior Management*" on page 176.

32. We will continue to be controlled by our Promoters after the completion of the Issue.

As of date of this Preliminary Placement Document, our Promoters hold 43.88% of our Equity Share capital, and will hold [●]% of our Equity Share capital after the completion of the Issue, subject to finalisation of the Basis of Allotment. After this Issue, our Promoters will continue to exercise significant control or exert significant influence over our business policies and affairs and all matters requiring Shareholders' approval, including composition of our Board, the adoption of amendments to our constitutional documents, the approval of mergers, strategic acquisitions or joint ventures and the policies for dividends, lending, investments and capital expenditures. Accordingly, the interests of our Promoters in capacity as shareholders of the Company may conflict with your interests and the interests of other shareholders of the Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

33. We have in the past entered into, and may in the future enter into, related party transactions, which may potentially involve conflicts of interest.

We enter into certain transactions with related parties (including our Promoters and Promoter Group, our Directors and our Key Managerial Personnel) in the ordinary course of our business and may continue to enter into related party transactions in the future. Our related party transactions include transactions with our Promoters and Promoter Group, our Directors and our Key Managerial Personnel for payment of remuneration and entities in which our Key Managerial Personnel's relative have significant influence for professional charges.

Specifically, in Fiscal 2022, our Company acquired 425,128 equity shares bearing face value of ₹10 each of Magixo for an aggregate total consideration of ₹12.84 million from Vinita Raj Narayanam (spouse of one of our Promoters, Raj P Narayanam) and eYantra. As a result, Magixo became a wholly-owned subsidiary of our Company and, thereafter, the Company filed a Scheme of Amalgamation pursuant to which the entire business and the whole of Magixo's undertaking (including its properties, assets, liabilities, debt, duties, responsibilities and obligations) stood transferred to our Company on an ongoing concern basis with effect from November 1, 2021.

Set forth below are details of absolute sum of all related party transactions and the percentage of such related party transactions to our revenue from operations, for the financial years and periods indicated.

Particulars	Six months ended September 30, 2024	Six months ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Absolute sum of all related party transactions *(₹ million)*	17.00	14.46	38.59	28.03	40.45
Revenue from operations *(₹ million)*	5,547.63	3,027.21	7,755.98	5,534.60	3,712.55
Absolute sum of all related party transactions, as a percentage of revenue from operations *(%)*	0.31	0.48	0.50	0.51	1.09

For further details of our related party transactions, see "*Related Party Transactions*" on page 50.

While we believe that all such transactions have been and will be conducted on an arm's length basis, we cannot assure you that more favourable terms would not be obtained if such transactions were entered into with unrelated parties. While we conduct all related party transactions subject to the Board's or Shareholders' approval, as applicable, and in compliance with the applicable accounting standards, provisions of Companies Act, 2013, as amended, provisions of the SEBI Listing Regulations, circulars issued by SEBI and other applicable law, such related party transactions have involved, and any future transactions with our related parties could potentially involve, conflicts of interest. Our Company will endeavour to duly address such conflicts of interest as and when they may arise, however, we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority Shareholders and will not adversely affect our business, results of operations and financial condition.

34. We propose to pre-pay or re-pay all or a portion of certain outstanding borrowings availed by our Company.

Our Company has entered into certain financing arrangements for both short-term and long-term facilities to fund our working capital requirement. Our Company intends to utilize an estimated amount of ₹591.39 million from the Net Proceeds towards re-payment or pre-payment of all or a portion of certain outstanding borrowings availed by our Company. No assurance can be made that our Company will not require further funding for its operations and that such funding will be available at attractive rates or that by repaying the borrowing of our Company, will in fact improve our available funding alternatives. For details, see "*Use of Proceeds—Details of the Objects—2. Pre-payment/ re-payment, in part or full, of certain outstanding borrowings availed by our Company*" on page 94.

35. Our inability or failure to recognize, respond to and effectively manage the accelerated impact of social media or dissemination of inaccurate information online could materially adversely affect our business.

The dissemination of inaccurate information online could harm our business, reputation, prospects, financial condition and operating results, regardless of the information's accuracy. The damage may be immediate without affording us an opportunity for redress or correction. Other risks associated with the use of social media include improper disclosure of proprietary information, negative comments about our financial services and products, exposure of personally identifiable information, fraud, hoaxes or malicious exposure of false information. This is especially relevant in the context of the marked increase in recent years of the use of social media platforms, including blogs, social media websites and applications, and other forms of Internet-based communications which allow individuals access to a broad audience of consumers and other interested persons. Many social media platforms immediately publish the content for their subscribers and participants post, often without filters or checks on accuracy of the content posted. The inappropriate use of social media by our consumers or employees or suppliers or other third parties could increase our costs, lead to litigation or result in negative publicity that could damage our reputation and adversely affect our business, cash flows, results of operations and financial condition. While there have been no instances of inappropriate use of social media or dissemination of inaccurate information online that led to a material adverse effect on our business or operations in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future.

36. If we are unsuccessful in implementing our strategies, particularly our growth strategy, our business, financial condition, results of operations and cash flows may be adversely affected.

The success of our business depends greatly on our ability to effectively implement our strategies, particularly our growth strategy; please refer to "*Our Business – Our Strategies*" on page 161. Even if we have successfully executed our business strategies in the past, we cannot assure you that we will be able to execute our strategies on time and within the estimated budget, or that we will achieve expected results. We expect our strategies to place significant demands on our management and other resources and require us to continue developing and improving our operational, financial and other internal controls as well as technology systems. We may be unable to sustain such growth in revenues and profits or maintain a similar rate of growth in the future. If we are unable to implement our growth strategy effectively, our business, financial condition, results of operations and cash flows may be adversely affected.

37. We have included certain Non-GAAP Measures, industry metrics and key performance indicators related to our operating and financial performance in this Preliminary Placement Document that are subject to inherent challenges in measurement. These Non-GAAP Measures, industry metrics and key performance indicators may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

Certain Non-GAAP Measures and certain other industry measures relating to our operations and financial performance have been included in this Preliminary Placement Document. We compute and disclose such Non-GAAP Measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of SaaS providers and fintech companies, many of which provide such Non-GAAP Measures and other industry related statistical and operational information.

These Non-GAAP Measures, financial and operational performance indicators and other industry related statistical information relating to our operations and financial performance may not necessarily be defined under, or presented in accordance with, Ind AS and may not have been derived from the Audited Financial Statements and Unaudited Consolidated Interim Financial Statements. These Non-GAAP Measures, financial and operational performance indicators and other industry related statistical information may not be computed on the basis of any standard methodology that is applicable across the SaaS and fintech industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other SaaS providers and fintech companies due to differences in sources, methodologies, or the assumptions on which we rely.

Our internal systems and tools are subject to a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. For example, our designations of Customers as "corporate accounts" (*i.e.*, 250 Users and above) or "SMB accounts" (*i.e.*, less than 250 Users) are based on categorizations that we define, as well as third-party reporting, which may be inaccurate. If the internal systems and tools we use to track these metrics undercount or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our products are used across large populations. Limitations or errors with respect to the data that we measure, or how we measure such data, may affect our understanding of certain details of our business, which could affect our long-term strategies. If material inaccuracies with respect to these figures or metrics are discovered, our reputation may be materially and adversely affected, the market price of our Equity Shares could decline and we may be subject to shareholder litigation, any of which could materially and adversely affect our business, results of operations, financial condition and prospects.

Such Non-GAAP Measures and other supplemental financial and operational information is therefore of limited utility as an analytical tool and should not be viewed as substitutes for performance or profitability measures under Ind AS or as indicators of our operating performance, financial condition, cash flows, liquidity or profitability. Investors are cautioned against considering such information either in isolation, or as a substitute for an analysis, of the Financial Information.

Also see "*Definitions and Abbreviations*", "*Presentation of Financial and Other Information*", "*Our Business - Key Performance Indicators*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Non-GAAP Measures*" on pages 23, 14, 155 and 103, respectively.

38. Industry information included in this Preliminary Placement Document has been derived from an industry report commissioned and paid for by us exclusively in connection with the Issue.

We have availed the services of an independent third-party research agency, Frost & Sullivan, to prepare the "*Industry Report on SaaS based Fintech Market in India*" dated December 14, 2024 (the "**Frost & Sullivan Report**"), for the purposes of inclusion of such information in this Preliminary Placement Document pursuant to an engagement letter dated October 14, 2024. We have exclusively commissioned this report and paid for the services of Frost & Sullivan for the Frost & Sullivan Report for the purpose of confirming our understanding of the industry in connection with the Issue. We have no direct or indirect association with Frost & Sullivan other than as a consequence of such an engagement. The Frost & Sullivan Report is subject to various limitations and based upon certain assumptions that are subjective in nature. Furthermore, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Preliminary Placement Document. See "*Industry and Market Data*" and "*Industry Overview*" on pages 17 and 133, respectively.

39. ***We may not be able to fully comply with insider trading rules and regulations, which could result in criminal and regulatory fines and severe reputational damage. Further, we may fail to detect illegal or improper activities in our business operations on a timely basis, which may have an adverse effect on our reputation, business operations, financial condition, cash flows and results of operation***

We are required to comply with applicable insider trading laws and regulations, including the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. These laws and regulations require us to establish sound internal control policies and reporting procedures with respect to insider trading. Such policies and procedures require us to, among other things, establish or designate a policy for prohibition of insider trading which imposes reporting obligations on connected persons who are in possession of undisclosed price sensitive information in relation to the securities of our Company. Since we experience large volumes of transactions in our securities, the policies and procedures implemented by us may not always comprehensively detect or eliminate instances of insider trading.

Further, we are subject to various laws relating to the prevention of other conflicts of interest. Conflicts of interest may exist between, (i) our departments; (ii) us and our third party partners; (iii) different Customers serviced by us; (iv) our employees and us; or between (v) our Customers and our employees. Although we have internal controls and measures in place, there is no assurance that we will always manage such conflicts of interest, including compliance with various applicable laws and regulations. Further, while there have been no instances of non-compliance with insider trading rules and regulations or laws relating to conflicts of interest in the past, there can be no assurance that such instances will not occur in the future.

40. ***As a listed company, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations, and we must comply with other SEBI regulations as may be applicable to us. If there are any non-compliances or delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.***

The Equity Shares of our Company are listed on the BSE and NSE. We are, therefore, subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations, and we must comply with other SEBI regulations and circular issued by SEBI as may be applicable to us. While our Company strives to meet all such obligations and reporting requirements and there have been no instances of non-compliance with the obligations and reporting requirements prescribed under the SEBI Listing Regulations in the past, we cannot assure you that there will be no non-compliances in the future, and we cannot assure you that no penalties will be levied against our Company. Non-compliance under the SEBI regulations are usually subject to penalties, warnings, and show-cause notices by SEBI and the Stock Exchanges. Any regulatory action or development that is initiated against us could affect our business reputation, divert management attention and result in a material adverse effect on our business prospects and financial performance, and the trading price of the Equity Shares.

41. ***Our Customers may engage in transactions in or with countries or persons that are subject to U.S. and other sanctions.***

U.S. law generally prohibits U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries that are the subject of comprehensive sanctions and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organisations also administer similar economic sanctions. We may enter into transactions with Customers who may be doing business with, or located in, countries to which certain OFAC-administered and other sanctions apply. There can be no assurance that we will be able to fully monitor all of our transactions for any potential violation. If it were determined that transactions in which we participate violate U.S. or other sanctions, we could be subject to U.S. or other penalties, and our reputation and future business prospects in the United States or with U.S. persons, or in other jurisdictions, could be adversely affected. While there have been no instances of non-compliance violation of U.S. or other sanctions in the past, there can be no assurance that such instances will not occur in the future. We rely on our staff to be up-to-date and aware of the latest sanctions in place. Further, investors in the Equity Shares could incur reputational or other risks as the result of our customers' dealings in or with countries or with persons that are the subject of U.S. sanctions.

42. ***Our Subsidiary, SAISPL has incurred losses in the past and may incur losses in the future which could have an adverse effect on our business and results of operations.***

Our Subsidiary, SAISPL, incurred losses of ₹4.81 million in Fiscal 2024. In the event SAISPL incurs losses in the future, our consolidated results of operations, cash flows and financial condition may be adversely affected.

We may be required to fund the operations of SAISPL in the future, which could have an adverse effect on our business, cash flows and financial condition.

43. ***This Preliminary Placement Document includes certain unaudited financial information, which has been subjected to limited review, in relation to our Company. Reliance on such information should, accordingly, be limited.***

This Preliminary Placement Document includes certain unaudited financial information of our Company for the quarter and six month period ended September30, 2024, prepared in accordance with Indian Accounting Standards 34 "Interim Financial Reporting", prescribed specified under the Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act and in respect of which the Statutory Auditor of our Company have issued their limited review report dated November 13, 2024. As this financial information has been subject only to limited review as required under Regulations 33 and 52(2) of SEBI Listing Regulations and as described in Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India, and not to an audit, any reliance by prospective investors to the Issue on such financial information for the quarter and six month period ended September 30, 2024 should be limited. Further, this Preliminary Placement Document includes certain unaudited financial information such as information relating to financial indebtedness as on September 30, 2024 which has not been subjected to limited review by our Statutory Auditor. Accordingly, prospective investors should rely on their independent examination of our financial position and results of operations, and should not place undue reliance on, or base their investment decision solely on the financial information included in this Preliminary Placement Document.

External Risk Factors

44. ***Our business is substantially affected by prevailing economic, political and other prevailing conditions in emerging markets.***

The Indian economy and capital markets are influenced by economic developments, political and market conditions in India and globally, including adverse geopolitical conditions such as increased tensions between India and China. We are incorporated in India, our operations are located in India and substantially all of our business activities are conducted in India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity, and the price of our Equity Shares.

As a result, we are highly dependent on prevailing economic conditions in India and our results of operations and cash flows are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the economy, and hence our results of operations and cash flows, may include:

- political instability, resulting from a change in governmental or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms. Reforms in relation to trade barriers have led to increased incidents of social unrest in India over which we have no control;
- civil unrest, local agitation, acts of violence, terrorist attacks, regional conflicts or situations or war;
- natural calamities such as earthquakes, tsunamis, floods and drought and contagious diseases such as the COVID-19 pandemic, the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine flu or any similar future outbreaks of COVID-19, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region;
- instability in other countries and adverse changes in geopolitical situations or regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its consumption sector;
- the macroeconomic climate, including inflation or an increase in interest rates that adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;

- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions; and
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets.

While there have been no instances of any such factors that led to a material adverse effect on our business or operations in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future. Furthermore, any slowdown or perceived slowdown in the Indian economy or the economy of any emerging market or in specific sectors of such economies could adversely affect our business, results of operations, future cash flows and financial condition and the price of the Equity Shares.

45. Financial difficulty and other problems in certain financial institutions in India could adversely affect our business, results of operations, future cash flows and financial condition.

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions whose commercial soundness may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with which we interact on a daily basis. The systemic risk may also lead to the increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business, results of operations, future cash flows and financial condition. For instance, the nonbanking financial company crisis in 2018 affected financial market sentiments. Similar developments in the future could negatively impact confidence in the financial sector and could have a material adverse effect on our business, results of operations, cash flows and financial condition. In addition, we deal with various financial institutions in our business. Any one of them could be negatively affected by financial difficulty as a result of occurrences over which we have no control. If one or more of our financial institutional counterparties or intermediaries suffers economic difficulty, this could have a material adverse effect on our business, results of operations, cash flows and financial condition.

46. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, United States, United Kingdom, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, results of operations and financial condition. Further, economic developments globally can adversely affect our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

While there have been no instances of financial instability in other countries that led to a material adverse effect on our business or operations in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. These developments, or the perception that any related developments could occur, have had and may continue to have a material adverse effect on global economic conditions and financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

47. Any future changes in accounting standards may cause adverse unexpected operating results, affect our reported results of operations or otherwise harm our business and financial results.

A change in accounting standards can also have a significant effect on our reported results and may affect our reporting of transactions before the change is effective. New pronouncements and varying interpretations of pronouncements have occurred and may occur in the future. Changes to existing accounting rules or the application of current accounting practices may adversely affect our reported financial results. Additionally, our assumptions, estimates and judgments related to complex accounting matters could significantly affect our financial results. Generally accepted accounting principles and related accounting pronouncements, implementation guidelines and interpretations with regard to a wide range of matters that are relevant to our business, including but not limited to, revenue recognition, fair value of investments, impairment of long-lived assets, leases and related economic transactions, derivatives, pension and post-retirement benefits, intangibles, self-insurance, income taxes, property and equipment, unclaimed property laws and litigation, and stock-based compensation are highly complex and involve many subjective assumptions, estimates and judgments by us. Changes in these rules or their interpretation or changes in underlying assumptions, estimates or judgments by us could significantly change our reported or expected financial performance or otherwise harm our business and financial results.

48. Any adverse change in India's sovereign credit rating by an international rating agency could adversely affect our business, results of operations and cash flows.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for reasons beyond our control such as, upon a change of government tax or fiscal policy. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of the Equity Shares.

49. Rising inflation rates in India could result in increased costs and adversely affect our profitability.

Inflation rates in India have been volatile in recent years, and such volatility may continue. India has experienced high inflation relative to developed countries in the recent past. In recent times, consumer and wholesale prices in India have exhibited increased inflationary trends, as the result of an increase in crude oil prices, higher international commodity prices, and higher domestic consumer and supplier prices. While the RBI has enacted certain policy measures designed to curb inflation, these policies may not be successful. Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees and other expenses.

Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our Customers, whether entirely or in part, and may materially and adversely affect our business, results of operations and financial condition. In particular, we might not be able to control the increase in our expenses related to salaries or wages payable to our employees or increase the price of our services to pass the increase in costs on to our Customers. If we are unable to increase our revenue sufficiently to offset our increased costs due to inflation, it could adversely affect our business, cash flows, results of operations, prospects and financial condition. Furthermore, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. We cannot assure you that Indian inflation levels will not worsen in the future.

50. We are subject to anti-bribery and anti-corruption laws, violation of which may subject us to governmental inquiries and/or investigations, which if material and adverse in nature, could adversely affect our business, results of operations and financial condition in future periods and our reputation.

We are subject to anti-corruption and anti-bribery laws in India that prohibit improper payments or offers of improper payments to governments and their officials and political parties for the purpose of obtaining or retaining business or securing an improper advantage and require the maintenance of internal controls to prevent such payments. Although, we maintain an anti-bribery compliance program and train our employees in respect of such matters, our employees might take actions that could expose us to liability under anti-bribery laws. In certain circumstances, we may be held liable for actions taken by our third-party partners, even though they are not always subject to our control. While there have been no instances of violation of anti-bribery and anti-corruption laws by us in the past, there can be no assurance that such instances will not occur in the future. Any violation of anti-corruption laws against us or our third-party partners could result in penalties, both financial and non-financial, that could have a material adverse effect on our business, results of operations and financial condition in future periods and reputation.

51. It may not be possible for investors outside India to enforce any judgment obtained outside India against our Company or our management or any of our associates or affiliates in India, except by way of a lawsuit in India.

Our Company is a public limited company under the laws of India and all of our directors and executive officers reside in India. Furthermore, all of our assets, and the assets of our executive officers and directors, are located in India. As a result, it may be difficult for overseas investors to effect service of process outside India upon us and our executive officers and directors or to enforce judgments obtained in courts outside India against us or our executive officers and directors, including judgments predicated upon the civil liability provisions of the securities laws of jurisdictions outside India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Instead, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Indian Code of Civil Procedure, 1908 (the "**Civil Code**"). Section 13 of the Civil Code provides that a foreign judgment shall be conclusive as to any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law in force in India.

Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court in any country or territory outside India which the GoI has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty but does not include an arbitration award, even if such an award is enforceable as a decree or judgment.

The United States and Canada have not been declared by the GoI to be a reciprocating territory for the purpose of Section 44A of the Civil Procedure Code. However, the United Kingdom, United Arab Emirates, Singapore and Hong Kong, among others, have been declared by the GoI to be reciprocating territories. A judgment of a court in the United States or another jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. It is also unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amount recovered.

Furthermore, there may be considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian law. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

52. Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition, results of operations and cash flows.

Our financial statements are prepared in accordance with Ind AS. For further details, see "*Financial Information*" on page 235. The degree to which the financial information included in this Preliminary Placement Document provides meaningful information may be dependent on the reader's level of familiarity with Ind AS. Ind AS differs in certain significant respects from other accounting principles and standards with which investors may be more familiar with, such as Indian GAAP, IFRS and U.S. GAAP. We have not made any attempt to explain those differences or quantify their impact on the financial information included in this Preliminary Placement Document, nor do we provide a reconciliation of our financial statements to any other accounting principles or standards. If we were to prepare our financial statements in accordance with such other accounting principles, our results of operations, financial condition and cash flows may be substantially different. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should be limited accordingly.

53. Natural calamities, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could have a negative effect on the Indian economy and cause our business to suffer.

Natural disasters (such as cyclones, flooding, storms, tsunamis, tornadoes, fires, explosions and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. While there have been no such instances that led to a material adverse effect on our business or operations in the six months ended September 30, 2024 or in Fiscals 2024, 2023 or 2022, there can be no assurance that such instances will not occur in the future. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

54. Fluctuation in the exchange rate of the Indian Rupee and other currencies could have an adverse effect on the value of our Equity Shares, independent of our operating results.

Our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends, if declared, in respect of our Equity Shares will be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. In addition, foreign investors that seek to sell Equity Shares will have to obtain approval from the RBI, unless the sale is made on a stock exchange or in connection with an offer made under regulations regarding takeovers. Any adverse movement in exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the net proceeds received by the investors. The exchange rate of the Indian Rupee has changed substantially in the last two decades and could fluctuate substantially in the future, which may have a material adverse effect on the value of the Equity Shares in foreign currency terms, and returns from the Equity Shares, independent of our operating results.

We may be affected by competition laws, the adverse application or interpretation of which could adversely affect our business.

The Competition Act regulates practices and seeks to prevent an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Furthermore, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of consumers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such a company, that person shall also be guilty of contravention and may be punished.

On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the CCI. Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions, including agreements between vertical trading partners, ***i.e.***, entities at different stages or levels of the production chain in different markets, which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. We may also be subject to queries from the CCI pursuant to complaints by consumers or any third persons, which could be made without any adequate basis given our market presence. Furthermore, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it could adversely affect our business, results of operations, cash flows and prospects. The Competition Act was amended in April 2023 to strengthen merger control by providing for faster timelines for merger approvals and increasing punishment for violations.

Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Foreign ownership of Indian securities is subject to Government regulation. Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the pricing and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, in a timely manner or at all. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted.

Furthermore, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT, the Consolidated FDI Policy and the related amendment in FEMA Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For details, see "*Selling Restrictions*" on page 201.

The Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. We cannot assure you that any approval required from the RBI, or any other government agency, can be obtained on any particular terms or at all.

Furthermore, pursuant to a notification dated June 14, 2021, issued by the RBI, new investors from FATF non-compliant jurisdictions such as Mauritius, Cayman Islands and Uganda are not permitted to acquire, directly or indirectly, 20% or more of the voting power of any existing payment system operators ("**PSOs**") or any entity seeking authorization as a PSO. However, existing investors may continue holding their investments in PSOs made prior to classification of their jurisdiction as FATF non-compliant and/or bring in additional investments as per the extant regulations. Our ability to set up other regulated businesses may also be subject to the requirements of this notification, and have similar implications.

55. Changing regulations in India could lead to new compliance requirements that are uncertain.

The regulatory and policy environment in which we operate is evolving and is subject to change. The government of India ("**GoI**") may implement new laws or other regulations and policies that could affect the fintech industry, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements. Any new compliance requirements could increase our costs or otherwise adversely affect our business. Furthermore, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Any changes to such laws, including the instances mentioned below, may adversely affect our business, financial condition, results of operations, cash flows and prospects.

Recently, the Finance (No.2) Act, 2024 was enacted which provides that the capital gains arising from the sale of listed equity shares shall be subject to tax at the rate of 12.5%. The Finance (No.2) Act, 2024, also has introduced new income tax slabs, an increase in standard deduction and an increase in the deduction available in respect of private sector employer's contribution to the National Pension Scheme from 10% to 14% of the salary of the concerned employees.

Additionally, the GoI has recently introduced (a) the Code on Wages, 2019 (the "**Wages Code**"); (b) the Code on Social Security, 2020 (the "**Social Security Code**"); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been completely notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future. For example, the Social Security Code aims to provide uniformity in providing social security benefits to the employees which was earlier segregated under different acts and had different applicability and coverage. Furthermore, the Wages Code limits the amounts that may be excluded from being accounted toward employment benefits (such as gratuity and maternity benefits) to a maximum of 50% of the wages payable to employees. The implementation of such laws have the ability to increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. Furthermore, if we are affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations or any related proceedings, or are required to bear any costs in order to comply with such provisions or to defend such proceedings, our business and financial performance may be adversely affected.

56. We are subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities.

Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

We are subjected to general market conditions which includes significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Issue due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor.

The occurrence of any of the abovementioned factors trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation. Since our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchanges, we are subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading and these restrictions may continue post listing of the Equity Shares, pursuant to the Issue. These restrictions may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for and trading of our Equity Shares

Risks in relation to the Issue and the Equity Shares

57. We cannot assure payment of dividends on the Equity Shares in the future.

Our Company has a formal dividend policy as of the date of this Preliminary Placement Document. Our Company has however not declared dividends on the Equity Shares during the current Fiscal and the last three Fiscals. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements and other factors considered relevant by our Directors and Shareholders. Our ability to pay dividends may also be restricted under certain financing arrangements that we may enter into. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future. For details pertaining to our dividend policy, see "*Dividends*" on page 102.

58. The trading volume and market price of the Equity Shares may be volatile following the Issue, and you may not be able to sell your Equity Shares at or above the Issue Price.

The market price and liquidity for the Equity Shares may be subject to significant fluctuations in response to, among other factors:

- volatility in the Indian and other global securities markets;
- our financial condition, results of operations, cash flows and our prospects and variations in our quarterly financial results;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements of significant claims or proceedings against us;
- new laws and government regulations that directly or indirectly affect our business;
- additions or departures of Key Managerial Personnel;
- the performance and volatility of the Indian and global economy and changes in general economic conditions, including changes in interest rates;
- financial instability in emerging markets that may lead to loss of investor confidence;
- problems such as temporary closure, broker default and settlement delays experienced by the Indian Stock Exchanges;
- investor perception of the investment opportunity associated with our Equity Shares and our future performance;
- future sales of our Equity Shares;
- differences between our actual financial and operating results and those expected by investors and analysts;
- changes in the estimates of our performance or recommendations by financial analysts; and
- significant developments in India's fiscal, financial services and banking regulations.

Any of these factors listed above could result in large and sudden changes in the volume and trading price of the Equity Shares and adversely affect the price of the Equity Shares. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to resell the Equity Shares at or above the Issue Price. Furthermore, the Issue Price which may include a discount of not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations, which will be determined by our Company in consultation with the Lead Managers, may not be necessarily indicative of the market price of the Equity Shares after this Issue is complete.

59. Applicants to the Issue are not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.

In terms of the SEBI ICDR Regulations, applicants in the Issue are not allowed to withdraw their Bids after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately seven days and up to 10 days from the Issue Closing Date. However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in the business, results of operations and financial condition of our Company, or other events affecting the applicant's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of the Equity Shares. The applicants shall not have the right to withdraw their Bids in the event of any such occurrence. Our Company may complete the Allotment of the Equity Shares even if such events may limit the applicants' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity shares to decline.

60. An investor will not be able to sell any of the Equity Shares subscribed in the Issue other than on a recognized Indian stock exchange for a period of one year from the date of allotment of such Equity Shares.

Pursuant to the SEBI ICDR Regulations, for a period of one year from the date of the allotment of the Equity Shares in the Issue, investors subscribing the Equity Shares in the Issue may only sell such Equity Shares on NSE or BSE and may not enter into any off-market trading in respect of such Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. This may affect the liquidity of the Equity Shares subscribed by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares subscribed by investors.

61. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in do not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company could be diluted.

62. Any future issuance of Equity Shares may dilute your shareholding and sales of the Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth, whether organic or inorganic, through future equity offerings. Any future equity issuances by us, including any issue of Equity Shares pursuant to exercise of options granted or grant of further options under the ESOP Scheme or another primary offering, may lead to the dilution of investors' shareholdings in us. Any future issuances of Equity Shares or the disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. We cannot assure you that we will not issue further Equity Shares or that the shareholders will not dispose of further Equity Shares or pledge or encumber their Equity Shares in the future. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares. We may also issue convertible debt securities to finance our future growth or fund our business activities. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

63. There may be less information available about companies listed on Indian securities markets than companies listed on securities markets in other countries.

There may be less publicly available information about Indian public companies, including our Company, than is regularly disclosed by public companies in other countries with more mature securities markets. There is a difference between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants in those markets, and that of markets in other more developed economies. In India, while there are certain regulations and guidelines on disclosure requirements, insider trading and other matters, there may be less publicly available information about Indian companies than is regularly made available by public companies in many developed economies. As a result, you may have access to less information about our business, cash flow, results of operations and financial condition, and those of our competitors that are listed on the Stock Exchanges, on an ongoing basis, than you may in the case of companies subject to the reporting requirements of certain other countries.

64. Investors may be subject to Indian taxes arising out of capital gains on the sale of and dividend on the Equity Shares.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements and capital expenditure. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant. We cannot assure you that we will be able to pay dividends in the future. Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realised on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax ("**STT**"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Furthermore, any capital gains realised on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

No dividend distribution tax is required to be paid in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends on furnishing applicable documents for availing tax treaty benefit. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

65. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.

Foreign ownership of Indian securities is subject to government regulation. In accordance with foreign exchange regulations currently in effect in India, under certain circumstances the RBI must approve the sale of the Equity Shares from a non-resident of India to a resident of India or vice-versa if the sale does not meet certain requirements specified by the RBI. Additionally, any person who seeks to convert the Indian Rupee proceeds from any such sale into foreign currency and repatriate that foreign currency from India is required to obtain a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares, and a higher (or lower, as applicable) price per share may not be permitted. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on terms favourable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

66. ***Investor' ability to acquire and sell Equity Shares offered in this Issue is restricted by the distribution, solicitation and transfer restrictions set forth in this Preliminary Placement Document.***

No actions have been taken to permit a public offering of the Equity Shares offered in this Issue in any jurisdiction. As such, your ability to acquire Equity Shares offered in the Issue is restricted by the distribution and solicitation restrictions set forth in this Preliminary Placement Document. For details, see "*Selling Restrictions*" on page 201. Furthermore, the Equity Shares offered in the Issue are subject to restrictions on transferability and resale. For details, see "*Transfer Restrictions*" on page 210. Investors are required to inform yourself about and observe these restrictions. Our Company, our representatives and our agents will not be obligated to recognise any acquisition, transfer or resale of the Equity Shares offered in the Issue made other than in compliance with applicable law.

67. ***A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations.

68. ***Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade.***

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of the Equity Shares. Accordingly, there could be a failure or delay in listing the Equity Shares on NSE and BSE, which would adversely affect your ability to sell the Equity Shares. Since the Equity Shares are currently traded on the BSE and the NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Furthermore, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

69. ***There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, the Equity Shares at a particular point in time.***

The price of the Equity Shares will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India, which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on our Company's circuit breaker is set by the stock exchanges based, amongst others, on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to, and do not, inform us of the percentage limit of the circuit breaker from time to time, and may change it without our Company's knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

70. ***Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.***

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

MARKET PRICE INFORMATION

As at the date of this Preliminary Placement Document, 122,835,933 Equity Shares are issued, subscribed and fully paid-up. The Equity Shares have been listed and are available for trading on NSE and BSE.

On December 17, 2024, the closing price of the Equity Shares on NSE and BSE was ₹577.75 and ₹578.20 per Equity Share, respectively. Since the Equity Shares are available for trading on NSE and BSE, the market price and other information for each of NSE and BSE has been given separately.

A. The tables below set out the reported high, low and average of the closing prices of our Equity Shares on the NSE and the BSE and number of Equity Shares traded on the days on which such high and low prices were recorded and the total trading turnover for Fiscal 2024.

NSE

For the year ended March 31,	High	Date of High	No. of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high	Low	Date of Low	No. of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low	Average price for the year
	(₹)			*(₹ million*	*(₹)*			*(₹ million)*	*(₹)*
2024	380.4	March 4, 2024	34,98,255	1,326.47	158.35	September 22, 2023	21,564,281	3,576.82	245.33

**This comprises the period from September 2023 until March 2024, as the Equity Shares of our Company were listed on September 22, 2023.*
(Source: www.nseindia.com)
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

BSE

For the year ended March 31,	High	Date of High	No. of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high	Low	Date of Low	No. of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low	Average price for the year
	(₹)			*(₹ million*	*(₹)*			*(₹ million)*	*(₹)*
2024	379.95	March 4, 2024	171,630	65.06	158.30	September 22, 2023	1,249,133	206.61	245.33

**This comprises the period from September 2023 until March 2024, as the Equity Shares of our Company were listed on September 22, 2023.*
(Source: www.bseindia.com)
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

B. The tables below set out the reported high and low closing prices of our Equity Shares recorded on the NSE and the BSE and the number of Equity Shares traded on the days on which such high and low prices were recorded and the volume of Equity Shares traded in each of the last six months preceding the date of this Preliminary Placement Document.

NSE

Month	High	Date of High	No. of Equity Shares traded on date of high	Total volume of Equity Shares traded on date of high	Low	Date of Low	No. of Equity Shares traded on date of low	Total Volume of Equity Shares traded on date of low	Average price for the month	Equity Shares traded in the month	
										Volume	Turnover
	(₹)			*(₹ million)*	*(₹)*			*(₹ million*	*(₹)*		*(₹ million)*
November 2024	505.4	November 29	465,817	233.99	413.65	November 13	2,90,197	120.89	445.57	72,98,377	3,340.22
October 2024	460.20	October 4	5,236,402	2,381.83	406.85	October 25	269,362	109.88	429.87	15,755,811	6,945.41
September 2024	468.40	September 17	7,046,489	3,287.99	347.75	September 4	413,698	144.32	411.73	54,474,851	23,091.68
August 2024	375.00	August 16	5,365,321	2,034.00	321.45	August 6	1,904,974	629.80	356.50	63,046,018	22,686.70
July 2024	336.05	July 31	6,125,161	2,103.34	289.65	July 2	1,101,904	323.70	307.30	49,412,084	15,589.54
June 2024	310.3	June 18	4,606,035	1,403.70	260.05	June 4	2,383,762	610.40	286.13	33,658,980	9,672.65

(Source: www.nseindia.com)
1. High, low and average prices are based on the daily closing prices.
2. In the case of a month, average represents the average of the closing prices of all trading days of each month presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

BSE

Month	High	Date of High	No. of Equity Shares traded on date of high	Total volume of Equity Shares traded on date of high	Low	Date of Low	No. of Equity Shares traded on date of low	Total Volume of Equity Shares traded on date of low	Average price for the month	Equity Shares traded in the month	
										Volume	Turnover
	(₹)			*(₹ million)*	*(₹)*			*(₹ million*	*(₹)*		*(₹ million)*
November 2024	504.65	November 29	73,845	36.99	410.70	November 13	75,736	31.32	445.79	8,73,296	392.27
October 2024	460.25	October 4	135,595	61.51	408.80	October 25	13,383	5.48	429.63	1,099,365	476.01
September 2024	468.60	September 17	333,776	155.42	347.40	September 4	59,703	20.82	411.73	3,796,613	1,601.04
August 2024	374.70	August 16	182,432	69.01	321.35	August 6	222,671	73.42	356.37	4,054,470	1,457.12
July 2024	335.75	July 31	235,857	81.06	289.6	July 2	119,787	35.24	307.23	4,149,418	1,297.88
June 2024	310.25	June 18	185,780	56.61	259.90	June 4	106,272	27.18	286.11	1,859,362	535.85

(Source: www.bseindia.com)
1. High, low and average prices are based on the daily closing prices.
2. In the case of a month, average represents the average of the closing prices of all trading days of each month presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

C. The table below sets forth the market price and number of equity shares traded on the Stock Exchanges on October 31, 2024, the first working day following the approval of our Board for the Issue.

NSE						BSE					
Open	High	Low	Close	Number of Equity Shares traded	Volume	Open	High	Low	Close	Number of Equity Shares traded	Volume
(₹)					*(₹ million)*	*(₹)*					*(₹ million)*
439.50	442.00	425.05	429.75	204,695	88.46	443.95	447.50	423.70	430.75	6,747	2.92

(Source: www.bseindia.com and www.nseindia.com)

USE OF PROCEEDS

The gross proceeds of the Issue will aggregate up to ₹[●] million* (the "**Gross Proceeds**"). Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue of approximately ₹[●] million, shall be approximately ₹[●] million (the "**Net Proceeds**").

**Subject to Allotment of Equity Shares pursuant to the Issue.*

Purpose of the Issue

Subject to compliance with applicable laws and regulations, we propose to utilise the Net Proceeds for the following objects:

(i) strategic investments, acquisitions and inorganic growth opportunities by our Company and our Subsidiary, Span Across IT Solutions Private Limited ("**SAISPL**");
(ii) pre-payment/ re-payment, in part or full, of certain outstanding borrowings availed by our Company; and
(iii) general corporate purposes,

(collectively, referred to herein as the "**Objects**").

Our main objects clause and objects incidental or ancillary to the attainment of the main objects clause of our Memorandum of Association enables us to undertake the objects contemplated by us in the Issue.

Utilisation of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details set forth below.

S. No.	**Particulars**	**Amount** *(₹ million)*
1.	Strategic investments, acquisitions and inorganic growth opportunities by our Company and our Subsidiary, SAISPL	5,000.00
2.	Pre-payment/ re-payment, in part or full, of certain outstanding borrowings availed by our Company	591.39
3.	General corporate purposes(1)	[●]
Total Net Proceeds		[●](2)

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(1) The amount to be utilised for general corporate purposes alone shall not exceed 25% of the Gross Proceeds.
(2) Subject to Allotment of Equity Shares pursuant to the Issue.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth below.

S. No.	**Particulars**	**Amount to be funded from Net Proceeds**	**Estimated amount to be deployed from the Net Proceeds in Fiscal**		
			2025	**2026**	**2027**
		(₹ million)			
1.	Strategic investments, acquisitions and inorganic growth opportunities by our Company and our Subsidiary, SAISPL	5,000.00	-	2,500.00	2,500.00
2.	Pre-payment/ re-payment, in part or full, of certain outstanding borrowings availed by our Company	591.39	591.39	-	-
3.	General corporate purposes(1)	[●]	[●]	[●]	[●]
Total Net Proceeds		[●]	[●](2)	[●](2)	[●](2)

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(1) The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.
(2) Subject to Allotment of Equity Shares pursuant to the Issue.

Our requirements for funds, the intended use and deployment plans for the Net Proceeds as described herein are based on circumstances of our business, internal management estimates, commercial considerations and in accordance with our business plan based on current market conditions, which are subject to change in the future, and have not been appraised by any bank or financial institution or any other independent agency. See "*Risk Factors—Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been appraised by any bank or financial institution and our management will have broad discretion over the use of the Net Proceeds. Utilisation of Net Proceeds may be subject to change based on various factors, some of which are beyond our control. Further, any* *variation in the utilisation of the Net Proceeds from the terms and conditions as disclosed in this Preliminary Placement Document shall be subject to certain compliance requirements, including prior Shareholders' approval*." on page 60.

These are also based on current general economic and market conditions and business needs, and the actual deployment of funds at each stage will depend on a number of factors, including changes in costs, our financial condition, business and strategy or external circumstances such as financial and market conditions, competitive environment, inflation, employment and disposable income levels, demographic trends, technological changes, changing customer preferences, interest or exchange rate fluctuations and finance charges, increasing regulations or changes in government policies, which may not be in our control and obtaining necessary approvals or consents, as applicable, in accordance with applicable law and contractual obligations to which we are subject. We currently propose to deploy the Net Proceeds in Fiscal 2025, Fiscal 2026 and Fiscal 2027. If the Net Proceeds are not utilised (in full or in part) for the Objects during the periods stated in this section due to the aforementioned factors outside our control and other applicable factors such as the timing of completion of the Issue and any other business and commercial considerations, the remaining Net Proceeds shall be utilised in subsequent periods in such manner as may be determined by our Company, in accordance with applicable law. This may entail rescheduling and revising the funding requirement and increasing or decreasing such requirements for a particular purpose from the planned funding requirement as may be determined by our Company, subject to compliance with applicable laws.

Subject to compliance with applicable laws, in case of any variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by other means available to us, including from internal accruals, additional equity and/or debt arrangements or by surplus funds available in respect of the other purposes for which funds are being raised in the Issue (except towards general corporate purposes).

Details of Objects

1. Strategic investments, acquisitions and inorganic growth opportunities by our Company and our Subsidiary, SAISPL

In addition to generating organic growth opportunities, we continuously look to create strategic value through inorganic growth and have demonstrated history of integrating acquisitions with our business and consolidating our position in the fintech industry. We follow a disciplined and opportunistic approach to acquisitions, and our track record of efficiently integrating acquired businesses, realizing cost synergies, and consolidating our position in the market is a testament to our expertise. Our ability to consolidate acquisitions has been a key strength, enabling us to continue to deliver greater value to our customers and stakeholders. We continue to selectively pursue opportunities for evaluating potential targets for strategic investments, merger, acquisitions and partnerships, that complement and enhance our service offerings, strengthen or establish our presence in our targeted markets as well as allow us to penetrate into newer markets.

For instance, we have undertaken the following acquisitions in the past.

Fiscal Year	Entity Acquired	Consideration for Acquisition (in ₹ million)	Details of Entities Acquired, and their Business	Objective of Acquisition
2025*	SAISPL *Acquisition Details:* 98.32% equity shares of SAISPL have been acquired by our Company	568.25	SAISPL is a company incorporated in 2007 which offers online income tax returns preparation services and development of associated services. It has its presence in India	Opportunity to enter into a new employee related business segment

** The Company acquired 900,000 equity shares of SAISPL on March 27, 2024 and 1,066,314 equity shares of SAISPL on September 30, 2024*

We propose to deploy, Net Proceeds to the extent of ₹[●] million, towards strategic investments, acquisitions and inorganic growth opportunities by our Company and our Subsidiary, SAISPL which will be based on our management's decision and may not be the total value or cost of any such investments, but is expected to provide us with sufficient financial leverage to pursue such investments. For further details, see *"Risk Factors — In the event that our Net Proceeds to be utilized towards inorganic growth initiatives are insufficient, we may have to seek alternative forms of funding. Further, the deployment of Net Proceeds towards such inorganic growth initiatives may not take place within the period currently intended and may be reduced or extended.*" on page 61. Further, the proposed inorganic acquisitions shall be undertaken in accordance with the applicable laws, including the Companies Act, FEMA, RBI guidelines and the regulations notified thereunder, as the case maybe.

The actual deployment of funds will depend on a number of factors, including the timing, nature, size and number of acquisitions undertaken, as well as general factors affecting our results of operation, financial condition and access to capital. These factors will also determine the form of investment for these potential acquisitions, *i.e.*, whether they will be directly done by our Company or through investments in our Subsidiary in the form of equity, debt or any other instrument or combination thereof, or whether these will be in the nature of asset or technology acquisitions or joint ventures. Acquisitions and inorganic growth initiatives may be undertaken as share-based transactions, including share swaps, or a combination thereof, or as done previously, be undertaken as cash transactions. At this stage, our Company cannot determine whether the form of investment will be cash, equity, debt or any other instrument or combinations thereof or any other permitted mode of indebtedness or debt funding as the Board may deem fit.

(i) Rationale for future acquisitions

Our Company will adopt various criteria to evaluate potential acquisition opportunities ("**Targets**"), which may include:

- Strategic fit and synergy of the Targets with our Company to strengthen our market presence;
- Technology capabilities of the Targets, including for leveraging their platforms to provide a wider range of VAS to our Users;
- Leverage our established network with Indian banks to increase our presence in the payments ecosystem;
- Availability of cross-selling opportunities and deeper client engagement;
- Enhancement of our competitive positioning;
- Degree to which Targets are ready to commercialize their products;
- Reasonability of the Target's valuation;
- Potential of the Targets to grow as independent subsidiaries and provide attractive long-term valuation gains to our Company;
- Founding and management team of the Target; and
- Targets being able to demonstrable a path to profitable growth to expand our revenue streams.

Accordingly, we anticipate that acquisitions and investments made by our Company in furtherance of the factors set out above, will fit in our strategic business objectives and growth strategies.

(ii) Acquisition strategy and process

We evaluate each potential acquisition to determine how the product offering or solution will integrate with our existing portfolio and what synergies we can derive from such potential investments or acquisitions. Our corporate development team consists of professionals who evaluate potential M&A opportunities that might enable us to further enhance our current market share and/ or product offering or offer a new segment on the digital spend management platform. These acquisitions could include companies providing access to financial services, software for payroll management, vendor payments, corporate credit cards, gift and loyalty cards, other products and services that may be seen as a VAS for our Users to enhance their experience and increase User retention and loyalty, other SaaS companies and companies that provide us access to newer target demographics and markets within India and in international geographies that are positioned to support our business model and products. For further details, see "*Our Business—Strategies—Pursue selective strategic acquisitions and investments to grow our business*" on page 161.

The typical acquisition process follow by our Company has been summarized below.

- Identification of potential areas of investments in line with our Company's strategies;
- Building investment rationale – opportunity assessment, business case, deal structuring, funding requirement, risk assessment, among other things;
- Approval from our Company's management;
- Approval from our Company's Board, where required;
- Term sheet negotiation and finalization;
- Due diligence;
- Finalization and signing of definitive transaction documents;
- Deal closing; and
- Post-investment integration.

The amount to be utilised towards funding inorganic growth through acquisition and other strategic initiatives, number and timing of acquisitions, and consequently, the deployment of funds are dependent on management estimates, business plans, the anticipated pace for achieving synergistic benefits, and our Company's historical acquisitions and strategic investments and partnerships, and other relevant considerations. As on the date of this Preliminary Placement Document, we have not entered into any definitive agreements for utilisation of the Net Proceeds towards any future acquisitions or strategic initiatives for the Object set out above.

2. Pre-payment/ re-payment, in part or full, of certain outstanding borrowings availed by our Company

Our Company has entered into certain financing arrangements with banks, which include term loans, working capital loans, overdraft facilities, property loans and vehicle loans. As of September 30, 2024, our total outstanding borrowings were ₹589.68 million. Our Company proposes to utilise an estimated amount of ₹591.39 million from the Net Proceeds towards re-payment or pre-payment of certain of our term loans and working capital loans availed by our Company and accrued interest thereon.

We believe that such re-payment/ pre-payment will help reduce our outstanding indebtedness, debt servicing costs and enable utilisation of our internal accruals for further investment in the growth and expansion of our business. Additionally, we believe that such reduction of our outstanding indebtedness will improve our ability to raise further resources in the future to fund our potential business development opportunities.

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The following table provides details of borrowings availed by our Company, which are currently proposed to be fully or partially repaid or pre-paid up to the extent of ₹591.39 million from the Net Proceeds:

S. No.	Name of Lender	Nature of borrowing	Details of the facility agreement / credit arrangement letter	Date of current sanction	Amount sanctioned as at September 30, 2024 (₹ million)	Amount outstanding as at September 30, 2024 (₹ million)	Purpose	Tenor	Repayment schedule	Rate of interest per annum	Pre-payment conditions/ penalty, if any
1.	ICICI Bank Limited	Term loan	Credit arrangement letter dated January 17, 2024 and January 24, 2024	January 17, 2024	450 .00	255.45	Repayment of non-convertible debentures	Quarterly installments, until December 31, 2025	Repayable in seven quarterly instalments of ₹56.20 million each beginning from March 2024	MCLR 1Y + 0.5%	1.00% on the amount of principal of the pre-paid amount
		Cash credit			450 .00	196.10	Working capital	12 months	Repayable on demand	MCLR 6M + 0.6%	Not applicable
Total					**900.00**	**451.55**					

(remainder of this page has been intentionally left blank)

In the event that there are any pre-payment penalties required to be paid under the terms of the relevant financing agreements, such pre-payment penalties shall be paid by us out of our internal accruals. We have taken, and will take, such provisions into consideration while deciding re-payment and/or pre-payment of loans from the Net Proceeds.

Our aggregate outstanding debt may vary from time to time consistent with our business cycle and we may, in accordance with the relevant re-payment schedule, repay or refinance some of the aforementioned debt prior to Allotment. Further, we could also avail additional borrowings after the date of this Preliminary Placement Document and/ or draw down further funds under our loan facilities from time to time. Accordingly, in case the aforementioned debt is pre-paid or further drawn-down prior to the completion of the Offer, we may utilise the Net Proceeds towards re-payment or pre-payment of such additional indebtedness, along with suitable updates to the aforementioned disclosure. In case we are unable to utilise the Net Proceeds until the due date for re-payment of the aforementioned debt, the funds earmarked for such repayment may be utilised for payment of future instalments of the aforementioned debt or other loan for an amount not more than the amount mentioned above.

3. General corporate purposes

Our Company proposes to deploy the balance Net Proceeds, aggregating up to ₹[●] million, towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Gross Proceeds, in compliance with applicable laws.

The general corporate purposes for which our Company proposes to utilise Net Proceeds include, without limitation, towards meeting our capital expenditure requirements including for research and development, payment of interest, finance charges and other make-whole or prepayment charges on our borrowings, financing leasehold improvements, financing our working capital requirements and meeting any expenses incurred in the ordinary course of our business (including payment of salaries and wages, rent, administrative or other similar expenses, insurance related expenses, and the payment of taxes and duties), meeting our brand building and other marketing expenses, meeting any exigencies which we may face in the ordinary course of our business, and any other purpose as permitted by applicable laws, subject in each case to meeting regulatory requirements and obtaining necessary approvals or consents, as applicable and for other purposes as may be permitted by applicable laws and as approved by our Board or a duly appointed committee thereof from time to time.

Interim use of Net Proceeds

Pending utilisation of the Net Proceeds for the purposes described in this section, our Company intends to temporarily invest the Net Proceeds in deposits with one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 or in creditworthy instruments, including money market or mutual funds, as may be approved by our Board or a duly authorised committee of our Board, from time to time and in accordance with applicable laws. Further, in accordance with applicable laws, we undertake to not utilise proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges. Our Company confirms that, other than as specified in this section for the purposes of the Objects, it shall not use, directly or indirectly, the Net Proceeds for buying, trading or otherwise dealing in equity securities or any equity linked securities.

Monitoring of utilisation of funds

Our Company has appointed CARE Ratings Limited as the monitoring agency in accordance with Regulation 173A of the SEBI ICDR Regulations for monitoring the utilisation of the Gross Proceeds. The report of the Monitoring Agency shall be placed before the Audit Committee on a quarterly basis, promptly upon its receipt. Such report, along with the comments (if any) of the Monitoring Agency shall be submitted to the Stock Exchanges within 45 days from the end of each quarter, or such other period as may be prescribed under the SEBI Listing Regulations and uploaded on the website of our Company, www.zaggle.in.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds.

On an annual basis, our Company shall (i) prepare a statement of funds utilised for purposes other than those stated in this Preliminary Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised; and (ii) disclose every year, the utilisation of the Net Proceeds during that year in its annual report. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement under (i) above shall be certified by the statutory auditors of our Company.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects as stated above or the Objects for which the Net Proceeds were raised, have been achieved. This information will also be published on our website and our Company shall furnish an explanation for the deviations and category-wise variations in the directors' report in its annual report, after placing the same before the Audit Committee.

Other confirmations

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges. The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by our Board and/ or a duly authorized committee of our Board, from time to time only for such purposes, as permitted under the Companies Act, prescribed Objects as disclosed above and other applicable laws.

The amounts and timing of any expenditure will depend on, among other factors, the amount of cash generated by our operations, competitive and market developments and the availability of equity and debt financing on terms acceptable to us. To the extent permissible under applicable laws, our Company's management will have flexibility in deploying the Net Proceeds and surplus amounts, if any. Any variation in the planned use of the Net Proceeds will be undertaken in accordance with applicable law, including compliance with requirements for prior shareholders' approval, where required.

Subject to applicable laws, our Board shall determine the quantum of Net Proceeds to be deployed by our Company from the Issue, depending on business opportunities or requirements of our Company from time to time.

Neither our Promoters nor our Directors are making any contribution either as a part of this Issue or separately in furtherance of the use of the Net Proceeds. Further, since this Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel and/or Senior Management are not eligible to subscribe in this Issue.

Further, except as set forth in this section:

- neither our Promoters nor our Directors shall receive any proceeds from this Issue, whether directly or indirectly; and

- there are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors, Key Managerial Personnel and/or Senior Management.

CAPITALIZATION STATEMENT

The table below sets forth our capitalisation statement as at September 30, 2024 derived from our Unaudited Consolidated Interim Financial Statements and as adjusted to give effect to the receipt of the Gross Proceeds of the Issue. This table should be read in conjunction with "*Risk Factors*", "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", on pages 51, 235 and 103, respectively.

Particulars	**As of September 30, 2024**	
	Pre-Offer	**As adjusted for the Offer[(1)(2)(3)]**
	(₹ million, except ratios)	
Debt		
Short term borrowings (A)	513.84	[●]
Long term borrowings (including current maturities) (B)	75.84	[●]
Total debt (C=A+B)	589.68	**[●]**
Equity		
Equity share capital (D)	122.61	[●]
Other equity (E)	6,070.07	[●]
Total equity (F=D+E)	6,192.68	**[●]**
Ratio: Long term borrowings (including current maturities)/ Total equity (G=B/F)	0.01	**[●]**
Ratio: Total debt/ Total equity (H=C/F)	0.10	**[●]**

Notes:

(1) *The corresponding post-Issue capitalization data is not determinable at this stage and will be finalised upon determination of the Issue Price.*

(2) *Adjustments do not include Issue related expenses.*

(3) *As adjusted to reflect the number of Equity Share issued pursuant to the Issue.*

CAPITAL STRUCTURE

The share capital of our Company as at the date of this Preliminary Placement Document is set forth below.

Particulars		Aggregate value at face value (except for securities premium account)
		(in ₹, except share related data)
A	**AUTHORIZED SHARE CAPITAL**	
	150,000,000 Equity Shares of face value ₹1 each	150,000,000.00
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**	
	122,835,933 Equity Shares of face value of ₹1 each fully paid-up	122,835,933.00
C	**PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT**	
	Up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹[●] million(1)(2)	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE**	
	[●] Equity Shares of face value of ₹1 each(2)	[●]
E	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue (as at the date of this Preliminary Placement Document) *(₹)*	5,091,829,621
	After the Issue(2)(3)	[●]

(1) *The Issue has been authorised by our Board pursuant to a resolution dated October 30, 2024, and by our shareholders pursuant to a special resolution dated December 2, 2024 via postal ballot.*

(2) *To be determined upon finalization of the Issue Price.*

(3) *The securities premium account after the Issue is calculated on the basis of Gross Proceeds. Adjustments do not include Issue related expenses.*

Equity share capital history of our Company

The history of the equity share capital of our Company is set forth below.

Date of allotment	Number of equity shares allotted	Face value per equity share	Issue price per equity share	Nature of consideration	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital
		(₹)	(₹)				(₹)
June 2, 2011	10,000	10	10	Cash	Initial subscription to the Memorandum of Association	10,000	100,000
March 30, 2013	90,000	10	225	Cash	Further issue	100,000	1,000,000
January 2, 2019	80,000	10	10	Cash	Pursuant to the employee stock option plan of 2017	180,000	1,800,000
May 18, 2022	425	10	182,222	Cash	Preferential issue	180,425	1,804,250
June 2, 2022	216	10	182,222	Cash	Preferential issue	180,641	1,806,410
June 21, 2022	153	10	182,222	Cash	Preferential issue	180,794	1,807,940
June 30, 2022	27	10	182,222	Cash	Preferential issue	180,821	1,808,210
Pursuant to resolutions passed by our Board at their meeting dated July 14, 2022 and the Shareholders at their extraordinary general meeting dated July 27, 2022, our Company has sub-divided its equity shares of face value of ₹10 each to equity shares of face value of ₹1 each							
July 28, 2022	90,410,500	1	-	N/A	Bonus issue in the ratio of 50 Equity Shares for every 1 Equity Share held in our Company	92,218,710	92,218,710
August 16, 2023	4,451,219	1	164	Cash	Preferential issue	96,669,929	96,669,929

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
August 21, 2023	1,524,390	1	164	Cash	Preferential issue	98,194,319	98,194,319
September 20, 2023	23,902,439	1	164	Cash	Allotment pursuant to initial public offering	122,096,758	122,096,758
Allotments in the one year immediately preceding this Preliminary Placement Document							
February 6, 2024	73,608	1	164	Cash	Pursuant to the ESOP Scheme	122,482,493	122,482,493
	312,127		1				
July 30, 2024	32,542	1	164	Cash	Pursuant to the ESOP Scheme	122,606,799	122,606,799
	91,764		1				
October 30, 2024	100,534	1	164	Cash	Pursuant to the ESOP Scheme	122,835,933	122,835,933
	128,600		1				

Except as stated in "—*Equity share capital history of our Company*" above, our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of this Preliminary Placement Document, including for consideration other than cash, or made any allotment of Equity Shares pursuant to a preferential issue, private placement or a rights issue.

Preference shares

As at the date of this Preliminary Placement Document, our Company does not have any outstanding preference shares.

Warrants

As at the date of this Preliminary Placement Document, our Company does not have any outstanding warrants.

Employee Stock Option as on date of this Preliminary Placement Document

Our Company instituted the ESOP Scheme, pursuant to the resolution passed by our Board of Directors in its meeting held on September 26, 2022 and by our Shareholders at their meeting held on September 27, 2022, respectively. The ESOP Scheme is compliant with the SEBI SBEBSE Regulations. The ESOP Scheme was amended pursuant to resolutions passed by our Board of Directors in their meetings held on November 19, 2022 and November 7, 2023 and our Shareholders at their meeting held on November 21, 2022 and via a postal ballot in the Shareholders meeting held on December 9, 2023. Set out below are the details of the ESOP Scheme:

S.No.	Particulars	Number of units under ESOP Scheme
1.	Total number of shares granted	3,033,782
2.	Shares vested	778,989
3.	Shares unvested	906,056
4.	Shares exercised	739,175
5.	Shares lapsed or forfeited	1,361,223
6.	Total number of shares outstanding	933,385

Proposed allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotments shall be made by our Company, in consultation with the Lead Managers, to Eligible QIBs only, on a discretionary basis. For further details, the names of the proposed Allottees, and the percentage of post-Issue capital that may be held by them, see "*Proposed Allottees*" on page 234.

Pre-Issue and post-Issue shareholding pattern

The pre-Issue and post-Issue shareholding pattern of our Company is set forth below.

S. No.	Category	Pre-Issue(1)		Post-Issue(2)	
		No. of Equity Shares of face value of ₹ 1 each held	% of shareholding	No. of Equity Shares of face value of ₹ 1 each held	% of shareholding
A.	**Promoter's holding**				

S. No.	Category	Pre-Issue(1)		Post-Issue(2)	
		No. of Equity Shares of face value of ₹ 1 each held	% of shareholding	No. of Equity Shares of face value of ₹ 1 each held	% of shareholding
1.	Indian				
	Individual	53,805,702	43.88	[●]	[●]
	Bodies corporate	-	-	[●]	[●]
	Sub-total	**53,805,702**	**43.88**	[●]	[●]
2.	Foreign	-	-	[●]	[●]
	Sub-total (A)	**53,805,702**	**43.88**	[●]	[●]
B.	**Non-promoter's holding**				
1.	Institutional investors	20,652,581	16.84	[●]	[●]
2.	Non-institutional investors				
	Private corporate bodies	13,852,891	11.30	[●]	[●]
	Directors and relatives (other than Directors who are also Promoters)	1,249,837	1.02	[●]	[●]
	Indian public	30,530,741	24.91	[●]	[●]
	Others including non-resident Indians (NRIs)	2,515,047	2.05	[●]	[●]
	Sub-total (B)	**68,801,097**	**56.12**	[●]	[●]
	Grand total (A+B)	**122,606,799**	**100.00**	[●]	[●]

(1) *Based on beneficiary position data of our Company as at September 30, 2024.*

(2) *The details of the post-Issue shareholding pattern have been intentionally left blank and will be filled in before filing of the Placement Document with the Stock Exchanges.*

Other confirmations

The Shareholders of our Company have via postal ballot, by a special resolution dated December 2, 2024 authorized the raising of funds aggregating up to ₹9,500 million.

There will be no change in control of our Company pursuant to the Issue.

Our Promoters, Directors, Key Managerial Personnel, and members of the Senior Management of our Company do not intend to participate in the Issue. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel, and members of the Senior Management of our Company are not eligible to subscribe in the Issue.

Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the Issue. Further, Equity Shares allotted pursuant to the Issue cannot be sold by the Allottee for a period of one year from the date of Allotment, except on the Stock Exchanges.

Our Company has not made any allotments of Equity Shares or preference shares, for consideration other than cash, in the last one year preceding the date of this Preliminary Placement Document.

At any given time, there shall be only one denomination of the Equity Shares of our Company.

Our Equity Shares have been listed for a period of at least one year prior to the date of issuance of the postal ballot notice to our Shareholders in respect of the special resolution dated December 2, 2024, approving the Issue.

The Equity Shares held by the Promoters, are subject to lock-up for a period commencing on the date of this Preliminary Placement Document and ending 180 days from the date of Allotment. For further details, see "*Placement and Lock-Up*" on page 199.

There are no outstanding options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as at the date of this Preliminary Placement Document.

DIVIDENDS

The declaration and payment of dividends by our Company will be recommended by our Board and approved by our Shareholders, at their discretion and is governed by applicable provisions of the Companies Act, 2013 and the Articles of Association. Our Board has, on December 14, 2022, approved and adopted a formal dividend distribution policy (the "**Dividend Distribution Policy**") in accordance with Regulation 43A of the SEBI Listing Regulations.

Our Company has not declared or paid any dividend on the Equity Shares during the three immediately preceding Fiscals, six-month period ended September 30, 2024 and until the date of filing of this Preliminary Placement Document.

The dividend for any Fiscal, if declared, shall be paid out of our Company's profits for that Fiscal or accumulated profits of any previous Fiscals in accordance with provisions of the Companies Act 2013, the Articles of Association and our Dividend Distribution Policy.

The declaration of dividends, if any, in the future will depend on a number of factors that our Board deems relevant, including but not limited to our Company's profits, capital requirements, rate of dividend distribution tax, contractual obligations, applicable legal restrictions, overall financial condition and restrictive covenants under loan or financing arrangements of our Company. In addition, the dividend, if any, will also depend on a number of external factors including but not limited to applicable laws and regulations including taxation laws, economic conditions, prevalent market practices, and technological changes. For further details, see "*Risk Factors – We cannot assure payment of dividends on the Equity Shares in the future*" on page 84.

The Equity Shares to be issued in connection with the Issue shall qualify for any dividend, including interim dividend, if any, that is declared in respect of the Fiscal in which they have been allotted. For further information, see "*Description of the Equity Shares"* and *"Taxation*" on pages 216 and 219, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis are intended to convey the management's perspective on our financial condition and results of operations as of and for the six month period ended September 30, 2024 and September 30, 2023, and as of and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022. Unless otherwise stated, or unless the context otherwise requires, the financial information for Fiscals 2022, 2023 and 2024 included herein is derived from the Audited Financial Statements and the financial information as at and for the six months ended September 30, 2023 and September 30, 2024, included herein is derived from the Unaudited Consolidated Interim Financial Statements disclosed to the Stock Exchanges pursuant to Regulation 33 of the SEBI Listing Regulations. All the consolidated financial information as at and for the six months ended September 30, 2023 have been extracted from the comparative period column included in the Unaudited Consolidated Interim Financial Statements as at and for the six months ended September 30, 2024. For further information, see "Financial Information" on page 235. The financial information as at and for the six months ended September 30, 2024 is not indicative of our Company's annual performance and not comparable with the annual financial information. Our financial year ends on March 31 of each year. Accordingly, references to "Fiscal 2022", "Fiscal 2023" and "Fiscal 2024", are to the 12-month period ended March 31 of the relevant year.

In this Preliminary Placement Document, unless the context otherwise indicates, requires or implies, any reference to "the Company" or "our Company" refers to Zaggle Prepaid Ocean Services Limited, on a standalone basis, and any reference to "we", "us" or "our" refers to Zaggle Prepaid Ocean Services Limited, its subsidiaries and its associate, on a consolidated basis, as reflected in the Audited Consolidated Financial Statements and Unaudited Consolidated Interim Financial Results.

Ind AS differs in certain respects from, IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. We have not attempted to quantify the impact of the IFRS or U.S. GAAP on the financial information included in this Preliminary Placement Document, nor do we provide a reconciliation of our financial information to IFRS or U.S. GAAP. Please also see "Risk Factors—Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition, results of operations and cash flows." on page 80.

This discussion contains certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, such as those set forth in the sections entitled "Forward Looking Statements", "Risk Factors" and "Our Business" on pages 19, 51 and 153, respectively. Given these risks and uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements.

*Unless stated otherwise, industry and market data used in this section has been obtained or derived from a report titled "Industry Report on SaaS based Fintech Market in India" dated December 14, 2024 (the "**Frost & Sullivan Report**"), prepared and issued by Frost & Sullivan pursuant to an engagement letter dated October 14, 2024, and exclusively commissioned and paid for by us in connection with the Issue. The industry related information included herein includes excerpts from the Frost & Sullivan Report and may have been rearranged by us for the purposes of presentation. There are no parts, data or information (that may be material for the proposed Issue), that have been left out or changed in any manner. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Frost & Sullivan Report and included herein with respect to any particular year is in relation to the relevant calendar year. For more information, see "Presentation of Financial and Other Information" and "Risk Factors - Industry information included in this Preliminary Placement Document has been derived from an industry report commissioned and paid for by us exclusively in connection with the Issue." on pages 14 and 75, respectively.*

Overview

We are a software-as-a-service ("**SaaS**") fintech platform, digitising spends with automated workflows tailored for businesses. We operate at the intersection of the SaaS and fintech ecosystems, offering our corporate cards through our unified platform, which integrates employee benefits, expense management, accounts payable and personal finance tools into a streamlined dashboard for corporate administrators and a user-friendly mobile application for employees and their ecosystem partners. We empower businesses to optimize their spending, enhance financial control and drive operational efficiency by addressing their needs of digitization, automation and optimization. We follow a plug and play approach, where we can introduce newer products and services to our existing and potential Customers (*i.e.*, businesses), leveraging our strong technology platform and network partners.

For further information, see "*Our Business*" on page 153.

Principal Factors Affecting our Financial Condition and Results of Operations

The following describes certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations.

Macroeconomic environment in India and favourable trends for the Indian fintech industry

Substantially all of our business activities are conducted in India, and the macroeconomic environment in India has affected, and will continue to affect, our results of operations. A favourable macroeconomic environment is generally characterized by, among other factors, high gross domestic product growth; transparent, liquid and efficient capital markets; low inflation; a high level of business and investor confidence; stable political and economic conditions; and strong business earnings. Unfavourable or uncertain economic conditions mainly result from declines in economic growth, business activity or investor confidence; limitations on the availability of capital or increases in the cost of credit and capital; increases in inflation, interest rates, exchange rate volatility, default rates or the price of basic commodities, capital controls or limits on the remittance of dividends; or a combination of these or other factors.

Consumer confidence, unemployment and overall economic growth rates are among the main factors that often impact consumer spending behaviour. Poor economic conditions reduce the usage of our business credit cards or prepaid cards and the average spends on our business credit cards or prepaid cards, both of which reduce our interchange fee income. Economic growth in India is influenced by, among other things, inflation, interest rates, foreign trade and capital flows. The level of inflation or depreciation of the Indian rupee may limit monetary easing or cause monetary tightening by the RBI. Any increase in inflation, due to increases in domestic food prices or global prices of commodities, including crude oil, the impact of currency depreciation on the prices of imported commodities and additional pass-through of higher fuel prices to consumers, or otherwise, may result in a tightening of monetary policy. While the inflation rates in India are on the rise, a resulting rise in interest rates, and any corresponding tightening of monetary policy may have an adverse effect on economic growth in India. For further information in relation to the industry in which we operate, see "*Industry Overview*" on page 133.

Our revenue is primarily attributable to our User/ Customer base in periods which was accompanied by spending by our Users/ Customers. An increase in spending by our Users/ Customers facilitate increase in Program Fees we receive. Our Program Fees, which we derive from our arrangements with our banking partners, primarily consists of our share of interchange fees, the spend-based fees earned from Payment Networks for the transactions carried out by the Users/ Customers of business credit cards or prepaid cards at offline and/or online outlets, pursuant to contractual agreements between our Banking Partners and Payment Networks.

While our results may not necessarily track India's economic growth figures, the Indian economy's performance affects the environment in which we operate. A prolonged period of slow economic growth or a significant deterioration in economic conditions or broader consumer trends would likely affect consumer spending levels directly impacting our Program Fee income.

Impact of interchange fees

Program Fees is one of the largest components of our total revenue from operations, which in turn primarily consists of our portion of interchange fees which are spend-based fees that our banking partners earn for the transactions carried out by the Users/ Customers of business credit cards or prepaid cards at offline and/or online outlets that we receive from our banking partners, including our Banking Partners. Set forth below is our revenue from Program Fees, including as a percentage of our total revenue from operations, for the financial years and periods indicated.

	Six month period ended September 30,		**Fiscal**		
	2024	**2023**	**2024**	**2023**	**2022**
Revenue from Program Fees *(₹ million)*	2,530.50	965.82	3,218.43	1,694.53	2,007.03
Revenue from Program Fees as a percentage of total revenue from operations *(%)*	45.61	31.90	41.50	30.62	54.06

Our revenue from Program Fees primarily consists of our share of interchange fees which are calculated according to contractual agreements entered into by our banking partners, including our Banking Partners, with the Payment Networks and are largely earned as a percentage of the spending levels on a business credit card or prepaid card. Interchange fees constituted a significant portion of our Program Fees earned in the six month period ended September 30, 2024 and September 30, 2023 and in Fiscals 2024, 2023 and 2022. Set forth below is the contribution of interchange fees from business credit cards or prepaid cards business including as a percentage of our total revenue from operations, for the financial years and periods indicated.

	Six month period ended September 30,		Fiscal		
	2024	**2023**	**2024**	**2023**	**2022**
Contribution of interchange fees *(₹ million)*	2073.67	532.93	2616.46	1,225.62	1,880.62
Interchange fees as a percentage of total revenue from operations *(%)*	37.38	17.60	33.73	22.14	50.66

Interchange fees earned by us are up to 2.20% of the spend that Users/ Customers make on business credit cards or prepaid cards at offline and/or online outlets. We receive a portion of the interchange fees earned by our banking partners when Users/ Customers make transactions using our business credit cards or prepaid cards. Interchange reimbursement rates in India are generally decided by a Payment Network and are broadly influenced by: (i) the industry of the merchant where the cards are used; (ii) merchant category codes; (iii) transaction value; and (iv) jurisdiction of the transaction (whether domestic or international). The quantum of interchange fees could also broadly influenced by various factors outside our control and any change in general economic or market conditions such as consumer demand, consumer confidence, inflation, employment and disposable income levels, interest rate levels, demographic trends, technological changes or changes in laws or regulations which, among other things, may prescribe a ceiling on, or otherwise restrict our ability to charge interchange fees or similar fees. For instance, with effect from April 2023, interchange fees at a rate of 1.10% of the transaction value will be applicable to payments made to all online merchants, large merchants and small offline merchants through unified payments interface ("**UPI**") having transaction value greater than ₹2,000.00.

Our revenue from Program Fee significantly increased by 162.01% from ₹965.82 million in the six month period ended September 30, 2023 to ₹2,530.50 million in the six month period ended September 30, 2024 and by 89.93% from ₹1,694.53 million in Fiscal 2023 to ₹3,218.43 million in Fiscal 2024 primarily on account of: (i) issuance of business credit cards to our Customers for making vendor payments through our 'Zoyer' platform; (ii) increased issuance of prepaid cards, which earn higher interchange fees as compared to interchange fees earned on transactions using physical cards; (iii) re-negotiation of commercial terms with our banking partners and Payment Networks in order to earn higher interchange fees on account of an increase in our Customer base; (iv) increased incentivisation of spends at merchant categories offering a higher interchange such as electronics, e-commerce transactions and fashion; (v) increased issuance of cards with corporate bank identification numbers (BINs) that earn higher interchange fees as compared to cards with platinum BINs; and (vi) increased spends in e-commerce, leading to a higher yield of interchange fees per transaction as compared to offline transactions. Our revenue from Program Fee decreased by 15.57% from ₹2,007.03 million in Fiscal 2022 to ₹1,694.53 million in Fiscal 2023. This decrease was primarily driven by change in User spend behaviour from online outlets to offline outlets, as offline outlets entail lower interchange rates.

By introducing incentives, reward and recognition programs, merchant discounts, partnering with new online/offline merchant partners and aggregators, and expanding our payment capabilities, we continuously work to drive spending levels among our Users/ Customers, which consequently should increase our Program Fee income.

Our banking partners are subject to certain regulations by various government authorities, including the RBI. Introduction of new laws or regulations by the RBI in respect of our arrangement with our banking partners, if promulgated, could affect our business, financial condition and results of operations. Compliance with new regulations governing our banking partners could also result in significant expenditure for them that could cause them to renegotiate their agreements or curtail their operations. Furthermore, interchange fees on certain transactions are regulated within India. The RBI has implemented regulations limiting interchange fees payable on debit card transactions and similar regulations could be extended to prepaid card transactions in the future. In 2022, the RBI published a 'Discussion Paper on Charges in Payment Systems' which, among other things, deliberates upon the charges structure for payments done through pre-paid instruments. In March 2023, the NPCI issued a circular on merchant transaction charges on pre-paid instruments pursuant to which there have been certain changes to existing rates for other transactions as well. Any change in laws or regulations which, among other things, prescribes a ceiling on, or otherwise restricts our ability to earn interchange fees or similar fees, will have a direct effect on our revenue and results of operations, as we may be required to restructure our activities and incur additional expenses to comply with such changes in laws and regulations.

Our focus on diversification of our streams of revenue in recent periods has resulted in reduction of contribution of interchange fees to our total revenue from operations in the financial periods referred to above. We charge our Customers a platform fee, SaaS fee and service fee for implementing our product offerings. We earn fees from periodic subscriptions from our Customers for the usage of our software and also generate revenue by monetizing 'Propel Points' which are reward points that are calculated, issued and redeemed on our platform. In addition to the revenue stream from subscription fees (including add-on charges, if any), we have also earn merchant commissions and commission on VAS sales. We expect this trend to continue in future financial periods.

Our Customer and User base

Our ability to increase our User base through increasing our number of Customers has been an important factor in the growth of our revenue during the periods under review. Subscription-based fees are largely driven by the number of Users. By acquiring large User bases through our Corporate and SMB Customers, we have over time launched new products to expand our product portfolio and developed the ability to cross-sell and up-sell products to a wider User base.

The table below sets forth brief details of our Users, as of the dates indicated.

	As of September 30,		**As of March 31,**		
	2024	**2023**	**2024**	**2023**	**2022**
Number of Active Users*	3,029,859	2,523,674	2,734,674	2,274,138	1,723,350
Increase in number of Users from the prior financial year/ period end *(%)*	20.06	-	20.25	31.96	-

* *Active Users are Users who have used our products or services on any of our platforms during the relevant year or specific period above.*

The table below sets forth brief details of our Customers using our products and services, as of the dates indicated.

Particulars	**As of September 30,**		**As of March 31,**		
	2024	**2023**	**2024**	**2023**	**2022**
Number of Customers	3,213	2,732	3,016	2,411	1,753
Increase in number of Customers from the prior financial year end/ period end *(%)*	17.61	-	25.09	37.54	-

During these periods, and as a result of these increases, we experienced a growth in our revenue from operations and profit after tax. The table below sets forth our revenue from operations and profit after tax, for the periods indicated.

	Six month period ended September 30,		**Fiscal**		
	2024	**2023**	**2024**	**2023**	**2022**
Revenue from operations *(₹ million)*	5,547.63	3,027.21	7,755.98	5,534.60	3,712.55
Increase from the prior financial year end/ period end *(%)*	83.26	-	40.14	49.08	-
Profit after tax *(₹ million)*	370.28	96.40	440.20	229.01	419.21
Increase from the prior financial year end/ period end *(%)*	284.11	-	92.22	(45.37)	-

We also experienced significant growth in our revenue from 'Zoyer', 'Propel' and 'Save' in the six months ended September 30, 2024 and Fiscal 2024 as we promoted our business credit cards or prepaid cards during such periods and witnessed an increase in the adoption rate among Corporates and SMBs of vendor payments through business credit cards, expense management and rewards and recognition solutions. For further information on our products, see "*Our Business – Our Business Operations - Our product and service offerings*" on page 165.

Using our strong Customer relationships and investing in our direct and indirect sales and marketing capabilities, along with (i) the expansion of our network of merchants, (ii) leveraging industry tailwinds, and (iii) the post-Covid increase in digitization, we seek to increase our Customer base of Corporate and SMB Customers in India. Furthermore, we intend to expand our operations geographically outside India, in particular, the United States, the United Kingdom and Brazil. We may undertake certain investments in certain target markets by incorporating new entities, contingent on various factors including the regulatory requirements of such geographies, either in the form of equity or debt or a combination of both, or in any other manner as may be decided by our management. These initiatives are expected to result in us incurring additional costs and expenses, including marketing, infrastructure, employee and other expenses as we roll out our platform in different geographies, costs that are likely to not be proportionate to the growth in our subscription-based revenue from Customers in these new markets. While we expect our revenue from operations to continue to grow in the future, the growth rate we experienced in the six months ended September 30, 2024 and Fiscal 2024 may not be replicable in any future periods.

Arrangements with partners

We have a network of preferred partners, such as banks and fintech merchants with whom we collaborate to offer their and our existing employees, channel partners and Customers, a wide suite of SaaS and fintech solutions. We intend to further leverage our partners' expertise to co-create and build new solutions for our Customers and their Users while acquiring new Customers, merchants and Users with the support of our partners, including for the development of new technologies and products. In addition to using our own sales and marketing teams, we plan to leverage our partner networks while adding new partners to explore additional go-to-market opportunities and grow our Customer base. Going forward, we intend to enable our banking partners penetrate large and small businesses, attracting a wider Customer base that provides an opportunity to cross-sell their offerings. While these strategies may be successful in strengthening our relationships with our partners and increasing the revenue for both our partners and us, we expect to incur additional costs from implementing these strategies.

Impact of 'Propel' platform revenue/gift cards and cost of point redemption/gift cards

'Propel' platform revenue/gift cards are one of the largest components of our total revenue from operations, comprising 51.33%, 63.25%, 54.47%, 65.00% and 41.46% of our total revenue from operations in the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. 'Propel' is a corporate SaaS platform for channel rewards and incentives, employee rewards and recognition. We recognize 'Propel' revenue on completion of our performance obligations which are met on the redemption of 'Propel' points against a catalogue of gift cards/vouchers. We act as a principal in this process, recognizing consideration for supplies on a gross basis with the corresponding cost of supplies being recorded as an expense. Cost of point redemption/gift cards is directly proportional to our 'Propel' platform revenue/gift cards and is one of the largest components of our total expenses, comprising 52.83%, 58.72%, 52.22%, 60.98% and 44.78% of our total expenses in the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Revenue on the sale of a gift card/voucher is recognized at the point in time on transfer of control of the respective gift card/voucher to a Customer.

Research and development costs

Our revenue from operations and profitability are affected by our ability to constantly develop products through R&D, and to provide our services cost-efficiently. In order to meet the demand of our Customers and to develop and introduce newer products, we employ personnel with the necessary skills and experience in our product development team. As of September 30, 2024, we employed 113 employees in our product development and information technology teams. For further details on our R&D capabilities, see "*Our Business - Our Business Operations -Research and Development*" on page 169. Our R&D costs primarily comprise payroll costs for employees in our product development and information technology teams. In Fiscals 2024, 2023 and 2022, we capitalised R&D costs of ₹125.65 million, ₹151.04 million and ₹40.00 million, respectively, in accordance with Ind AS 26, towards the development of 'Save', 'Zatix', 'Propel' and 'Zoyer'. The development and introduction of these new products has contributed to an increase in our Customers.

Impact of Customer Acquisition and Retention Costs

Our success, and our revenue growth in particular, is significantly dependent on our ability to continually attract new Customers and increase our User base, retain existing Customers and drive spends by our Users by offering them with incentives and cash backs. Incentives offered by way of cash backs are recognised as an expense at the time of loading of such cash back onto the cards or making payments to the Customers based on spends through our 'Zoyer' platform. Incentives are also recognised when a User redeems the awarded points for vouchers. We also incur advertisement and business promotion expense to attract new Customers and Users, which include expenses towards brand awareness programmes, coupons, giveaway gifts, displays and exhibitions, client engagement activities and advertisement and digital marketing, which together with incentives and cash backs, constitute our Customer acquisition and retention costs ("**Customer Acquisition and Retention Cost**"). By offering incentives and cash backs, which are in the nature of an additional promotional expense, we encourage our Users/ Customers to transact using their cards, thereby driving spends and increasing our revenues. Furthermore, we also undertake follow-up initiatives promoting our Users utilise the remaining balance from time to time.

Our Customer Acquisition and Retention Costs accounted for 5.71%, 8.02%, 7.35%, 6.26% and 5.80% of our total expenses in the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Customer Acquisition and Retention Costs comprised 5.30%, 7.73%, 6.89%, 5.92% and 5.01% of our total revenue from operations in the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Set forth below are brief details related to our Customer Acquisition and Retention Costs, for the financial years and periods indicated.

	Six month period ended September 30,		Fiscal		
	2024	2023	2024	2023	2022
Customer Acquisition and Retention Cost[(1)] *(₹ million)*	293.90	234.01	534.12	327.40	185.83
Acquisition and Retention Cost per Customer[(2)] *(₹ million)*	1.49	0.73	0.88	0.50	0.28

(1) Customer Acquisition and Retention Cost refers to digital marketing campaign costs, business promotion costs, feet on the street (FOS) and strategic partnership team salaries costs and other advertisement and marketing costs incurred for all the new customers added in the business in the period.
(2) Acquisition and Retention Cost per Customer is calculated as Customer Acquisition and Retention Cost divided by the number of new Customers added during the period.

Our Customer Acquisition and Retention Costs and our Acquisition and Retention Cost per Customer increased commensurate with the increase in our new corporate and SMB Customers and increased spends by our Users/ Customers, as we offered them increased incentives and cash backs, encouraging our Users/ Customers to transact using their cards, thereby driving spends and increasing our revenues.

Competition

Our business model and diversified product offerings makes our business such that there is no industry peer listed in India or abroad which are of comparable size, belong to the same industry and follow a similar business model. Consequently, there is limited information in the public domain about our peers and it may be difficult to benchmark and evaluate our financial performance against other operators who operate in the same industry as us. However, with the rise of technology-driven start-ups in our segments, there exist various companies which offer one or more notionally or feature-wise similar product or service as our Company, such as spend management, fintech solutions and loyalty cards. Few examples of such companies include Payhawk, Divvy, Brex, Pleo, Ramp, Expensify, Corpay, Edenered, Wex, Happay, SAP Concur, Pluxeem Paymate, Enkash, Qwikcliver and XOXODay (*Source: Frost & Sullivan Report*).

Some of these companies have greater financial resources, geographical presence and substantially larger bases of users and/or customers than we do, which may provide them with significant competitive advantages. As competitive pressures intensify, we may be required to expend additional resources to offer a more attractive value proposition to our Customers and Users through increased spending on incentives, innovation, sales and marketing and hiring, which could negatively impact our profit margins. Furthermore, as we expand into new geographies, Customers in these new markets may be unfamiliar with our brand and offerings, and we may need to build or increase brand awareness by increasing investments in digital media and promotional activities in those geographies.

Regulatory environment

We are subject to certain regulations, including, the Payment and Settlement Systems Act, 2007, the Reserve Bank of India Master Directions on Prepaid Payment Instruments, 2021 and the Reserve Bank of India Master Directions on Credit Card and Debit Card – Issuance and Conduct, 2022. The fintech regulatory framework in India, specifically around pre-paid instruments and digital lending is evolving and is subject to risks of interpretation. The RBI in June 2022 issued a "Payments Vision 2025" (introducing revised guidelines for pre-paid instrument) and in September 2022 issued "Guidelines on Digital Lending" (applicable to entities regulated by the RBI, their lending service providers and digital lending apps). While such regulations and any approval requirements were not applicable to us as of the date of this Preliminary Placement Document, any change in regulation could significantly impact the manner in which we currently operate our business. Furthermore, our banking partners and channel partners are regulated by the RBI in a more substantial manner. Introduction of new laws or regulations by the RBI in respect of our arrangement with our banking partners or channel partners, if promulgated, could adversely affect our relationship with them.

Non-GAAP Measures

We use certain supplemental Non-GAAP Measures to review and analyse our financial and operating performance from period to period, and to evaluate our business, and for forecasting purposes. Although these Non-GAAP Measures are not measures of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because they are widely used measures to evaluate a company's operating and financial performance. Further, our management believes that when taken collectively with financial measures prepared in accordance with Ind AS, these Non-GAAP Measures may be helpful to investors because they provide an additional tool for investors to use in evaluating our ongoing results and trends. Presentation of these Non-GAAP Measures and key performance indicators should not be considered in isolation from, or as a substitute for, analysis of our historical financial performance, as reported and presented in our Audited Financial Statements and Unaudited Consolidated Interim Financial Statements set out in this Preliminary Placement Document.

These Non-GAAP Measures are not defined under Ind AS, are not presented in accordance with Ind AS and have limitations as analytical tools which indicate, among other things, that they do not reflect:

- our cash expenditures or future requirements for capital expenditure or contractual commitments;
- changes in, or cash requirements for, our working capital needs; and
- the finance cost, or our cash requirements.

Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and these measures do not reflect any cash requirements for such replacements. These Non-GAAP Measures may differ from similar titled information used by other companies, including peer companies, who may calculate such information differently and, hence, their comparability with those used by us may be limited. Therefore, these Non-GAAP Measures and key performance indicators should not be viewed as substitutes for performance or profitability measures under Ind AS or as indicators of our operating performance, cash flows, liquidity or profitability.

Set out below are definitions of certain key Non-GAAP Measures and key performance indicators such as EBIT, EBITDA, EBITDA Margin, Net Profit Ratio, RoE, Current Ratio, Debt to Equity Ratio, Interest Coverage Ratio, Debt Service Coverage Ratio and Net Capital Turnover Ratio presented in this Preliminary Placement Document, along with a brief explanation of their calculation. Certain other Non-GAAP Measures and key performance indicators are defined in "*Definitions and Abbreviations*" on page 23. Also see "*Risk Factors – We have included certain Non-GAAP Measures, industry metrics and key performance indicators related to our operating and financial performance in this Preliminary Placement Document that are subject to inherent challenges in measurement. These Non-GAAP Measures, industry metrics and key performance indicators may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies*" on page 74.

EBIT, EBITDA and EBITDA margin

"**EBIT**" is defined as earnings before interest and taxes. "**EBITDA**" is defined as earnings before interest, taxes, depreciation and amortisation. EBITDA excludes other income but includes reversal of provision for doubtful debts. "**EBITDA Margin**" is defined as our EBITDA during a given period as a percentage of revenue from operations during that financial year/ period. The table below reconciles our Company's profit after tax to EBIT and EBITDA, for the financial years and periods indicated, and sets out our EBITDA Margin, for the periods indicated.

Particulars	**Six month period ended September 30,**		**Fiscal**		
	2024	**2023**	**2024**	**2023**	**2022**
	(₹ million, unless otherwise specified)				
Profit after tax (A)	**370.28**	**96.40**	**440.20**	**229.01**	**419.21**
Add:					
Finance cost	42.71	77.84	137.17	113.77	69.88
Total tax expense	138.42	32.78	157.61	87.34	92.57
EBIT (B)	**551.41**	**207.02**	**734.98**	**430.12**	**581.66**
Add:					
Depreciation and amortization expense	45.75	44.08	83.63	61.99	20.97
Less:					
Other income	(105.30)	(21.26)	(112.71)	(11.15)	(4.09)
EBITDA (C)	**491.86**	**229.84**	**705.90**	**480.96**	**598.54**
Revenue from operations (D)	**5,547.63**	**3,027.21**	**7,755.98**	**5,534.60**	**3,712.55**
EBITDA Margin (C/D) *(%)*	**8.87**	**7.59**	**9.10**	**8.69**	**16.12**
Change in basis points (bps) from previous year/ period *(%)*	1.28	-	0.41	(7.43)	-
Percentage change from previous year/ period *(%)*	16.86	-	4.72	(46.09)	-

Profit Ratio/Margin

"**Profit Ratio/ Margin**" quantifies our efficiency in generating profits from our revenue and is calculated by dividing our profit after taxes by our revenue from operations. Set out below is our Profit Ratio/ Margin, for the financial years and periods indicated.

Particulars	Six month period ended September 30,		Fiscal		
	2024	2023	2024	2023	2022
	(₹ million, unless otherwise specified)				
Profit after tax (A)	370.28	96.40	440.20	229.01	419.21
Revenue from operations (B)	5,547.63	3,027.21	7,755.98	5,534.60	3,712.55
Profit Ratio/Margin (A/B)	**6.67**	**3.18**	**5.68**	**4.14**	**11.29**
Change in basis points (bps) from previous year/ period *(%)*	3.49	-	1.54	(7.15)	-
Percentage change from previous year/ period *(%)***	109.75	-	37.20	(63.33)	-

Return on Equity Ratio/ Return on Net Worth

Return on equity ("**RoE**")/ Return on Net Worth ("**RoNW**") is equal to profit after tax divided by the total equity/ networth during that financial year/ period, and is expressed as a percentage. Total equity/ networth is defined as the aggregate of share capital and other equity. The table below sets out the reconciliation of our RoE/ RoNW to our profit after tax, for the financial years and periods indicated.

Particulars	As of and for the six month period ended September 30,		As of and for the financial year ended March 31,		
	2024	2023	2024	2023	2022
	(₹ million, unless otherwise specified)				
Profit after tax (A)	370.28	96.40	440.20	229.01	419.21
Total Equity (B)	6,202.81	5,311.80	5,753.82	487.51	(35.58)
RoE/ RoNW (A/B) *(%)***	**5.97**	**1.81**	**7.65**	**46.98**	**(1,178.22)**

Current Ratio

"**Current Ratio**" is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities. The table below sets out details of our Current Ratio, as of the dates indicated below.

Particulars	As of September 30,		As of March 31,		
	2024	2023	2024	2023	2022
	(₹ million, unless otherwise specified)				
Current assets (A)	5,632.81	6,052.11	5,864.98	1,758.38	615.46
Current liabilities (B)	1,164.84	813.64	948.64	1,176.71	420.58
Current Ratio (A/B)	**4.84**	**7.44**	**6.18**	**1.49**	**1.46**
Percentage change from previous year/ period *(%)***	(34.95)	-	314.77	2.05	-

Debt to Equity Ratio

We monitor our capital and financial leverage levels using the Debt to Equity ratio, and is calculated by dividing the Debt (*i.e.*, borrowings (current and non-current) and current maturities of long-term-borrowings) by Total Equity. The table below sets out the calculation of our Debt to Equity ratio, as of the dates indicated below.

Particulars	As of September 30,		As of March 31,		
	2024	2023	2024	2023	2022
	(₹ million, unless otherwise specified)				
Total Debt (A)	589.68	672.41	736.02	1,210.73	644.72
Equity (B)	6,202.81	5,311.80	5,753.82	487.51	(35.58)
Debt to Equity Ratio (A)/(B)	**0.10**	**0.13**	**0.13**	**2.48**	**(18.12)**
Percentage change from previous year/ period *(%)***	(23.08)	-	(94.76)	(113.69)	-

Interest Coverage Ratio

"**Interest Coverage Ratio**" measures our ability to make interest payments from available earnings and is calculated by dividing the sum of cash profit after tax and interest payment by interest payment. The table below sets out the calculation of our Interest Coverage Ratio, for the financial years and periods indicated below.

Particulars	Six month period ended September 30,		Fiscal		
	2024	2023	2024	2023	2022
	(₹ million, unless otherwise specified)				
Cash profit after tax (A) [(1)]	430.07	140.79	519.33	292.37	521.96
Interest payment (B) [(2)]	35.57	56.55	109.21	55.15	30.70
Interest Coverage Ratio {(A) + (B)}/ (B)	**13.09**	**3.49**	**5.76**	**6.30**	**18.00**
Percentage change from previous year/ period *(%)*	275.07	-	(8.57)	(65.00)	-

[(1)] *Cash profit after tax is the sum of profit before tax and depreciation and amortisation expense but excludes current tax.*

[(2)] *Interest payment is the sum of interest on term loans and interest on non-cumulative redeemable optionally convertible debentures.*

Debt Service Coverage Ratio

"**Debt Service Coverage Ratio**" measures our ability to meet principal and interest payment obligations from available earnings and is calculated by dividing the sum of: (i) earnings available for debt-service, *i.e.*, the profit before tax, (ii) depreciation and amortization expense, (iii) finance cost, (iv) loss on sale of assets; by the sum of: (i) interest, and (ii) principal repayment (which excludes repayment of optionally convertible debentures pursuant to the term loan availed from ICICI Bank Limited) during the financial years and periods. The table below sets out the calculation of our Debt Service Coverage Ratio, for the financial years and periods indicated below.

Particulars	Six month period ended September 30,		Fiscal		
	2024	2023	2024	2023	2022
	(₹ million, unless otherwise specified)				
Profit before tax (A)	508.70	129.18	597.81	316.35	511.78
Depreciation and amortization expense (B)	45.75	44.08	83.63	61.99	20.97
Finance cost (C)	42.71	77.84	137.17	113.77	69.88
Interest during the year (D)	35.57	56.55	109.21	55.15	30.70
Principal repayment during the year (E)	113.37	544.10	627.42	130.00	85.96
Debt Service Coverage Ratio {(A)+(B)+(C)} / {(D)+(E)}	**4.01**	**0.42**	**1.11**	**2.66**	**5.17**
Percentage change from previous year/ period *(%)**	854.76	-	(58.27)	(48.55)	-

Net Capital Turnover Ratio

"**Net Capital Turnover Ratio**" quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (*i.e.*, current assets *less* current liabilities). The table below sets out our Net Capital Turnover Ratio, for the financial years and periods indicated.

Particulars	As of and for the six month period ended September 30,		As of and for the financial year ended March 31,		
	2024	2023	2024	2023	2022
	(₹ million, unless otherwise specified)				
Revenue from operations (A)	5,547.63	3,027.21	7,755.98	5,534.60	3,712.55
Current Assets (I)	5,632.81	6,052.11	5,864.98	1,758.38	615.46
Current Liabilities (II)	1,164.84	813.64	948.64	1,176.71	420.58
Working Capital (B) = (I)-(II)	4,467.97	5,238.47	4,916.34	581.67	194.88
Net Capital Turnover Ratio (A/B)	**1.24**	**0.58**	**1.58**	**9.52**	**19.05**
Percentage change from previous year/ period *(%)**	113.79	-	(83.40)	(50.03)	-

Key Performance Indicators

We utilize a set of financial and non-financial key performance indicators that our management reviews in evaluating the performance of our business. Our management believes that the presentation of these key performance indicators in this Preliminary Placement Document are important to understanding our performance from period to period and also have an impact on our results of operations. These key performance indicators may or may not be comparable with similarly-titled metrics presented by other entities operating in our industry. These indicators are not intended to be a substitute for, or superior to, any measures of performance prepared in accordance with Ind AS, and may not fully reflect our financial performance, liquidity, profitability or cash flows. Set forth below are some of our key operational performance indicators as of the dates and for the periods indicated.

Metric	As of and for the six month period ended September 30,		As of and for the financial year ended March 31,		
	2024	2023	2024	2023	2022
Platform fee / SaaS fee / Service fee[1] *(₹ million)*	169.51	146.66	312.49	242.32	166.30
Program Fees[2] *(₹ million)*	2,530.50	965.82	3,218.43	1,694.53	2,007.03
Propel platform revenue/gift cards[3] *(₹ million)*	2,847.62	1,914.73	4,255.06	3,597.75	1,539.22
Total Customers catered to *(#)*	3,213	2,732	3,016	2,411	1,753
Aggregate Users on the platform[4] *(#)*	3,029,859	2,523,674	2,734,674	2,274,138	1,723,350
Average Users per account[5] *(#)*	943	924	907	943	983
Customer Acquisition and Retention Cost[6] *(₹ million)*	293.90	234.01	534.12	327.40	185.83
Acquisition and Retention Cost per Customer[7] *(₹ million)*	1.49	0.73	0.88	0.50	0.28
Cash back expense per ₹1 earned from revenue from operations[8] *(₹ million)*	0.30	0.17	0.28	0.18	0.32
Churn[9] *(%)*	0.49	0.67	1.62	1.54	0.37
Number of new customers added during the year *(#)*	197	321	605	685	665
Average Revenue per customer *(₹ million)*	1.73	1.11	2.57	2.30	2.12

Notes:

1. *Platform fee / SaaS fee / Service fee refers to all fee income received by our Company from the Customers, including the fixed monthly subscription fees paid by our Customers on a per User basis and any one-time setup fees and any other fees that may be levied from time to time by our Company to the Customers.*
2. *Program Fees refers to the sum of (i) interchange fees earned on the spend that Users/ Customers make on the cards; (ii) any other income which we receive from our Banking Partners and Payment Networks; and (iii) inactivity fees which is earned on the balance amount left on the cards. Interchange fees is the spend-based fees earned from a Payment Network for the transactions carried out by the Users/ Customers of business credit cards or prepaid cards at offline and/or online outlets.*
3. *Propel platform revenue/gift cards refers to revenue which is received from our Customers for issuing reward points (Propel points) to Customers' employees and channel partners.*
4. *Aggregate Users on the platform refers to the total number of Users served by our Company as of the date.*
5. *Average Users per account refers to the total number of Users divided by total number of Customers.*
6. *Customer Acquisition and Retention Cost refers to digital marketing campaign costs, feet on the street (FOS) and strategic partnership team salaries costs and other advertisement and marketing costs incurred for all the new Customers added in the business in the period.*
7. *Acquisition and Retention Cost per Customer is calculated as Customer Acquisition and Retention Cost divided by the number of new Customers added during the period.*
8. *Cash back expense per ₹1 earned from revenue from operations is calculated as revenue from operations divided by expenses towards incentives and cash back.*
9. *Churn refers to corporates and SMB Customers discontinuing their subscription and other services on our platform.*

For further information, see "*Our Business—Key Performance Indicators*" on page 155.

CRITICAL ACCOUNTING POLICIES BASED ON AUDITED FINANCIAL STATEMENTS FOR FISCAL 2024

Set forth below is a summary of the basis of preparation and measurement and material accounting policies used in the preparation of our latest annual consolidated financial statements for the year ended March 31, 2024:

Principles of Consolidation

The consolidated financial statements incorporate the financial statements of the parent company, subsidiary and its associate (from the date control is gained), being the entity that it controls. Control is evidenced where the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity's returns. The financial statement of subsidiary is prepared for the same reporting year as the parent company. Subsidiary has been consolidated by combining like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. Intragroup balances and transactions, and any unrealized income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. When the parent company loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in profit or loss. The consolidated financial information of the parent company includes financial information of its subsidiary and its associate, consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'

a. On January 12, 2023, the parent company has incorporated a wholly owned subsidiary with Company Number 14589213 in the name of – Zaggle Technologies Limited (‘the Subsidiary Company), domiciled in United Kingdom.
b. On March 30, 2024, the parent company has acquired 45% of shareholding in Span Across IT Solutions Private Limited (the “Span Across”) which is incorporated on February 02, 2007 with company number U72900DL2007PTC158677. Span Across deals in online income tax return preparation services and development of software. The registered office of our Subsidiary is situated at 404, 4th Floor, 18/12 W.E.A., Arya Samaj Road, Karol Bagh, Central Delhi, New Delhi, 110005

Investment in Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The Group’s investments in its associates are accounted for using the equity method. Under the equity method, the investment in associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group’s share of net assets of the associates since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually. The Consolidated statement of profit and loss reflects the Group’s share of the results of
operations of the associate. Any change in OCI of those investees is presented as part of the Group’s OCI. In addition, when there has been a change recognized directly in the equity of the associates, the Group recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and associate are eliminated to the extent of the interest in the associate. If an entity’s share of losses of an associate equals or exceeds its interest in the associate (which includes any long-term interest that, in substance, form part of the Group’s net investment in the associate), the entity discontinues recognising is share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share
of the profits equals the share of losses not recognized. The aggregate of the Group’s share of profit and loss of an associate is shown on the face of the Consolidated statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss as ‘Share of profit of an associate’ in the Consolidated statement of profit and loss. Upon loss of significant influence over associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in the Consolidated statement of profit and loss.

Use of estimates and judgements

The preparation of our consolidated financial statements in conformity with Ind AS requires our management to make judgments, estimates and assumptions. These estimates, judgments and assumptions affect the application policies and reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the consolidated financial statements in the year in which the changes are made and, if material, such effects are disclosed in the notes to consolidated financial statements.

Summary of Material Accounting Policies

Revenue recognition

Revenue is measured based on the consideration specified in a contract with a Customer net of variable consideration (*e.g.*, discounts), taxes and amount collected on behalf of third parties. We recognize revenue when we transfer control over a product or service to a Customer. The amount of revenue recognized is at an amount that reflects the consideration to which we expect to be entitled to in exchange for the product or service. Revenue is only recognized to the extent that is highly probable that a significant reversal will not occur.

Program Fees:

Revenue from prepaid card instruments

We act as Program Manager and Business Correspondent to the Partner Banks for the Co-branded Prepaid Card Instruments. The Co-branded Cards are operated under various schemes (such as Kuber, Zinger etc.). Program Fees mainly includes revenue from interchange (including residual income) earned from partner banks and excludes amounts collected on behalf of partner banks. Interchange revenue is recognised as per the terms of the arrangement with partner banks, at the point in time, basis the information shared by the banks to us post settlement with network partners. The Incentives/ Cash back, as and when incurred by us towards the co-branded prepaid card instruments has been considered as a distinct goods or services and accordingly recorded as an expense.

Revenue from credit card instruments

We act as a Program Manager and Business Correspondent to the Partner Banks for the issue of Credit Card Instruments to our Customers/Users. We run the programs with various Customers/Users and arrange to process their transactions through various platforms. Program Fees includes revenue from interchange earned from partner banks and excludes amounts collected on behalf of partner banks. Revenue from interchange income is recognized when related transaction occurs, or service is rendered as per the terms of the arrangement with partner banks. The Incentives/ Cash back, as and when incurred by our Company towards the credit card instruments has been considered as a distinct goods or services and accordingly recorded as an expense.

Banks and Corporates are considered as our Customers. Any amounts receivable from the Customers on account of normal course of business is classified as trade receivable. Further advances received from Customers against which cards are yet to be activated are disclosed as liabilities under advances from Customers.

Propel platform revenue / Gift cards:

Propel platform revenue from monetisation of platform is recognised on the basis of terms of the agreement with the respective Customers.

We recognise revenue on completion of our performance obligation being met on redemption of propel points against catalogue of gift cards/ vouchers.
We act as a principal and, accordingly, consideration for the supplies is recognized on gross basis with corresponding cost of supplies being recorded as an expense. Revenue on sale of gift cards/ vouchers is recognized only to the extent our performance obligation is met, at the point in time on transfer of the control of the respective gift cards/ vouchers to the Customers.

Fee income / SaaS income:

We earn fees income/SaaS income/service fees income from various activities including User fees, platform fees, customization fees etc. The fee income is recognised when the control in services have been transferred by us, *i.e.*, as and when services have been provided by us and our performance obligation is met. This fee is recognised as income in accordance with the terms of the arrangement with the respective Customers.

Interest income:

Interest income is recognized when it is probable that the economic benefits will flow to us and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the heading ‘other income’ in the statement of profit and loss.

Financial instruments

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

Initial Recognition and measurement

Financial assets and financial liabilities are initially recognised when we become a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

All financial assets except trade receivables are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement: For the purpose of subsequent measurement, financial assets are categorised as under:

- Amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period we change our business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, we may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.
All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, we may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

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

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss.

Derecognition

Financial assets

A Financial asset is primarily derecognised when the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which we neither transfer nor retain substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If we enter into transactions whereby we transfers assets recognised on our balance sheet, but retain either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

We derecognise a financial liability when our contractual obligations are discharged or cancelled, or expired.

We also derecognise a financial liability when our terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently and legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Property, plant and equipment

Recognition and measurement

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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 us 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 statement of profit or loss during the reporting period in which they are incurred. If an item of property, plant and equipment is purchased with deferred credit period from supplier, such asset is recorded at its cash price equivalent value.

Depreciation

Depreciation is provided using the Straight-line Method over the useful lives of the assets as estimated by the Management. Depreciation on additions and deletions are restricted to the period of use. Depreciation is charged to statement of profit and loss.

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

We, based on technical assessment and management estimates, depreciate certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Act. Our Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. We have estimated the following useful lives to provide depreciation on its property, plant and equipment:

Asset category	*Management estimate of useful life and useful life as per Schedule II*
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	8 years

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 or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the statement of profit and loss.

Depreciation method, useful lives and residual values are reviewed at each period end and adjusted if appropriate.

Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally developed intangibles are capitalized to the extent of direct cost related to the development of the respective intangible assets which mainly includes manpower cost. Intangible assets are amortized over the useful economic life assessed which ranges from three to five years and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Asset category	*Management estimate of useful life and useful life as per Schedule II*
R& R Software	3-4 years
Mobile Application	3 years
Software	3-5 years
Trademarks	5 years
Expense Management	3-5 years
Zoyer	3-5 years

Investment in Subsidiaries/ Associates

Investment in subsidiaries/ associates are valued at cost. Dividend income from subsidiaries/ associates is recognised when its right to receive the dividend is established.

Impairment of assets

Impairment of financial instruments

We recognise loss allowances for expected credit losses on financial assets measured at amortised cost and trade receivables. At each reporting date, we assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

We measure loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which we are exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, we consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on our historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

We apply expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:

- Trade receivables
- Financial assets measured at amortised cost (other than trade receivables)
- Financial assets measured at fair value through other comprehensive income (FVTOCI).

We follow a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In the case of other assets (listed as ii and iii above), we determine if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, we revert to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to us in accordance with the contract and all the cash flows that we expect to receive (*i.e.*, all cash shortfalls), discounted at the original effective interest rate.

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

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, we use a provision matrix to measure lifetime ECL on our portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when we determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with our procedures for recovery of amounts due.

Impairment of non-financial assets

Our non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

Our corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, we review at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

For further information, see “*Financial Statements*” on page 235.

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Income

Our total income comprises: (i) revenue from operations, and (ii) other income.

Revenue from Operations

Revenue from operations (*i.e.*, revenue earned from contracts with customers) comprise of:

(i) *Program Fees*

This refers to the sum of: (1) interchange fees (including residual income) earned on the spend that customers of our corporate customers (the “**Customers**”), employees and channel partners (collectively, the “**Users**”) make on the cards and excludes amounts collected on behalf of our banking partners such as IndusInd Bank Limited, NSDL Payments Bank Limited, ICICI Bank, IDFC First Bank Limited, Kotak Mahindra Bank Limited and Axis Bank Limited (our “**Banking Partners**”); and (2) any other income which we receive from our Banking Partners and third-party payment networks (the “**Payment Networks**”); and (3) inactivity fees which is earned on the balance amount left on the cards.

Interchange fees are spend-based fees that our Banking Partners earn for the transactions carried out by the Users of prepaid cards at offline and/or online outlets. We receive a portion of the interchange fees earned by our Banking Partners when Users make transactions using our co-branded prepaid cards issued in collaboration with the Banking Partners, at online or offline merchant points of sale. Interchange fees are calculated according to contractual agreements entered into by our Banking Partners with Payment Networks and are largely earned as a percentage of the spending levels on a prepaid card. Interchange fees are generally decided by Payment Networks and are broadly influenced by various factors including the industry of the merchant where the cards are used, merchant category codes, transaction value and jurisdiction of the transaction (whether domestic or international).

(ii) *Propel platform revenue/ gift cards*

This refers to revenue which is received from the Customers for issuing reward points (Propel points) to Customers’ employees and channel partners. We recognize Propel revenue on completion of our performance obligations which are met on the redemption of Propel points against a catalogue of gift cards/ vouchers. We act as a principal in this process, recognizing consideration for supplies on a gross basis with the corresponding cost of supplies being recorded as an expense. Revenue on the sale of a gift card/ voucher is recognized on completion of our performance obligations at the point in time on transfer of control of the respective gift card/voucher to a Customer.

(iii) *Platform fee/ SaaS fee/ service fee*

This refers to all fee income received by us from the Customers, including fixed monthly subscription fees paid by the Customers on a per User basis and any one-time setup fees and any other fees that may be levied from time to time by us to the Customers including for customisation of our platform. The fee income is recognised when the control in services have been transferred by us, *i.e.*, as and when services have been provided by us and our performance obligation is met. This fee is recognised as income in accordance with the terms of the arrangement with the respective Customers.

Other Income

Other income includes: (i) interest income on deposits with banks; (ii) interest on income tax refund; (iii) liabilities no longer required written back; (iv) net gain on financial assets designated on FVTPL; (v) net gain on termination of lease; and (vi) miscellaneous income.

Expenses

Our expenses comprise: (i) cost of point redemption/gift cards; (ii) consumption of cards; (iii) employee benefits expense; (iv) finance costs; (v) depreciation and amortisation expenses; and (vi) other expenses.

Cost of point redemption/gift cards

Cost of point redemption/gift cards refers to the corresponding cost of supplies which is directly proportional to our Propel platform revenue/ gift cards.

Consumption of cards

Consumption of cards refers to: (i) opening stock of cards; (ii) purchase of cards; (iii) inventory written off; and closing stock of cards.

Employee Benefits Expense

Employee benefits expense primarily comprises salaries, wages and bonus, contribution to provident fund, staff welfare, gratuity and employee stock option plan.

Finance Costs

Finance costs refers to: (i) interest on term loans; (ii) interest on debentures; (iii) amortised cost on deferred payables; (iv) interest on lease liability; (v) interest on statutory dues i.e. income tax, GST; and (vi) fair value of corporate guarantee. This excludes capitalized costs during the year.

Depreciation and amortisation expenses

Depreciation and amortisation expenses comprise: (i) depreciation on tangible assets; (ii) amortisation of intangible assets; and (iii) amortisation of right-to-use assets.

Other expenses

Other expenses primarily comprises (i) incentive/ cash back; (ii) advertisement and business promotion; (iii) call centre and software support charges; (iv) legal and professional consultancy charges; (v) network charges; (vi) office maintenance; and (vii) traveling expenses.

Results of operations for six months ended September 30, 2024 compared to six months ended September 30, 2023

The following table sets forth certain information with respect to our results of operations for the six months ended September 30, 2024 and September 30, 2023, the components of which are also expressed as a percentage of total income for such periods.

	Six month period ended September 30, 2024		Six month period ended September 30, 2023	
	(₹ million)	*% of Total income*	*(₹ million)*	*% of Total income*
Revenue from operations	5,547.63	98.14	3,027.21	99.30
Other income	105.30	1.86	21.26	0.70
Total income	**5,652.93**	**100.00**	**3,048.47**	**100.00**
Expenses				
Cost of Point Redemption/Gift Cards	2,723.91	48.19	1,719.55	56.41
Employee benefits expense	320.00	5.66	318.69	10.45
Finance costs	42.71	0.76	77.84	2.55
Depreciation and amortisation expense	45.75	0.81	44.08	1.45
Incentives and cash back	1,686.21	29.83	507.73	16.66
Other expenses	326.12	5.77	251.40	8.25
Total expenses	**5,144.70**	**91.01**	**2,919.29**	**95.76**
Profit before share of profit of an associate	**508.23**	**8.99**	**129.18**	**4.24**
Share of profit of an associate	0.47	0.01	-	-
Profit before tax	**508.70**	**9.00**	**129.18**	**4.24**
Tax expenses				
Current tax	124.38	2.20	32.47	1.07
Deferred tax	14.04	0.25	0.31	0.01
Total tax expense	**138.42**	**2.45**	**32.78**	**1.08**
Net Profit after tax	**370.28**	**6.55**	**96.40**	**3.16**

Income

Our total income increased by 85.43% from ₹3,048.47 million in the six month period ended September 30, 2023 to ₹5,652.93 million in the six month period ended September 30, 2024 for the reasons discussed below.

Revenue from Operations

Our revenue from operations increased by 83.26% from ₹3,027.21 million in the six month period ended September 30, 2023 to ₹5,547.63 million in the six month period ended September 30, 2024. This increase was primarily a result of the following factors:

- *'Propel' platform revenue/gift cards*: our 'Propel' platform revenue/ gift cards increased by 48.72% from ₹1,914.73 million in the six month period ended September 30, 2023 to ₹2,847.62 million in the six month period ended September 30, 2024. This was primarily attributable to an increase in our User base from 2,523,674 Users as of September 30, 2023 to 3,029,859 Users as of September 30, 2024 and increase in our Customers from 2,732 as of September 30, 2023 to 3,213 as of September 30, 2024, allowing their Users to adopt 'Propel' points instead of network cards.

- *Program Fee*: our Program Fee increased by 162.01% from ₹965.82 million in the six month period ended September 30, 2023 to ₹2,530.50 million in the six month period ended September 30, 2024. This was primarily due to higher demand for all our products, particularly 'Zoyer', which experienced a significant increase in usage. In addition, we also experienced a growth in our User/Customer base along with a corresponding increase in spending by our existing Users/ Customer that facilitated an increase in the interchange fees received due to an overall increase in the scale of our business. For further information, see "*-Principal Factors Affecting our Financial Condition and Results of Operations - Impact of interchange fees*" on page 103.

- *Platform fee/SaaS fee/service fees*: our platform fee/ SaaS fee /service fee increased by 15.58% from ₹146.66 million in the six month period ended September 30, 2023 to ₹169.51 million in the six month period ended September 30, 2024 primarily due to addition of new Customers and expansion of our User base across products as well as growth in our User base from existing Customers and increase in SaaS fee per User.

Other income

Our other income increased by 395.30% from ₹21.26 million in the six month period ended September 30, 2023 to ₹105.30 million in the six month period ended September 30, 2024, primarily due to an increase in interest received on bank deposits which was held in scheduled commercial banks. Further, pursuant to a share purchase agreement dated September 26, 2024, we acquired an additional 53.32% shareholding in Span Across IT Solutions Private Limited and the acquisition was completed on September 30, 2024. Consequently, Span Across IT Solutions Private Limited became our Subsidiary with effect from September 30, 2024. The remeasurement of 45% shareholding in Span Across IT Solutions Private Limited previously accounted using the equity method resulted in the gain of ₹22.75 million and was recorded as 'other income' during the six months ended September 30, 2024. For further information, see "*Unaudited Consolidated Interim Financial Statements – Notes 3 and 4*" on page F-186.

Expenses

Our total expenses increased by 76.23% from ₹2,919.29 million in the six month period ended September 30, 2023 to ₹5,144.70 million in the six month period ended September 30, 2024. As a percentage of total income, our total expenses were 91.01% in the six month period ended September 30, 2024 as compared to 95.76% in the six month period ended September 30, 2023. The increased expenses were incurred due to a substantially higher cost of point redemption/gift cards and incentives/ cash back expenses.

Cost of Point Redemption/Gift Cards

Our cost of point redemption/gift cards increased by 58.41% from ₹1,719.55 million in the six month period ended September 30, 2023 to ₹2,723.91 million in the six month period ended September 30, 2024 primarily due to a proportionate increase in our 'Propel' revenue as stated above, which is directly proportional to the cost of point redemption/gift cards.

Employee benefit expense

Our employee benefit expenses increased by 0.41% from ₹318.69 million in the six month period ended September 30, 2023 to ₹320.00 million in the six month period ended September 30, 2024 primarily due to increase in salaries, wages and bonus, which was offset by a decrease in expenses towards employee stock option plan.

Finance costs

Our finance costs decreased by 45.13% from ₹77.84 million in the six month period ended September 30, 2023 to ₹42.71 million in the six month period ended September 30, 2024, primarily due to repayment of existing term loan on account utilisation of funds raised through the initial public offering by our Company and refinancing of existing debt to relatively lower interest rates.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by 3.79% from ₹44.08 million in the six month period ended September 30, 2023 to ₹45.75 million in the six month period ended September 30, 2024.

Incentives and cash back

Our incentives and cash back expenses significantly increased by 232.11% from ₹507.73 million in the six month period ended September 30, 2023 to ₹1,686.21 million in the six month period ended September 30, 2024 primarily due to the increase in operations of 'Zoyer', wherein we provided higher cash backs to Customers in order to increase its usage as well as increased spend by Users and Customers.

Other expenses

Our other expenses increased by 29.72% from ₹251.40 million in the six month period ended September 30, 2023 to ₹326.12 million in the six month period ended September 30, 2024 primarily due to an increase in advertisement and business promotion, call centre and software support charges and network charges.

Profit before tax

For the reasons discussed above, our profit before tax increased by 293.79% from ₹129.18 million in the six month period ended September 30, 2023 to ₹508.70 million in the six month period ended September 30, 2024. Share of profit of an associate was ₹0.47 million in the six month period ended September 30, 2024 compared to nil in the six month period ended September 30, 2023.

Tax expenses

Our tax expenses increased by 322.27% from ₹32.78 million in the six month period ended September 30, 2023 to ₹138.42 million in the six month period ended September 30, 2024. Current tax was ₹124.38 million in the six month period ended September 30, 2024 compared to ₹32.47 million in the six month period ended September 30, 2023. Deferred tax was ₹14.04 million in the six month period ended September 30, 2024 compared to ₹0.31 million in the six month period ended September 30, 2023.

Net Profit after tax

As a result of the foregoing factors, our net profit after tax was ₹370.28 million in the six month period ended September 30, 2024 compared to ₹96.40 million in the six month period ended September 30, 2023.

Results of operations for Fiscals 2024, 2023 and 2022

The following table sets forth certain information with respect to our results of operations for Fiscals 2024, 2023 and 2022, the components of which are also expressed as a percentage of total income for such periods.

	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ million)	*% of Total income*	*(₹ million)*	*% of Total income*	*(₹ million)*	*% of Total income*
Revenue from operations	7,755.98	98.57	5,534.60	99.80	3,712.55	99.89
Other income	112.71	1.43	11.15	0.20	4.09	0.11
Total income	**7,868.69**	**100.00**	**5,545.75**	**100.00**	**3,716.64**	**100.00**
Expenses						
Cost of Point Redemption/Gift Cards	3,797.16	48.26	3,188.70	57.50	1,435.08	38.61
Consumption of Cards	12.28	0.16	17.53	0.32	17.78	0.48
Employee benefits expense	512.82	6.52	435.83	7.86	154.30	4.15
Finance costs	137.17	1.74	113.77	2.05	69.88	1.88
Depreciation and amortisation expense	83.63	1.06	61.99	1.12	20.97	0.56
Other expenses	2,727.82	34.67	1,411.58	25.45	1,506.85	40.54
Total expenses	**7,270.88**	**92.40**	**5,229.40**	**94.30**	**3,204.86**	**86.23**
Profit before tax	**597.81**	**7.60**	**316.35**	**5.70**	**511.78**	**13.77**
Tax expenses						
Current tax	162.11	2.06	85.97	1.55	10.79	0.29
Deferred tax	(4.50)	(0.06)	1.37	0.02	81.78	2.20
Total tax expense	**157.61**	**2.00**	**87.34**	**1.57**	**92.57**	**2.49**
Profit after tax	**440.20**	**5.59**	**229.01**	**4.13**	**419.21**	**11.28**

Fiscal 2024 compared to Fiscal 2023

Key Developments

- In Fiscal 2024, 'Zoyer', our integrated data-driven accounts payable platform, commenced generating revenues and experienced a significant increase in its usage. For further information, see "*Our Business – Our Business Operations - Our product and service offerings – Zoyer*" on page 166.

Income

Our total income increased by 41.89% from ₹5,545.75 million in Fiscal 2023 to ₹7,868.69 million in Fiscal 2024 for the reasons discussed below.

Revenue from Operations

Our revenue from operations increased by 40.14% from ₹5,534.60 million in Fiscal 2023 to ₹7,755.98 million in Fiscal 2024. Revenue growth was driven by growth across all three of our key products, i.e. 'Save', 'Propel' and 'Zoyer'. This increase was primarily a result of the following factors:

- *'Propel' platform revenue/gift cards*: our 'Propel' platform revenue/gift cards increased by 17.44% from ₹3,597.75 million in Fiscal 2023 to ₹4,225.06 million in Fiscal 2024. This was primarily attributable to an increase of 20.25% in our User base from 2,274,138 Users as of March 31, 2023 to 2,734,674 Users as of March 31, 2024 and increase in our Customers from 2,411 as of March 31, 2023 to 3,016 as of March 31, 2024, allowing their Users to adopt 'Propel' points instead of network cards.

- *Program Fee*: our program fee significantly increased by 89.93% from ₹1,694.53 million in Fiscal 2023 to ₹3,218.43 million in Fiscal 2023. This primarily resulted from the commencement of revenues from 'Zoyer' in Fiscal 2024, which significantly contributed to the growth in program fee as well as the overall increase in business operations for all our products. In addition, we also experienced a growth in our User/Customer base along with a corresponding increase in spending by our existing Users/ Customer that facilitated an increase in the interchange fees received due to an overall increase in the scale of our business. For further information, see "*-Principal Factors Affecting our Financial Condition and Results of Operations - Impact of interchange fees*" on page 103.

- *Platform fee/SaaS fee/service fees*: our platform fee/ SaaS fee /service fee increased by 28.96% from ₹242.32 million in Fiscal 2023 to ₹312.49 million in Fiscal 2024 primarily due to addition of new Customers and expansion of our User base across products as well as growth in our User base from existing Customers and increase in SaaS fee per User.

Other income

Our other income significantly increased by 910.85% from ₹11.15 million in Fiscal 2023 to ₹112.71 million in Fiscal 2024, primarily due to an increase in interest income on deposits with banks by 2,438.65% from ₹3.70 million in Fiscal 2023 to ₹93.93 million in Fiscal 2024 on account of the proceeds from the initial public offering of equity shares of our Company being placed in bank deposits.

Expenses

Our total expenses increased by 39.04% from ₹5,229.40 million in Fiscal 2023 to ₹7,270.88 million in Fiscal 2024. As a percentage of total income, our total expenses were 92.40% in Fiscal 2024 compared to 94.30% in Fiscal 2023. This increase was primarily a result of the following factors:

Cost of Point Redemption/Gift Cards

Our cost of point redemption/gift cards increased by 19.08% from ₹3,188.70 million in Fiscal 2023 to ₹3,797.16 million in Fiscal 2024 primarily due to a proportionate increase in our 'Propel' revenue as stated above, which is directly proportional to the cost of point redemption/gift cards.

Consumption of Cards

Our consumption of cards decreased by 29.95% from ₹17.53 million in Fiscal 2023 to ₹12.28 million in Fiscal 2024 primarily due a decrease in expense of purchase of cards on account of favourable pricing terms. The expense of purchase of cards decreased by 14.33% from ₹17.38 million in Fiscal 2023 to ₹14.89 million in Fiscal 2024 despite an increase of 20.25% in our User base from 2,274,138 Users as of March 31, 2023 to 2,734,674 Users as of March 31, 2024.

Employee benefit expense

Our employee benefit expenses increased by 17.67% from ₹435.83 million in Fiscal 2023 to ₹512.82 million in Fiscal 2024 primarily due to an increase in salaries, wages and bonus by 25.56% from ₹277.50 million in Fiscal 2023 to ₹348.44 million in Fiscal 2024 resulting from an increase in our workforce from 273 employees as of March 31, 2023 to 303 employees as of March 31, 2024. The increase in salaries, wages and bonus was primarily due to an increase in hiring of personnel in our product development, information technology and sales teams, which require a higher compensation.

Finance costs

Our finance costs increased by 20.57% from ₹113.77 million in Fiscal 2023 to ₹137.17 million in Fiscal 2024, primarily due to a significant increase in interest on debentures by 201.88% from ₹23.40 million in Fiscal 2023 to ₹70.64 million in Fiscal 2024 on account of recognition of full year cost of our non-cumulative redeemable optionally convertible debentures in Fiscal 2024 compared to Fiscal 2023, where the cost for these debentures was recognised only from November 2022 to March 2023. This increase was offset by a decrease in amortized cost on deferred payables by 69.51% from ₹31.16 million in Fiscal 2023 to ₹9.50 million in Fiscal 2024 on account of repayment of the deferred payables in September 2023 and decrease in interest on statutory dues i.e. income tax, GST by 75.96% from ₹15.31 million in Fiscal 2023 to ₹3.68 million in Fiscal 2024 on account of timely payment of statutory dues.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by 34.89% from ₹61.99 million in Fiscal 2023 to ₹83.63 million in Fiscal 2024, primarily due to continuous investment in enhancement and introduction of our new products. Amortisation of intangible assets increased to ₹44.05 million in Fiscal 2024 compared to ₹32.75 million in Fiscal 2023 and the depreciation of right-to-use assets was ₹30.16 million in Fiscal 2024 compared to ₹22.28 million in Fiscal 2023.

Other expenses

Our other expenses significantly increased by 93.25% from ₹1,411.58 million in Fiscal 2023 to ₹2,727.82 million in Fiscal 2024, primarily due to an increase in: (i) incentives and cash back to Customers by 116.39% from ₹1,002.01 million in Fiscal 2023 to ₹2,168.27 million in Fiscal 2024 due to higher cash backs offered to increase the usage of our 'Zoyer' platform along with increase in our User base/ Customers; and (ii) advertisement & business promotion by 56.46% from ₹200.64 million in Fiscal 2023 to ₹313.92 million in Fiscal 2024 primarily attributable to online advertisement/targeted ads/any other incentives or discounts to potential Customers.

Profit before tax

For the reasons discussed above, our profit before tax increased by 88.97% from ₹316.35 million in Fiscal 2023 to ₹597.81 million in Fiscal 2024.

Tax expenses

Our tax expenses increased by 80.46% from ₹87.34 million in Fiscal 2023 to ₹157.61 million in Fiscal 2024 in line with the increase in our profits. Current tax was ₹162.11 million in Fiscal 2024 compared to ₹85.97 million in Fiscal 2023. Deferred tax was ₹(4.50) million in Fiscal 2024 compared to ₹1.37 million in Fiscal 2023.

Profit after tax

As a result of the foregoing factors, our profit after tax was ₹440.20 million in Fiscal 2024 compared to ₹229.01 million in Fiscal 2023.

Fiscal 2023 compared to Fiscal 2022

Income

Our total income increased by 49.21% from ₹3,716.64 million in Fiscal 2022 to ₹5,545.75 million in Fiscal 2023.

Revenue from Operations

Our revenue from operations increased by 49.08% from ₹3,712.55 million in Fiscal 2022 to ₹5,534.60 million in Fiscal 2023. This increase was primarily a result of the following factors:

- *'Propel' platform revenue/gift cards*: our 'Propel' platform revenue/gift cards increased by 133.74% from ₹1,539.22 million in Fiscal 2022 to ₹3,597.75 million in Fiscal 2023. This was primarily attributable to an increase in our User base from 1,723,350 Users as of March 31, 2022 to 2,274,138 Users as of March 31, 2023 and increase in our Customers from 1,753 as of March 31, 2022 to 2,411 as of March 31, 2023.

- *Platform fee/SaaS fee/service fees*: our platform fee/ SaaS fee /service fee increased by 45.71% from ₹166.30 million in Fiscal 2022 to ₹242.32 million in Fiscal 2023. This was primarily attributable to an increase of 31.96% in our User base from 1,723,350 Users as of March 31, 2022 to 2,274,138 Users as of March 31, 2023 and increase in our Customers from 1,753 as of March 31, 2022 to 2,411 as of March 31, 2023.

- *Program Fee*: our Program Fee decreased by 15.57% from ₹2,007.03 million in Fiscal 2022 to ₹1,694.53 million in Fiscal 2023. This was primarily attributable to a reduction in interchange fees on account of change in User spend behaviour from online outlets to offline outlets, as offline outlets entail lower interchange rates.

Other income

Our other income increased by 172.62% from ₹4.09 million in Fiscal 2022 to ₹11.15 million in Fiscal 2023, primarily due to an increase in liabilities no longer required to be written back and an increase in interest received on bank deposits and miscellaneous income.

Expenses

Our total expenses increased by 63.17% from ₹3,204.86 million in Fiscal 2022 to ₹5,229.40 million in Fiscal 2023. As a percentage of total income, our total expenses were 94.30% as compared to 86.23% in Fiscal 2022. The increased expenses were incurred due to a substantially higher cost of point redemption/gift cards and higher employee benefit expenses primarily due to (i) expenses towards employee stock option plan and (ii) an increase in the workforce required for expansion of our operations.

Cost of Point Redemption/Gift Cards

Our cost of point redemption/gift cards increased by 122.20% from ₹1,435.08 million in Fiscal 2022 to ₹3,188.70 million in Fiscal 2023 primarily due to a proportionate increase in our 'Propel' revenue as stated above, which is directly proportional to the cost of point redemption/gift cards.

Consumption of Cards

Our consumption of cards decreased marginally by 1.41% from ₹17.78 million in Fiscal 2022 to ₹17.53 million in Fiscal 2023 primarily due a decrease in expense of purchase of cards. The expense of purchase of cards decreased by 7.20% from ₹18.74 million in Fiscal 2022 to ₹17.38 million in Fiscal 2023 despite an increase of 31.96% in the User base of our Customers from 1,723,350 Users as of March 31, 2022 to 2,274,138 Users as of March 31, 2023.

Employee benefit expense

Our employee benefit expenses increased by 182.46% from ₹154.30 million in Fiscal 2022 to ₹435.83 million in Fiscal 2023 primarily due to (i) expenses towards employee stock option plan of ₹144.13 million and (ii) an increase of ₹133.89 million in salaries, wages and bonus resulting from an increase in our workforce from 203 employees as of March 31, 2022 to 273 employees as of March 31, 2023. The increase in salaries, wages and bonus was primarily due to an increase in hiring of personnel in our product development, information technology and sales teams, which require a higher compensation.

Finance costs

Our finance costs increased by 62.81% from ₹69.88 million in Fiscal 2022 to ₹113.77 million in Fiscal 2023, primarily due to an increase of ₹24.45 million in interest on loans and non-cumulative redeemable optionally convertible debentures.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by 195.61% from ₹20.97 million in Fiscal 2022 to ₹61.99 million in Fiscal 2023, primarily due to an increase in the depreciation of tangible assets to ₹6.96 million in Fiscal 2023 compared to ₹2.35 million in Fiscal 2022 and increase in amortisation of intangible assets to ₹32.75 million in Fiscal 2023 compared to ₹9.41 million in Fiscal 2022.

Other expenses

Our other expenses decreased by 6.32% from ₹1,506.85 million in Fiscal 2022 to ₹1,411.58 million in Fiscal 2023, primarily due to a decrease in incentives and cash back to Customers to ₹1,002.01 million in Fiscal 2023 from ₹1,176.43 million in Fiscal 2022. While we experienced an increase in our User base in Fiscal 2023, along with a reduction in interest rates, there was a shift in User behaviour with an increase in offline transactions leading to lower interchange fees. We therefore limited the incentives and cash backs offered to our Users in Fiscal 2023, in order to maintain our profitability.

The decreases above were partially offset by an increase in (i) advertisement and business promotion expenses to ₹200.64 million in Fiscal 2023 from ₹129.67 million in Fiscal 2022 primarily attributable to online advertisement/targeted ads/any other incentives or discounts to potential Customers; (ii) network charges to ₹23.30 million in Fiscal 2023 from ₹6.22 million in Fiscal 2022; and (iii) call centre and software support charges to ₹121.61 million in Fiscal 2023 from ₹102.32 million in Fiscal 2022.

Profit before tax

As a result of the foregoing factors, our profit before tax decreased by 38.19% from ₹511.78 million in Fiscal 2022 to ₹316.35 million in Fiscal 2023.

Tax expenses

Our tax expenses decreased by 5.65% from ₹92.57 million in Fiscal 2022 to ₹87.34 million in Fiscal 2023 due to decrease in our profits. Current tax was ₹85.97 million in Fiscal 2023 compared to ₹10.79 million in Fiscal 2022. Deferred tax was ₹1.37 million in Fiscal 2023 compared to ₹81.78 million in Fiscal 2022.

Profit after tax

As a result of the foregoing factors, our profit after tax decreased to ₹229.01 million in Fiscal 2023 from ₹419.21 million in Fiscal 2022.

Selected Statement of Assets and Liabilities

The following table shows selected financial data derived from our summary statement of assets and liabilities as of the dates indicated.

	As of September 30,		As of March 31,		
	2024	2023	2024	2023	2022
	(₹ million)				
Total non-current assets (A)	1,904.20	471.55	1,096.38	589.21	311.07
Total current assets (B)	5,632.81	6,052.11	5,864.98	1,758.38	615.46
Total assets (A+B = C)	**7,537.01**	**6,523.66**	**6,961.36**	**2,347.59**	**926.53**
Total equity (D)	6,202.81	5,311.80	5,753.82	487.51	(35.58)
Total liabilities (E)	1,334.20	1,211.86	1,207.54	1,860.08	962.11
Total equity and liabilities (D+E = F)	**7,537.01**	**6,523.66**	**6,961.36**	**2,347.59**	**926.53**

Liquidity and Capital Resources

Historically, our primary liquidity and capital requirements have been to fund working capital, enhance operations, build brand value and recognition, and to introduce new products. We have met these requirements through cash flows from operating activities and borrowings from banks, financial institutions and our promoter/director.

As of September 30, 2024, we had ₹22.13 million in investments, ₹73.42 million in cash and cash equivalents, ₹2,019.40 million in trade receivables, ₹1,754.02 million in bank balances (excluding cash and cash equivalents) and ₹95.83 million in other financial assets. Cash in the form of cash on hand, current accounts at banks and other balances held with banks as margin deposits and deposits under lien together represent our cash and cash equivalents.

We believe that after taking into account the expected cash to be generated from operations, our borrowings and the proceeds from the Offer, we will have sufficient liquidity for our present and anticipated requirements for capital expenditure and working capital for at least the next 12 months.

Cash Flows

The table below summarises the statement of cash flows, as derived from our cash flow statements, for the years indicated:

	Six month period ended September 30,		Fiscal		
	2024	2023	2024	2023	2022
	(₹ million)				
Net cash (used in)/inflow from operating activities	(14.33)	(351.67)	(827.46)	(156.18)	200.81
Net cash (used in)/inflow from investing activities	238.65	(3,495.96)	(3,318.89)	(181.48)	(98.69)
Net cash generated/(used) in financing activities	(230.30)	3,901.51	4,029.86	526.44	(122.90)
Net increase/(decrease) in cash and cash equivalents	**(5.98)**	**53.88**	**(116.49)**	**188.78**	**(20.78)**
Cash and cash equivalents at the end of the year	**73.42**	**249.77**	**79.40**	**195.89**	**7.11**

Cash flows from operating activities

Net cash used in operating activities in the six month period ended September 30, 2024 was ₹14.33 million. While our profit before tax was ₹508.70 million, we had an operating profit before working capital changes of ₹554.77 million, primarily due to adjustments for: (i) depreciation and amortization expense of ₹45.75 million; (ii) interest expenses of ₹42.71 million; and (iii) equity-settled share-based payment transactions of ₹59.63 million; which were mainly partially offset by (i) interest income of ₹78.87 million; and (ii) gain on re-measurement of investment in Associate of ₹22.75 million. Our working capital adjustments for the six month period ended September 30, 2024 primarily consisted of: (i) an increase in trade receivables of ₹270.94 million; and (ii) an increase in other assets of ₹445.12 million; which was mainly offset by: (i) an increase in other liabilities of ₹254.56 million. Our cash generated from operations was ₹94.08 million, adjusted by the payment of income taxes (net of refund) of ₹ 108.41 million.

Net cash used in operating activities in the six month period ended September 30, 2023 was ₹351.67 million. While our profit before tax was ₹129.18 million, we had an operating profit before working capital changes of ₹359.80 million, primarily due to adjustments for: (i) depreciation and amortization expense of ₹44.08 million; (ii) interest expenses of ₹77.84 million; and (iii) equity-settled share-based payment transactions of ₹125.63 million. Our working capital adjustments for the six month period ended September 30, 2023 primarily consisted of: (i) an increase in trade receivables of ₹184.94 million; and (ii) an increase in other assets of ₹466.58 million; (iii) an decrease in trade payables and other financial liabilities of ₹50.54 million; and (iv) an decrease in other liabilities of ₹88.49 million. Our cash used in operations was ₹457.88 million, adjusted by the refund of income taxes (net of liability) of ₹106.21 million.

Net cash used in operating activities in Fiscal 2024 was ₹827.46 million. While our profit before tax was ₹597.81 million, we had an operating profit before working capital changes of ₹861.57 million, primarily due to adjustments for: (i) depreciation and amortization expense of ₹83.63 million; (ii) employee share based compensation expenses of ₹149.77 million; and (iii) interest expenses of ₹123.64 million; which were partially offset by (i) interest income of ₹102.55 million. Our working capital adjustments for Fiscal 2024 primarily consisted of (i) an increase in trade receivables of ₹719.62 million; and (ii) an increase in other assets of ₹784.55 million. Our cash used in operations was ₹735.59 million, adjusted by the payment of income taxes (net of refund) of ₹91.87 million.

Net cash used in operating activities in Fiscal 2023 was ₹156.18 million. While our profit before tax was ₹316.35 million, we had an operating profit before working capital changes of ₹613.59 million, primarily due to adjustments for: (i) depreciation and amortization expense of ₹61.99 million; (ii) interest expenses of ₹102.87 million; and (iii) equity-settled share-based payment transactions of ₹144.13 million. Our working capital adjustments for Fiscal 2023 primarily consisted of (i) an increase in trade receivables of ₹580.85 million; (ii) an increase in other assets of ₹284.41 million; and (iii) an increase in other liabilities of ₹137.39 million. Our cash used in operations was ₹122.59 million, adjusted by the payment of income taxes (net of refund) of ₹33.59 million.

Net cash inflow from operating activities in Fiscal 2022 was ₹200.81 million. While our profit before tax was ₹511.78 million, we had an operating profit before working capital changes of ₹614.80 million, primarily due to adjustments for (i) depreciation and amortization expense of ₹20.97 million; and (ii) interest expenses of ₹66.88 million. Our working capital adjustments for Fiscal 2022 primarily consisted of (i) an increase in trade receivables of ₹217.36 million; (ii) an increase in other assets of ₹49.25 million; and (iii) a decrease in trade payables and other financial liabilities of ₹83.69 million. Our cash generated from operations was ₹260.73 million, adjusted by the payment of taxes of ₹59.92 million.

Cash flows from investing activities

Net cash inflows from investing activities in the six month period ended September 30, 2024 was ₹238.65 million, which primarily consisted of movement in other than cash and cash equivalents, net of ₹959.85 million primarily due to proceeds from withdrawal of deposits placed with banks on account of proceeds received from the initial public offering of equity shares of our Company, which was offset by purchase of property, plant and equipment and intangible assets, intangibles under development including capital advance of ₹465.22 million and investment in subsidiary of ₹320.75 million.

Net cash used in investing activities in the six month period ended September 30, 2023 was ₹3,495.96 million, which primarily consisted of movement in other than cash and cash equivalents, net of ₹3,438.17 million primarily due to deposits placed with banks on account of proceeds received from the initial public offering of equity shares of our Company.

Net cash used in investing activities in Fiscal 2024 was ₹3,318.89 million, which primarily consisted of movement in other than cash and cash equivalents, net of ₹2,683.60 million, purchase of property, plant and equipment and intangible assets, intangibles under development including capital advance of ₹459.44 million and investment of associate of ₹247.50 million, partially offset by interest received amounting to ₹64.68 million.

Net cash used in investing activities in Fiscal 2023 was ₹181.48 million, which primarily consisted of purchase of property, plant and equipment and intangible assets, including capital advance, worth ₹161.71 million and investment in unquoted funds of ₹22.17 million.

Net cash used in investing activities in Fiscal 2022 was ₹98.69 million, which primarily consisted of purchase of property, plant and equipment and intangible assets, including capital advance, worth ₹75.72 million paid for the purchase of property, and deposits placed having original (net) maturity of more than 3 months of ₹24.00 million.

Cash flows from financing activities

Net cash used in financing activities in the six month period ended September 30, 2024 was ₹230.30 million, which primarily consisted of repayment of long-term borrowings of ₹113.37 million, repayment of short-term borrowings of ₹67.45 million and payment of finance costs of ₹35.57 million.

Net cash from financing activities in the six month period ended September 30, 2023, was ₹3,901.51 million, which primarily consisted of proceeds from issue of equity shares including security premium of ₹4,677.93 million, partially offset by repayment of long-term borrowings of ₹544.10 million, share issue expenses of ₹149.49 million and interest paid of ₹77.84 million.

Net cash from financing activities in Fiscal 2024 was ₹4,029.86 million, which primarily consisted of proceeds from issue of equity shares including security premium of ₹4,872.91 million, proceeds from long term borrowings of ₹367.95 million, proceeds from short-term borrowings (net) of ₹152.71 million, partially offset by repayment of long-term borrowings of ₹995.37 million, share issue expenses of ₹210.41 million and interest paid of ₹123.64 million.

Net cash from financing activities in Fiscal 2023 was ₹526.44 million, which primarily consisted of proceeds from issue of equity shares of ₹149.61 million, proceeds from long term borrowings of ₹500.00 million, proceeds from short-term borrowings (net) of ₹196.01 million, partially offset by repayment of long-term borrowings of ₹130.00 million and interest paid of ₹102.87 million.

Net cash used in financing activities in Fiscal 2022 was ₹122.90 million, which primarily consisted of repayment of long-term borrowings of ₹335.96 million, payment of lease liabilities of ₹11.15 million and interest paid amounting to ₹30.70 million, partially offset by proceeds from long-term borrowings of ₹250.24 million.

Contractual Obligations

The table below sets forth our contractual obligations with definitive payment terms as of September 30, 2024. These obligations primarily relate to our borrowings and trade payables.

Description of contract	**Contractual cash flows**			
	Less than 1 year	**1-5 years**	**More than 5 years**	**Total**
	(₹ million)			
Long-term borrowings (excluding current maturities)	-	75.84	-	**75.84**
Lease liabilities	28.25	75.08	-	**103.33**
Short-term borrowings	513.84	-	-	**513.84**
Trade payables	27.97	-	-	**27.97**
Total	**570.06**	**150.92**	**-**	**720.98**

Indebtedness

As of September 30, 2024, we had current borrowings of ₹513.84 million and non-current borrowings of ₹75.84 million, primarily attributable to term loans, overdraft, property loans, and unsecured loan. Some of our financing agreements also include conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions.

Also see "*Risk Factors - We may be unable to service our debt obligations in a timely manner or to comply with various financial and other covenants and other terms and conditions of our financing agreements.*" on page 68.

Contingent Liabilities

The table below sets forth our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets as of the date indicated.

Particulars	As of March 31, 2024
	(₹ million)
Claims against the Company not acknowledged as debt	
i) Service Tax	24.73
ii) Income tax matters	40.92

i) During Fiscal 2020, our Company had received a show cause notice towards service tax demand amounting to ₹272.04 million charged on the face value of sale of its prepaid cards/ gift vouchers etc. Our Company filed appeals before the Commissioner of Central tax, Hyderabad against the aforesaid demand. In the month October 2022, our Company received an order dated March 30, 2022 from Commissioner of Central tax, Hyderabad dropping demand amounting to ₹259.75 million and upheld the demand amounting to ₹12.29 million and further imposed a penalty and late fee for ₹12.44 million. Our Company has further filed an appeal against the said demand before CESTAT and amount paid under protest ₹4.32 million.
ii) During Fiscal 2024, our Company received a demand notice under section 156 of Income Tax 1956 pertaining to Fiscal 2022 demanding ₹40.92 million by not allowing the deduction on account of carry forward losses, bad debts written off and Ind AS adjustments. The Company filed a appeal against the said demand before Commissioner of Income Tax -Appeals.

For details of our ongoing litigation pertaining to the abovementioned service tax matter, see "*Legal Proceedings*" on page 226.

Capital Expenditures

Our historical capital expenditures were primarily incurred towards purchase and maintenance of computer systems and software. We expect our future capital expenditures to be, primarily used for leasehold improvements, computer systems and equipment, and intangible assets for product development and improvement.

In Fiscals 2024, 2023 and 2022, our capital expenditure for purchase of property, plant and equipment and computer systems (including other intangible assets, capital work in progress and capital advances) were ₹ 459.44 million, ₹161.71 million and ₹(75.72) million, respectively.

Additionally, in Fiscals 2024, 2023 and 2022, we capitalised R&D costs of ₹125.65 million, ₹151.04 million and ₹40.00 million, respectively, in accordance with Ind AS 26, towards the development of our products, Save, Zatix, Propel and Zoyer.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors. We do not enter into derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

Statutory Auditors' Qualifications or Observations

There are no auditor qualifications in the examination report that have not been given effect to in the Audited Financial Statements and Unaudited Consolidated Interim Financial Statements.

Related Party Transactions

We have engaged in the past, and may engage in the future, in various transactions with related parties. Our related party transactions have historically been related to, among others, with our Promoters and Promoter Group, our Directors and our Key Managerial Personnel for payment of remuneration and entities in which our Key Managerial Personnel's relative have significant influence for professional charges. For further information, see "*Related Party Transactions*" and "*Risk Factors - We have in the past entered into, and may in the future enter into, related party transactions, which may potentially involve conflicts of interest.*" on pages 50 and 73, respectively.

Qualitative and Quantitative Disclosures about Financial Risk

Our Company's activities expose it to market risk, liquidity risk and credit risk. Our Board has overall responsibility for the establishment and oversight of our risk management framework. Our risk management policies are established to identify and analyse the risks faced, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and our activities. We have exposure to the following risks:

Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from our operating activities (primarily trade receivables) and from our investing activities, including deposits with banks and financial institutions and other financial instruments. The carrying amounts of financial assets represent the maximum credit risk exposure.

We have established an allowance for credit loss that represents our estimate of expected losses in respect of trade and other receivables based on our past and recent collection trends.

Credit risk on cash and cash equivalents is limited as we generally transact with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Also see "*Risk Factors - We are exposed to counterparty credit risk and any delay in, or non-receipt of, payments may materially and adversely affect our cash flows and results of operations.*" on page 66.

Market risk

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Our market risk primarily comprises interest rate risk.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest-bearing investments due to fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate due to fluctuations in the interest rates.

Liquidity risk

Liquidity risk is the risk that we will encounter difficulty in meeting our obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, as far as possible, that we will have sufficient liquidity to meet our liabilities as and when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per our requirements.

Our Company has secured loans from bank that contain loan covenants. A future breach of covenant may require the Company to repay the loan earlier than required.

For further information, see "*Financial Information*" on page 235.

Significant Economic Changes

Other than as described in this section, to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

Unusual or Infrequent Events of Transactions

Except as described in this Preliminary Placement Document, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Our business has been affected and we expect will continue to be affected by the trends identified above in the heading titled "*—Principal Factors Affecting Our Financial Condition and Results of Operations*" on page 103 and the uncertainties described in the section titled "*Risk Factors*" on page 51. To our knowledge, except as described or anticipated in this Preliminary Placement Document, there are no known factors which we expect will have a material adverse impact on our revenue or income from continuing operations.

Future Relationship Between Cost and Income

Other than as described elsewhere in this Preliminary Placement Document, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenue.

Seasonality of business

We experience seasonality in our business, with higher transaction volumes associated with the festive sale period in the third quarter of each Fiscal, which encompasses holidays in India such as Diwali, Christmas and annual sales events such as the end of season sales. Furthermore, we also experience an increase in transaction volumes in the fourth quarter of each Fiscal, with Users transacting to exhaust any pending balance on their cards before the end of a financial year. We expect to continue to experience seasonal trends in our business, making results of operations variable from quarter to quarter.

See "*Risk Factors - Our business is subject to seasonality which may cause our revenues to vary across any given financial year causing comparisons of our results of operations and cash flows between different quarters in a financial year to not be meaningful.*" on page 67.

Dependence on Banking Partners

A substantial portion of our revenue is generated by Program Fees/interchange fees through our arrangements with our Banking Partners. See "*Risk Factors - Any termination of, or failure to maintain, our relationships with our banking partners, including our Banking Partners, or any changes to our interchange fees due to a variety of factors, could adversely affect our business, results of operations and financial condition.*" for risks of our relationships with our Banking Partners on our operations and financial condition on page 55.

New Products and Offerings

Since inception, we have expanded our offerings from corporate gifting to digitizing business spends on gifting, reward and recognition of employee and channel partners of businesses to employee tax benefits, as well as addressing a wide variety of spends that businesses incur, to reselling of software to banks and financial institutions. In recent years, we expanded our offerings from providing a SaaS platform of business spend management software to Zoyer, Zatix, Fleet Management, Zaggle International Payments ("ZIP") and corporate purchase/ business credit cards. Our technology team has played a pivotal role in these enhancements to our platform and product offerings with the development and introduction of new products contributing to an increase in our Customers and Users. For further information, see "*Our Business*" on page 153.

Significant developments after September 30, 2024 that may affect our future results of operations

Except as stated in this Preliminary Placement Document, no developments have come to our attention since the September 30, 2024, which materially and adversely affect or are likely to materially and adversely affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

INDUSTRY OVERVIEW

*Unless stated otherwise, industry and market data used in this section has been obtained or derived from a report titled "Industry Report on SaaS based Fintech Market in India" dated December 14, 2024 (the "**Frost & Sullivan Report**"), prepared and issued by Frost & Sullivan pursuant to an engagement letter dated October 14, 2024, and exclusively commissioned and paid for by us in connection with the Issue. The industry related information included herein includes excerpts from the Frost & Sullivan Report and may have been rearranged by us for the purposes of presentation. There are no parts, data or information (that may be material for the proposed Issue), that have been left out or changed in any manner. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Frost & Sullivan Report and included herein with respect to any particular year is in relation to the relevant calendar year. For more information, see "Presentation of Financial and Other Information" and "Risk Factors - Industry information included in this Preliminary Placement Document has been derived from an industry report commissioned and paid for by us exclusively in connection with the Issue." on pages 14 and 75, respectively.*

MACROECONOMIC OVERVIEW

Macro indicators:

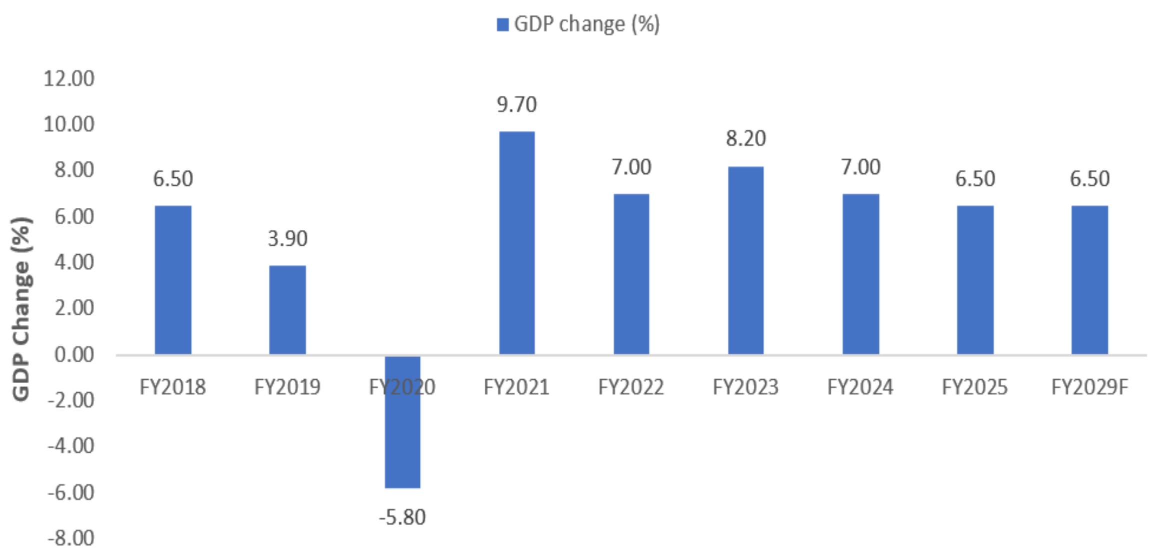
India's macroeconomic landscape has demonstrated remarkable resilience and dynamism, positioning the country as fastest-growing economy. With a GDP growth rate expected to average between 6.00-7.00% over the next five years, India is driven by strong domestic consumption, expanding infrastructure, and a vibrant services sector. It is the fifth-largest global economy and is poised to surpass Germany and Japan in the coming years.

The services sector, particularly IT and financial services, is a major growth driver, supported by a skilled workforce and global demand. Manufacturing is expanding through initiatives aimed at boosting domestic production and exports. Agriculture, though still a critical sector, faces challenges such as modernization and climate variability.

GDP Growth and inflation:

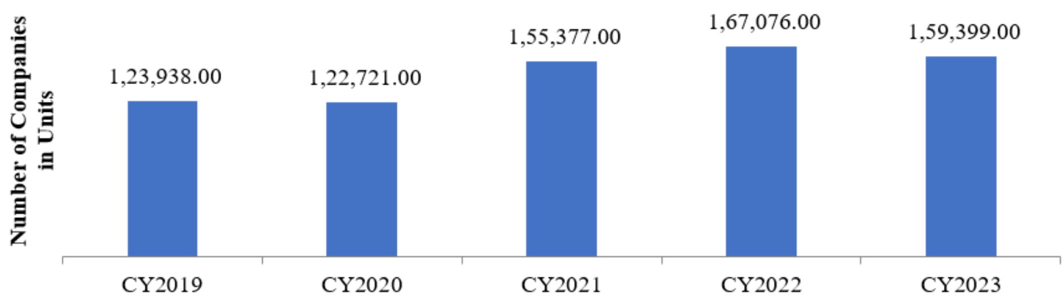
India is poised to continue as the fastest growing economies in the world. India's GDP growth outlook for Fiscal 2025 is expected to be at 6.50%, driven by a gradual recovery in household spending and easing inflation pressures following a strong festive season demand and increased rural expenditure due to favorable monsoon conditions. This growth is supported by economic fundamentals, including improved corporate and bank balance sheets, which enhance private investment prospects. The other drivers include improved monsoon and easing global food prices.

India's GDP Growth 2018-2029F (%)



Source: imf.org

Number of New Company Registrations in India, CY2019- CY2023 (million)



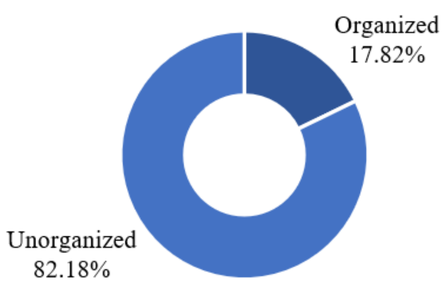
Source: ceicdata

In India, the total number of newly registered companies has shown a consistent trend over the past several years. In Calendar Year ("**CY**") 2019, there were 123,938 registrations, which slightly decreased to 122,721 in CY2020. The following years saw an increase, with 155,377 companies registered in CY2021, 167,076 in CY2022, and a slight decline to 159,399 in CY2023. However, the year CY2024 marked a significant rebound with an estimated 185,000 new registrations, reflecting a positive shift in the entrepreneurial landscape.

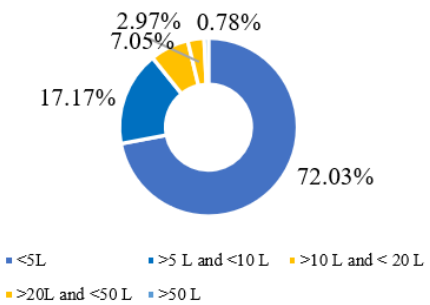
India's employment is split between organized and unorganized sectors. Organized employment includes formal jobs with regulated wages, benefits, and job security, primarily in corporate, government, and large enterprises. Unorganized employment, covering over 82.18% of the workforce, includes informal jobs in agriculture, small businesses, and daily-wage labor, often lacking social security and stability.

India's taxpayers are categorized based on income slabs under a progressive taxation system. A large majority earn below the taxable limit, contributing minimal or no tax. The income category of less than 5 lakhs contribute to 72.03%.

Employment based on Organized & Unorganized Fiscal 2024 (%)



Tax Payer Split based on Income, Fiscal 2024 (%)

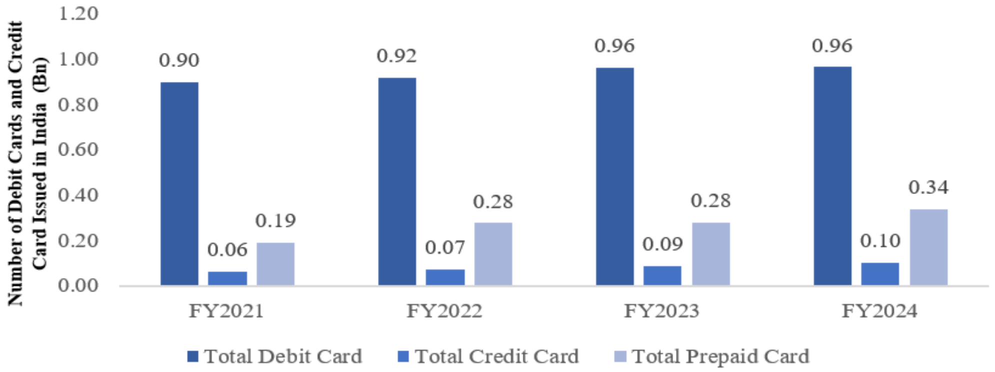


Source: Ministry of Labour & Employment, India, QES
Note: Latest Updated data for Organized and Unorganized is Fiscal 2022

Card Penetration in India:

India is mainly a debit card market with increasing scope for both prepaid and credit cards. The penetration and growth of debit and credit cards, also known as plastic money, is growing rapidly in India. The credit card market grew from 0.06 billion users in Fiscal 2021to 0.10 billion users in Fiscal 2024, similarly the total prepaid cards market grew from 0.19 billion in Fiscal 2021 to 0.34 billion in Fiscal 2024. The growth of the credit and prepaid cards market are much higher than the debit card market. Card-based payments registered a CAGR of 3.62% in terms of volume and 22.89%in terms of value between the years Fiscal 2021 to Fiscal 2024.

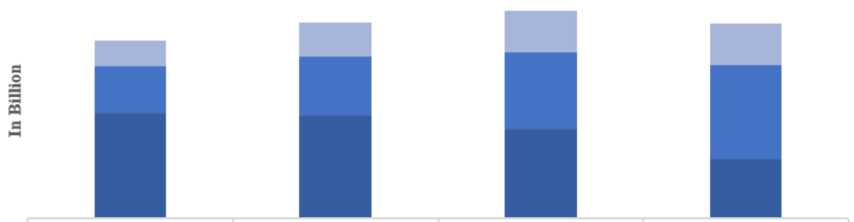
Number of Debit Cards, Credit Card and Prepaid Card Issued (billion), India, Fiscal 2020- Fiscal 2024



Source: RBI PSI data

Moreover, the total number of credit card subscribers grew from 0.06 billion in Fiscal 2021 to 0.10 billion as of Fiscal 2024 owing to increasing demands for cashless and convenient transactions, majorly by millennial customers. Gen Z's collective spending power is around US$ 860.00 billion, which accounts to around 43.00% of total India's consumption.

Card- Transactions Volume by Card Type, India Fiscal 2021- Fiscal 2024 (billion



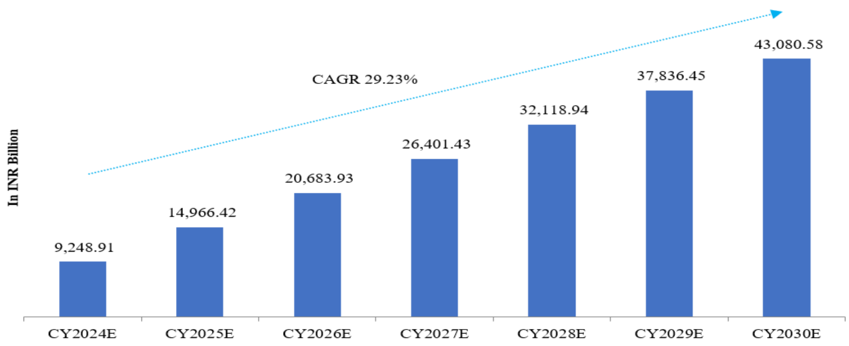
	FY2021	FY2022	FY2023	FY2024
Total Prepaid Card	0.98	1.28	1.56	1.55
Total Credit Card	1.76	2.24	2.91	3.57
Total Debit Card	4.01	3.94	3.42	2.29

OVERVIEW OF FinTech Market in INDIA

Overview of FinTech in India

The FinTech industry in India has experienced remarkable growth and transformation over the past decade, establishing itself as one of the largest and fastest-growing FinTech ecosystems globally. As of CY2024E, the Indian FinTech market is estimated to reach ₹ 9,248.91 billion and grow at a CAGR of 29.23% to reach ₹ 43,080.58 billion by CY2030E. The rapid expansion of this sector can be attributed to several factors, including increasing Smartphone penetration, a young population, and supportive government policies promoting digital financial services.

Indian FinTech Market (In ₹ billion), CY2024E-CY2030E



Source: Frost & Sullivan Analysis

Indian FinTech Startup Landscape

The below figure elaborates on the Indian financial startup landscape. The market can be segmented into Neo banking, FinTech SaaS, InsurTech, Investment Tech, Lending Tech, and Digital Payments. Out of these Lending Tech is the largest segment in terms of Market Size.

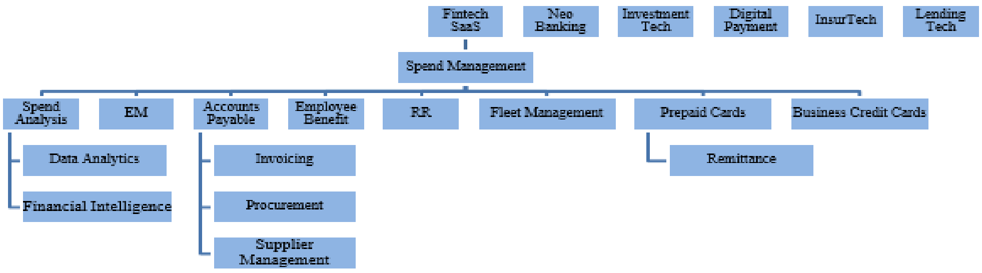
Indian FinTech Startup Landscape

Neo Banking	FinTech SaaS	InsurTech	Investment Tech	Lending Tech	Digital Payments
Fam pay	Active.Ai	Acko	5paisa.com	Axio	Bharatpe
Fi	Chargebee	Coverfox	CoinDCX	Aye	Billdesk
Flobiz	Kaleido fin	Digit	Coinswitch	Drip/c	Cashfree
Jupiter	M2P	Insurity	Groww	Fibe	Cred
Karbon	Nium	Paytm-Insurance	INDmoney	Incred	Dotpe
Mobikwik	Refyne	Pazcare	Smallcase	KreditBee	Ezetap
Open	Sentieo	Plum	Scripbox	Lendingkart	Juspay
Paytm	Werize	Policy bazaar	Stockgro	Slice	Mswipe
Phone pe	Zenwork	Renewbuy	Upstox	Stashfin	Pinelabs
Zolve	Zeta	Turtlemint	Zerodha	Yubi	Razorpay
-	Zaggle	-	Paytm-Money	-	Paytm
-		-	ET Money	-	-

Source: Frost & Sullivan Analysis | Note: The above list is not exhaustive

Indian FinTech Market- Market Segmentation and Market Sizing

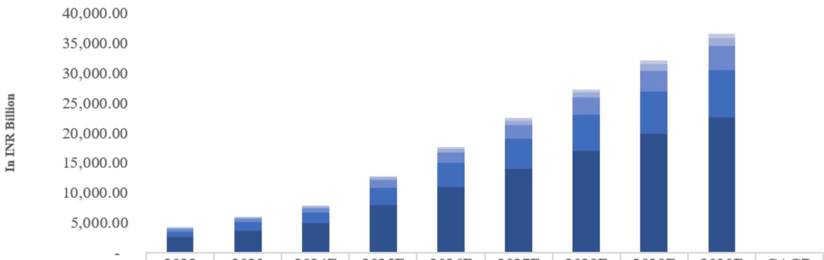
The Indian FinTech market is comprised of various segments, each playing a vital role in its rapid expansion.



Source: Frost & Sullivan Analysis

The total Indian FinTech market is expected to grow to ₹ 43,080.58 billion at a CAGR of 29.23% from ₹ 9,248.91 billion in CY2024E. The fastest-growing market is expected to be Investment Tech at a CAGR of about 31.13%. The Investment Tech market is expected to grow from ₹ 252.03 billion in CY2024E to ₹ 1281.65 billion. The largest market is the Lending Tech market which is expected to grow at a CAGR of 28.81%, this market is expected to grow from ₹ 4,953.02 billion in CY2024E to ₹ 22,624.84 billion in CY2030E.

Total Indian FinTech Market (In ₹ billion), CY2024E -CY2030E

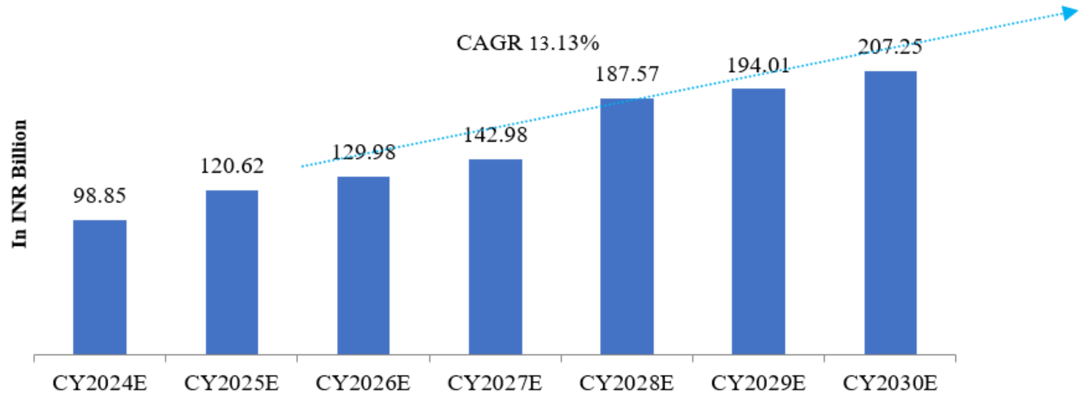


	2022	2023	2024E	2025E	2026E	2027E	2028E	2029E	2030E	CAGR
FinTech SaaS	56.99	85.38	120.24	183.34	268.89	363.02	465.72	577.01	689.29	33.78%
Investment Tech	128.84	185.57	252.03	398.48	563.64	735.94	915.39	1,101.9	1,281.6	31.13%
Neobanking	415.26	595.12	804.42	1,277.9	1,798.9	2,338.1	2,895.5	3,471.0	4,020.5	30.76%
Digital Payments	953.42	1,332.3	1,756.6	2,861.0	3,928.3	4,981.6	6,020.7	7,045.6	7,968.8	28.66%
Lending Tech	2,679.3	3,750.4	4,953.0	8,053.6	11,076.	14,070.	17,034.	19,968.	22,624.	28.81%

Source: Inc42 and Frost & Sullivan Analysis

Market Sizing – Spend management

Spend Management Market Size (₹ Billion), CY2024E – CY2030E

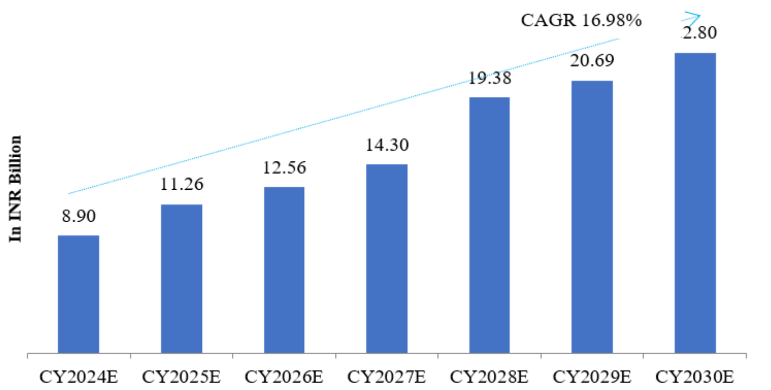


Source: Frost & Sullivan Analysis | Note: Spend management segment includes Expense Management, Employee Benefits, Accounts Payable, Channel Rewards & Recognitions, Procurement, Invoicing, Supplier Management, Payroll and HR Financial Solutions, Data Analytics & Financial Intelligence|Note: Market sizing based on supply

India's spend management market is witnessing notable growth as businesses increasingly seek streamlined financial oversight and operational efficiency. With the rise of digital transformation, companies are adopting tools to automate expense tracking, procurement, and budget management. This shift is largely driven by the need for real-time insights, enabling organizations to make data-driven financial decisions and control costs more effectively. Small and medium enterprises (SMEs) are emerging as a significant user base, as they seek accessible, scalable solutions. Additionally, advanced analytics, AI-powered tools, and integration capabilities are fostering transparency and compliance, making spend management solutions indispensable across diverse sectors. The Indian Spend market is expected to grow from ₹ 98.85 billion in CY2024E to ₹ 207.25 billion in CY2030E at a CAGR of 13.13%.

Market Sizing-Expense Management

Expense Management Market Size (In ₹ billion), CY2024E – CY2030E

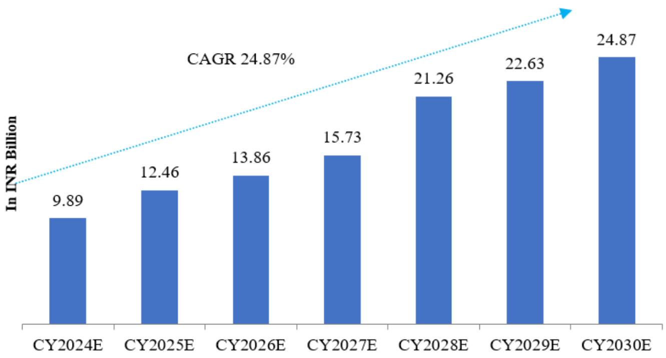


Source: Frost & Sullivan Analysis| Note: Market sizing based on supply

India's expense management market is expanding as companies prioritize efficient tracking and control of corporate expenses. This shift is fueled by the growing adoption of digital solutions that automate expense reporting, reimbursement, and auditing processes. Businesses of all sizes, especially SMEs, are drawn to platforms that offer real-time visibility, mobile accessibility, and integration with existing financial systems. Enhanced features, such as AI-driven data analysis and automated policy enforcement, enable better compliance and reduce manual errors. The rise of remote work and increased focus on cost optimization further drive demand for expense management tools, supporting streamlined operations across various industries. This market is expected to grow from ₹ 8.90 billion in CY2024E to ₹ 22.80 billion in CY2030E at a CAGR of 16.98%.

Market Sizing-Employee Benefits

Employee Benefits Market Size (In ₹ billion), CY2024E – CY2030E

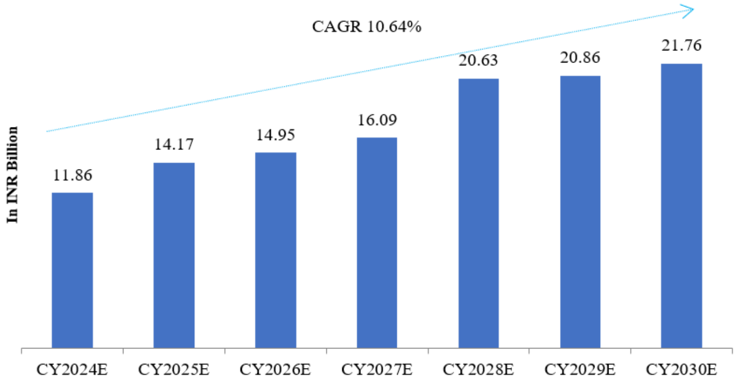


Source: Frost & Sullivan Analysis|Note: Market sizing based on supply

India's employee benefits market is evolving as organizations prioritize holistic well-being to attract and retain talent. Companies are increasingly offering a diverse range of benefits, including health insurance, wellness programs, financial planning assistance, and flexible working arrangements. The shift toward personalization in benefits packages caters to the varied needs of a multi-generational workforce, aligning benefits with life stages and personal preferences. Additionally, digital platforms enable efficient benefits management, allowing employees easy access to resources and tools for well-being. As competition for talent intensifies, organizations are focusing on comprehensive, employee-centric benefits to foster engagement, satisfaction, and long-term retention. The Employee Benefits market which is expected to grow at a CAGR of 24.87%, this market is expected to grow from ₹ 9.89 billion in CY2024E to ₹ 24.87 billion in CY2030E.

Market Sizing-Accounts Payable

Accounts Payable Market Size (In ₹ billion), CY2024E – CY2030E



Source: Frost & Sullivan Analysis|Note: Market sizing based on supply

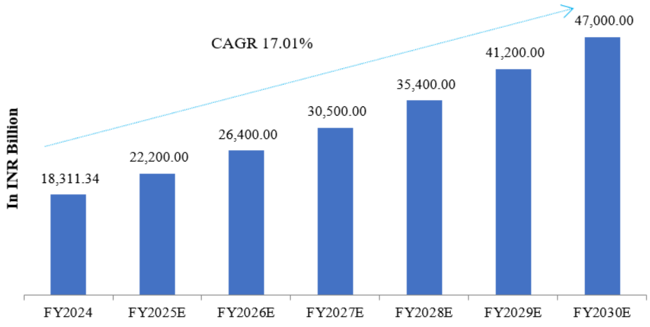
India's accounts payable market is advancing rapidly as businesses emphasize streamlined financial operations and stronger cash flow management. Companies are increasingly adopting digital solutions to automate and optimize the accounts payable process, reducing manual tasks and improving accuracy. These platforms offer real-time tracking, efficient invoice processing, and enhanced compliance, making financial workflows more transparent and efficient. SMEs and large enterprises seek automated tools that integrate seamlessly with existing financial systems, allowing better control over payments and vendor relationships. The demand for secure, cloud-based solutions is rising, enabling scalability and remote access, further transforming India's financial management landscape. The Accounts Payable market is expected to grow from ₹ 11.86 billion in CY2024E to ₹ 21.76 billion in CY2030E at a CAGR of 10.64%.

Market Sizing- Credit Cards Fiscal 2024E – Fiscal 2030E

India's credit card market is expanding rapidly, driven by growing consumer demand for digital payments, the rise of e-commerce, and a shift towards cashless transactions. Banks and Fintech companies are introducing innovative credit solutions, targeting a broad consumer base that includes urban professionals, younger demographics, and first-time users. Rewards, cashback, and flexible payment options are highly appealing to this market. Additionally, advancements in technology, such as contactless payments and robust data security measures, are enhancing user trust and experience. With a focus on financial inclusion, the market is poised for steady growth, reaching deeper into rural and semi-urban areas. The

Credit Card market is expected to grow from ₹ 18,311.34 billion in Fiscal 2024 to 47,000 billion in Fiscal 2030E at a CAGR of 17.01%.

Market Sizing – Credit Cards (In ₹ billion), Fiscal 2024– Fiscal 2030E



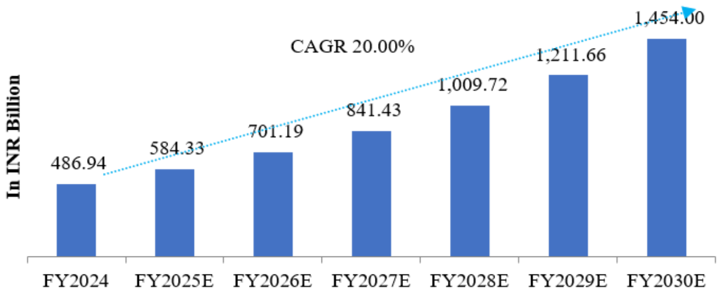
Source: PSI and Frost & Sullivan Analysis

Market Sizing-Prepaid Cards

India's prepaid card market is expanding rapidly, driven by a shift toward digital payments, increasing Smartphone penetration, and evolving consumer preferences. These cards offer convenient, secure, and flexible payment solutions for a variety of purposes, from retail purchases to travel and gift cards. Regulatory support and innovations by financial technology companies further fuel growth, with prepaid cards becoming popular among the unbanked population as a viable alternative to traditional banking. Partnerships between Fintech firms, banks, and merchants enhance customer experience, while digital wallets and mobile apps increase accessibility, making prepaid cards an integral part of India's digital economy.

The prepaid card market in India has increased from ₹ 486.94 billion in Fiscal 2024 to ₹ 1,454.00 in Fiscal 2030E with a projected CAGR of 20.00%.

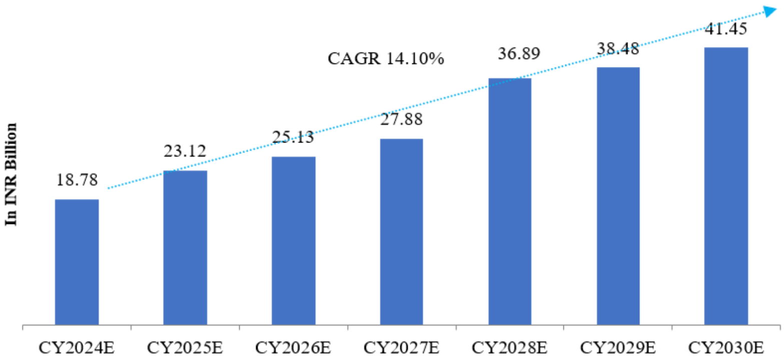
Market Sizing – Prepaid Cards (In ₹ billion), Fiscal 2024 – Fiscal 2030E



Source: PSI and Frost & Sullivan Analysis

Market Sizing-Channel Rewards and Recognition

Channel Rewards and Recognition Market Size (In ₹ billion), CY2024E –CY2030E



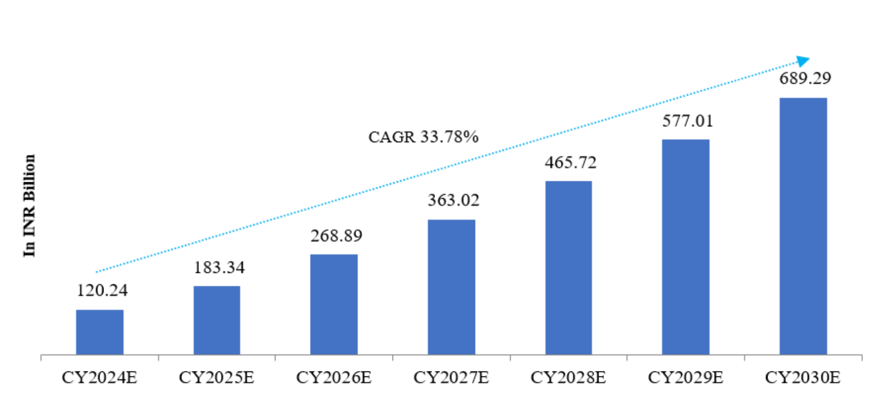
Source: Frost & Sullivan Analysis| Note: Market sizing based on supply

India's channel rewards and recognition market is gaining momentum as companies look to strengthen relationships with distributors, retailers, and channel partners. By offering tailored incentives, rewards, and recognition programs, businesses aim to boost motivation, drive sales, and improve brand loyalty. The approach is evolving beyond traditional rewards to include personalized experiences, digital vouchers, and gamified platforms that engage participants effectively. Companies are leveraging data analytics to customize incentives based on performance, fostering healthy competition, and enhancing partner satisfaction. As the market matures, technology-driven solutions are helping businesses optimize channel engagement, making rewards more impactful and aligned with strategic business goals. The Channel Rewards and Recognition market is expected to grow from ₹ 18.78 billion in CY2024E to 41.45 billion in CY2030E at a CAGR of 14.10%

Market Sizing-FinTech SaaS

The FinTech SaaS market covers segments like Accounting and Expenses, Payroll and HR Financial Solutions, Payments and Billing, Employee rewards and benefits, and Data Analytics and Financial Intelligence to name a few. The FinTech SaaS market is expected to grow from ₹ 120.24 billion in CY2024E to ₹ 689.29 billion in CY2030E at a CAGR of 33.78%.

FinTech SaaS (In ₹ billion), CY2024E – CY2030E



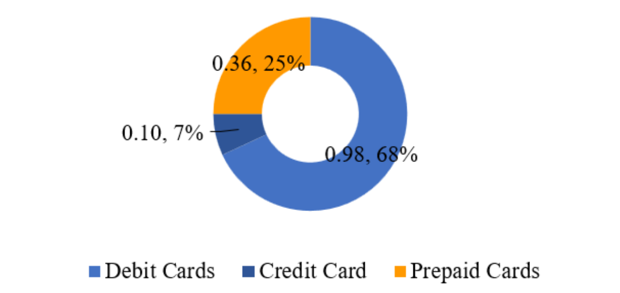
Source: Frost & Sullivan Analysis|Note: Market sizing based on supply

Overview of Card(s) Market in India

The usage of credit and debit cards for payment in India is gaining popularity. With the rise in the contactless transaction limit and credit cards providing quick and safe access to credit, customers have additional opportunities to utilize their cards for everyday payments. This is projected to accelerate in places other than metros because of legislative measures such as PIDF and offline payments, which aim to increase the usage of digital payments in locations with poor internet.

Number of Cards Issued and Split by Types

Total Cards Issued (billion) and Share by Type (%), Fiscal 2024



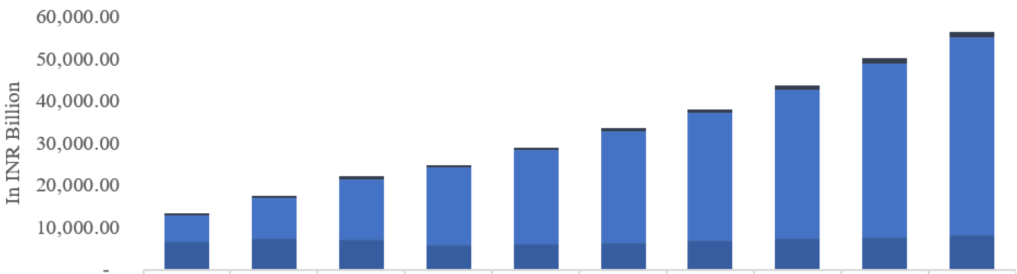
Source: PSI, Frost & Sullivan Analysis

The total number of credit and debit cards issued around 0.96 billion in Fiscal 2021 which increased to 1.06 billion in Fiscal 2024 at a CAGR of 4.47%. This is expected to increase in the next few years.

Value of Transactions (Debit Cards + Credit Cards + Prepaid Cards)

Buyer of prepaid card can be an employer, employee/individual consumer. Gift-cards are part of prepaid cards and can be exchanged for specified cash value of goods/services and can be given as gifts too. Some other types of prepaid cards include prepaid meal cards, pay day cards, travel cards etc. In Fiscal 2024, transaction values reached ₹ 5,924.29 billion for debit cards, ₹ 18,311.34 billion for credit cards, and ₹ 486.95– ₹ 1,454.00 billion for prepaid cards. By Fiscal 2030E, debit card values are projected to grow to ₹ 8,100.00 billion, and credit cards to ₹ 47,000.00.

Total Cards Based Transaction Value, Fiscal 2021- Fiscal 2030E (₹ billion)

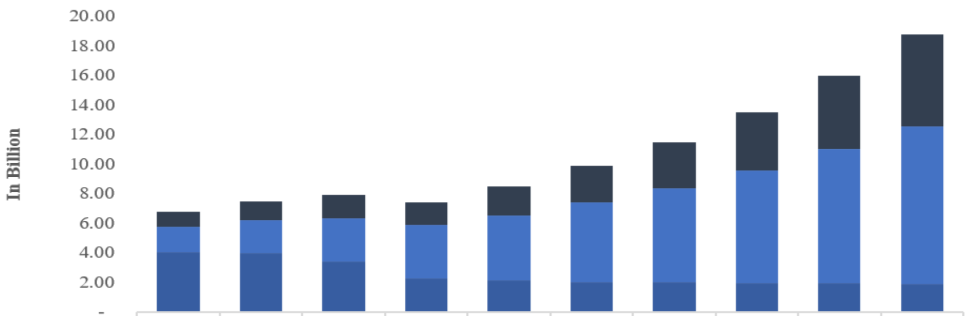


	FY2021	FY2022	FY2023	FY2024	FY2025 E	FY2026 E	FY2027 E	FY2028 E	FY2029 E	FY2030 E
Prepaid Cards	456.31	592.33	652.15	486.95	584.33	701.19	841.43	1,009.72	1,211.66	1,454.00
Credit Cards	6,304.14	9,716.38	14,322.5	18,311.3	22,200.0	26,400.0	30,500.0	35,400.0	41,200.0	47,000.0
Debit Cards	6,613.85	7,302.13	7,199.89	5,924.29	6,100.00	6,400.00	6,800.00	7,300.00	7,700.00	8,100.00

Source: PSI and Frost & Sullivan Analysis

In Fiscal 2024, debit cards saw 2.29 billion transactions, credit cards 3.57 billion, and prepaid cards 1.55–1.87 billion. By Fiscal 2030E, debit card transactions are projected to surge to 10.65 billion, while credit cards are expected to reach 6.21 billion, reflecting evolving payment trends and changing consumer preferences driven by technology.

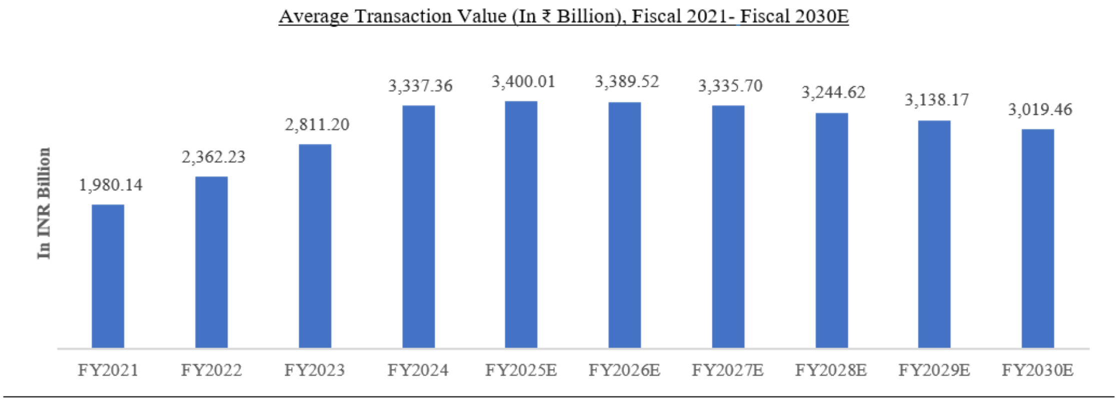
Total Cards Based Transaction Volume, Fiscal 2021- Fiscal 2030E (In billion)



	FY2021	FY2022	FY2023	FY2024	FY2025E	FY2026E	FY2027E	FY2028E	FY2029E	FY2030E
Prepaid Cards	0.98	1.28	1.56	1.55	1.96	2.46	3.10	3.91	4.93	6.21
Credit Cards	1.76	2.24	2.91	3.57	4.44	5.39	6.35	7.61	9.13	10.65
Debit Cards	4.01	3.94	3.42	2.29	2.10	2.03	1.98	1.95	1.91	1.87

Source: PSI and Frost & Sullivan Analysis

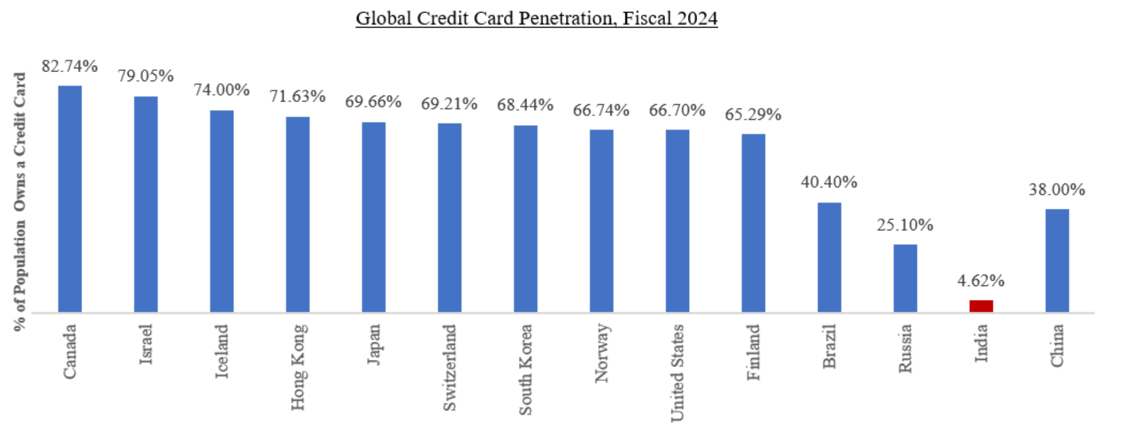
The average transaction value for card payments in India has shown a steady upward trend in recent years, reflecting a shift towards higher-value transactions. In Fiscal 2021, the average transaction value stood at ₹ 1,980.14 billion, which increased to ₹ 2,811.20 billion by Fiscal 2023. The average transaction value is expected to reach ₹ 3,400.01 billion in Fiscal 2025E, followed by a gradual decrease to an estimated ₹ 3,019.46 billion by Fiscal 2030E



Source: PSI, Frost & Sullivan Analysis

Credit Card Penetration in India

Credit Card penetration in India is growing but remains significantly lower than global standards. With a population of over 1.40 billion the credit card penetration in India is 4.62%. Urbanization, rising digital payment adoption, and increasing financial literacy are driving growth, with banks and FinTech's offering rewards and tailored solutions. However, limited rural penetration, low financial awareness, and cash dependency remain barriers. Globally, countries like Canada (82.74%), Israel (79.05%), and Hong Kong (71.63%) showcase high penetration due to advanced economies and financial systems. This indicates a huge growth potential for the Indian Credit card market which is currently at around 101.80 million Cards as of March Fiscal 2024.



Source: WorldBank and Frost & Sullivan

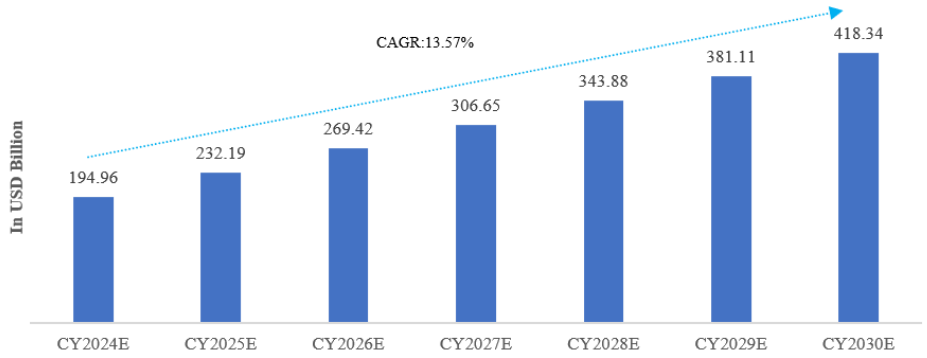
OVERVIEW OF THE FOREX CARDS IN INDIA

Global Overview of Forex Cards Market

The Global Forex card market has expanded significantly in recent years, driven by rising international travel, increasing foreign educational opportunities, and a growing need for secure, convenient payment methods abroad. Forex cards, or foreign exchange cards, are prepaid travel cards that allow users to preload deposits in India and spend in foreign currency in multiple countries without incurring additional currency conversion fees which are usually charged on credit or debit cards. Their versatility, security, and competitive exchange rates have made them a popular option among frequent travellers.

Another key driver is that Forex cards are prepaid, they allow users to limit spending to a pre-set amount, helping students and travellers stay within their budget. Additionally, Forex cards typically have fewer security risks since they are not directly linked to a bank account, unlike debit cards, and are PIN protected, making them less vulnerable to theft or fraud. The Global Forex Card market is estimated at US$ 194.96 billion in CY2024E and is expected to grow to US$ 418.34 billion in CY2030E at a CAGR of 13.57%.

Global Forex Cards Market (In US$ billion), CY2024E – CY2030E



Source:Frost & Sullivan Analysis

Overview of Forex Cards in India

The Forex card market in India has seen robust growth, driven by increasing outbound travel, improved awareness, and rising financial literacy among travellers. Thomas Cook reported 1.5x increase of both prepaid card recharges and new card issuances for the year Fiscal 2024, there by indicating an overall growth in Forex card numbers.

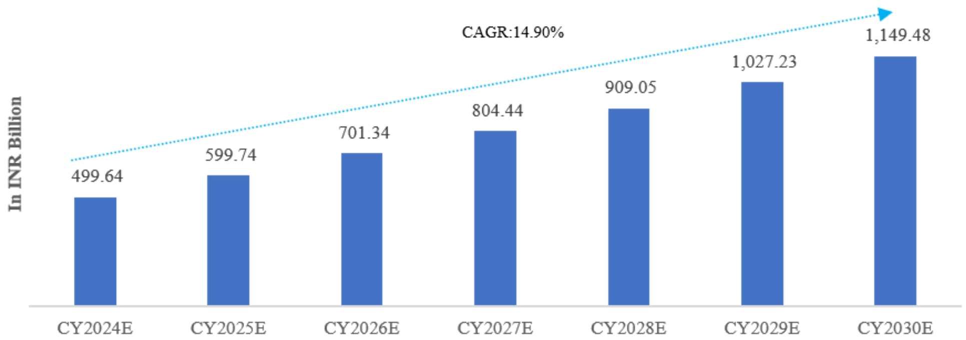
Prepaid Card Split in India, Fiscal 2024

Prepaid Cards	Estimated Share
General Purpose Reloadable Cards (GPR)	Approximately 30-40%
Travel Cards	Around 20-25%
Gift Cards	About 15-20%
Meal Cards	Roughly 10-15%
Corporate Expense Cards	Approximately 5-10%

Source:Frost & Sullivan Estimates

The Indian Forex card market is expected to grow from ₹ 499.64 billion (US$ 5.94 billion) in CY2024E to ₹ 1,149.48 billion (US$ 13.35 billion) in CY2030E at a CAGR of 14.90%.

India Forex Cards Market (In ₹ billion), CY2024E – CY2030E

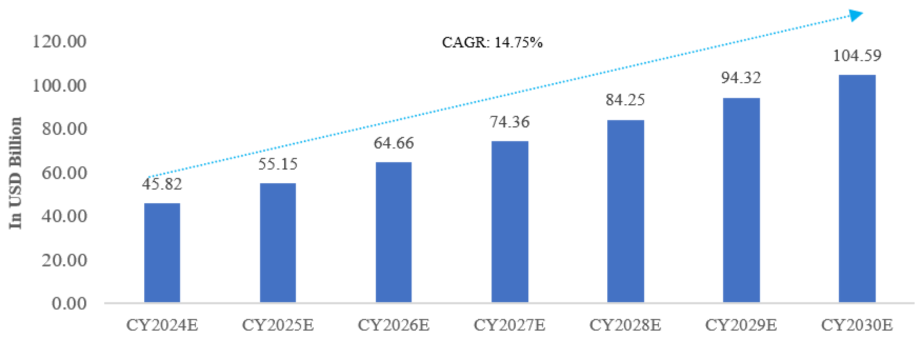


Source:Frost & Sullivan Analysis

Corporate Forex spends on Travel

It is estimated that 20-25% of global air travel accounts for corporate travel. Corporate Forex spending on travel has become an essential component of financial management for companies operating across borders. As globalization intensifies, companies increasingly find themselves organizing international business trips, conferences, and client meetings, all of which necessitate expenses in foreign currencies. Managing these travel expenses can be challenging due to fluctuating exchange rates, diverse regulatory environments, and the complex needs of employees travelling abroad. India account for 3% of the Global market however expected to grow faster as compared to Global as well as APAC markets, given lower penetration. The corporate Forex market is expected to grow from US$ 45.82 billion in CY2024E to US$ 104.59 billion in CY2030E at a CAGR of 14.75%.

Global Corporate Forex spends on Travel (In US$ billion), CY2024E – CY2030E



Source: Frost & Sullivan Analysis

OVERVIEW OF FLEET PAYMENT SOLUTIONS IN INDIA

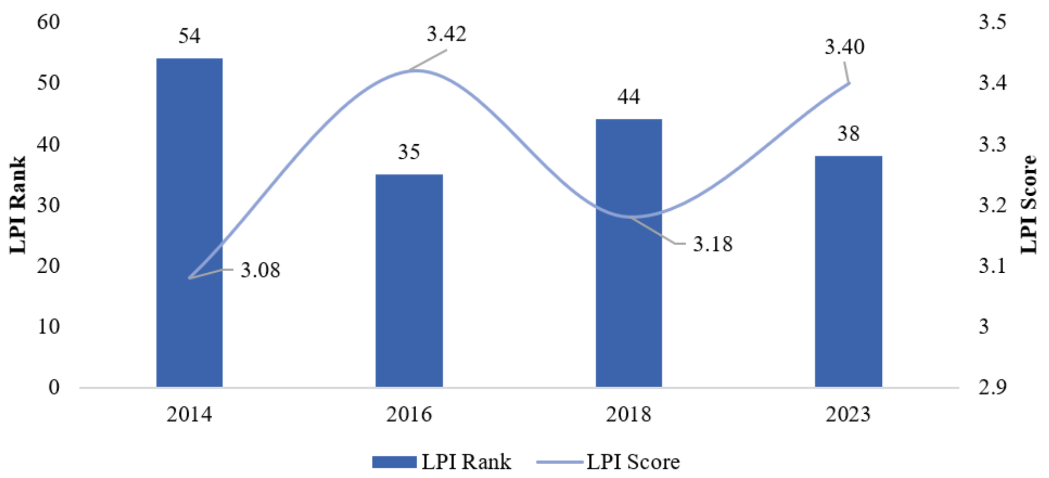
Overview of Freight market in India

India's logistics sector was estimated at ₹ 9,000.00 billion in Fiscal 2023 and projected to reach around ₹ 13,400 billion by Fiscal 2028. The demand for freight transport has been increasing due to increased spending power. The freight demand has increased around 8.00% - 9.00%% between the period Fiscal 2023 to Fiscal 2028 With increasing income levels, higher EXIM (Export/ Import), a rapidly expanding e-commerce sector, and a growing retail market, the demand for goods movement is anticipated to grow., alongside an expected GDP growth of about 6.00% over the next five years between the periods Fiscal 2024- Fiscal 2029.

As the demand for goods continues to rise, the volume of goods movement is projected to reach 15.60 trillion tonne-km by 2050. This would stimulate growth across various freight modes, particularly in road freight transport, freight vehicles are expected to travel over three trillion kilometers by 2050. The number of trucks on the road is expected to grow from 4.00 million in 2022 to 17.00 million by 2050. Almost 70.00% of India's domestic fleet demand is met by road transport segment.

India has been making continuous strides to enhance its logistics system. The country improved its score on the Logistics Performance Index (LPI), a World Bank tool that assesses logistics capabilities, rising from rank 54 in 2014 to 38 in 2023. This advancement is attributed to improved transport, infrastructure, the introduction of initiatives such as "Make in India," and the integration of technological and digital enhancements within the logistics supply chain. However, challenges remain. Despite being one of the largest and fastest-growing logistics markets globally, there is still significant potential for India's logistics sector to improve.

Logistics Performance Index Rank and Score, 2014 –2023

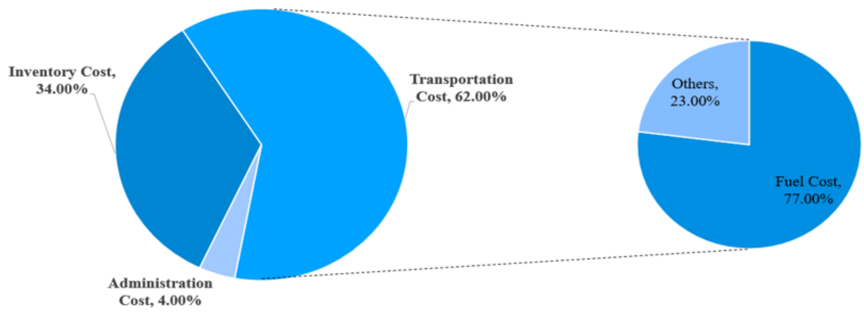


Source: World Bank

Cost Breakdown in Road Transport Segment

The cost of logistics is around 14.00% of the share of Indian GDP which is comparatively higher than other nations which average around 8.00% to 11.00%. The logistics cost can be broken down into three specific categories which are Inventory, Transportation and Administration which account to 34.00%, 62.00% and 4.00% respectively. The transportation segment can further be broken down into fuel and others, which account to 77.00% and 23.00% respectively.

Cost Breakdown of Road Transport Segment, Fiscal 2024

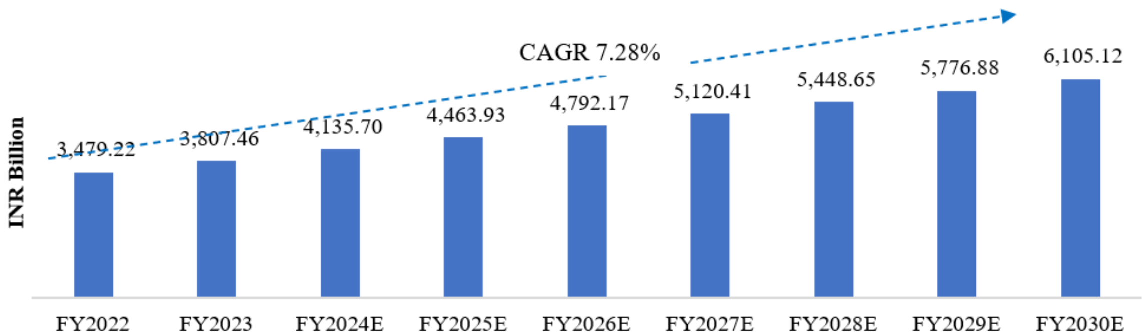


Source: Niti Aayog, Government of India

Market Size of Indian Fleet Payment Solutions

The Indian Fleet Payment Solution market is estimated at around ₹ 4,135.70 billion in Fiscal 2024E and is expected to grow to ₹ 6,105.12 billion in Fiscal 2030E. The growth is expected to be driven by increase in road freight, increase in fleet capacity and the penetration of digital payments. The market is expected to grow at a CAGR of 6.70% between the periods Fiscal 2024E to Fiscal 2030E.

Indian Fleet Payment Solution Market Size (₹ billion), Fiscal 2022-2030E



Source: Frost & Sullivan Estimates

Market landscape of Fleet Payment Solutions in India

A Fleet Payment Solution streamlines expense management for businesses operating vehicle fleets, providing a centralized and efficient system to monitor and control fuel, maintenance, tolls, and other vehicle-related costs. This solution integrates a fleet-specific payment card or mobile app, enabling drivers to make authorized purchases while granting real-time expense monitoring.

Around 40.00%-50.00% of the payments done by the fleet operators using Fleet payment solution account to fuel payments. The second largest segment accounts to corporate payment which is around 15.00%-20.00% of the total payment. Tolls account to around 10.00%-15.00% of the total payments made using fleet payment solutions. The breakup of the payments using Fleet payment solution are shown in the table below.

Fleet Payment Components

Fleet Payment Components	Spending
Fuel	40-50%

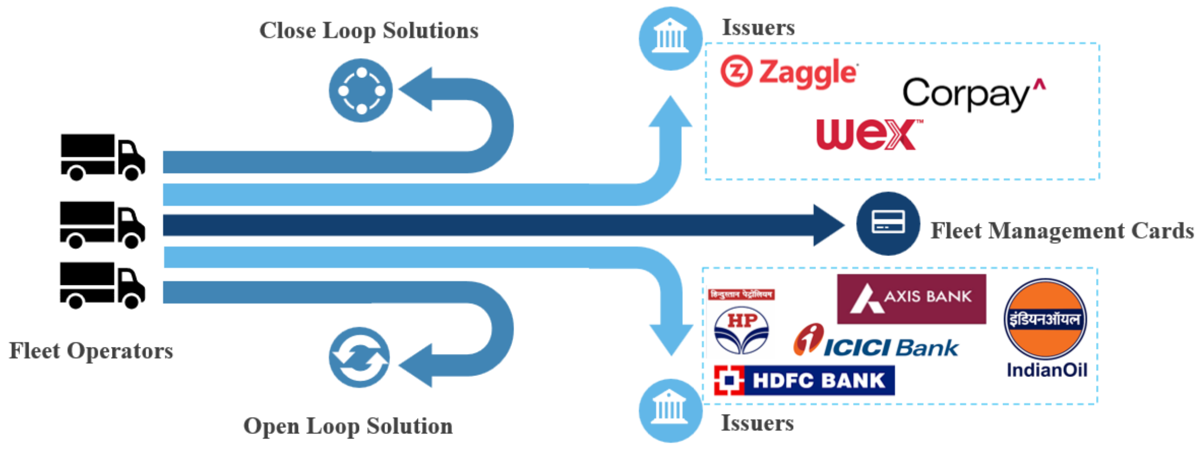
Fleet Payment Components	Spending
Corporate Payment	15-20%
Tolls	10-15%
Lodging	5-10%
Gift	5-10%
Others	5-10%

Source: Frost & Sullivan Annual Report of Companies

Fleet Payment Card Type

The Fleet Payment Solutions market offers two types of cards namely Open Loop and Close Loop. The Open Loop cards are issued by Banks and Oil companies. The Close Loop cards are issued by FinTech companies such as Zaggle Prepaid Ocean Service Limited.

Types of Fleet Payment Solution

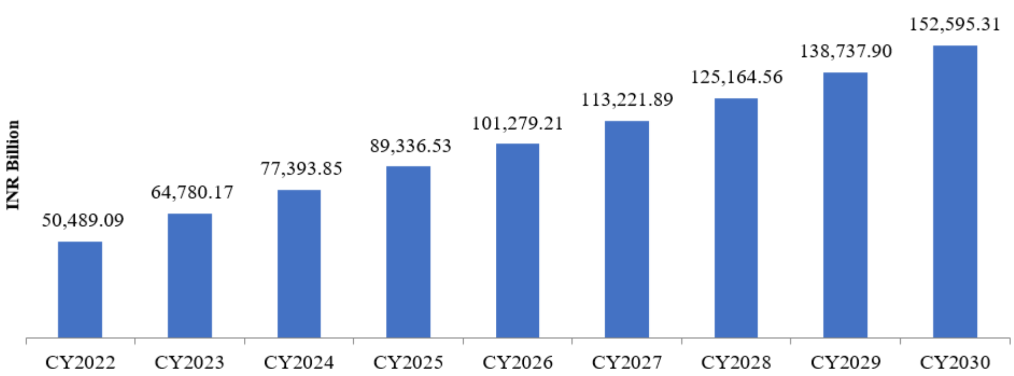


Source: Frost & Sullivan | Note: Above list is not exhausted, Logo for representation purpose only

Global Fleet Payment Market

The global fleet payment market is experiencing robust growth, driven by several key factors that enhance operational efficiency and cost management for businesses relying on transportation. As of 2022, the market was valued at approximately ₹ 77,393.85 billion in CY2024 and is projected to reach around ₹ 152,595.31 billion by CY2030, growing at a compound annual growth rate (CAGR) of 11.98% during this period. One of the key drivers is the rise in e-commerce and logistics services has led to a surge in the number of fleet vehicles on the road. Businesses are increasingly investing in fleet management solutions to streamline operations, optimize routes, and manage fleet expenses effectively.

Global Fleet Payment Market (In ₹ billion), CY2022-CY2030

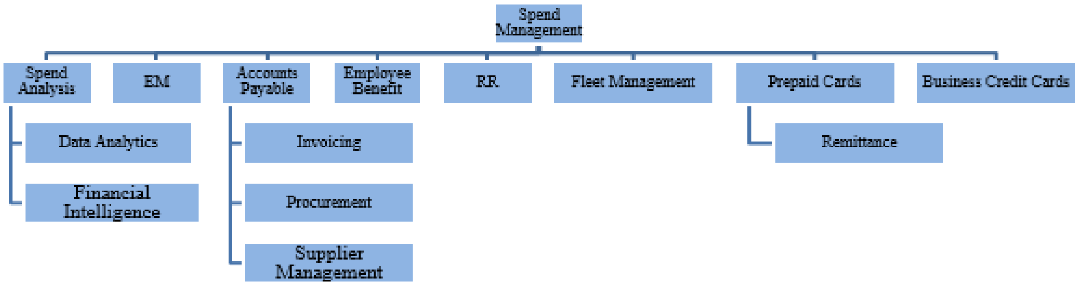


Source: Frost & Sullivan

GLOBAL OUTSOURCED SPEND SOFTWARE AS A SERVICE MARKET

The global market for outsourced spend management software, especially Software as a Service (SaaS) solution, has expanded significantly as organizations prioritize cost control and operational efficiency. Companies in various industries rely increasingly on these software solutions to manage, monitor, and analyse spending patterns, particularly in non-core operations. SaaS spend management platforms help organizations streamline procurement, reduce unnecessary expenses, and ensure compliance with internal and external policies.

Global Outsourced Spend Software as a Service Market Segmentation

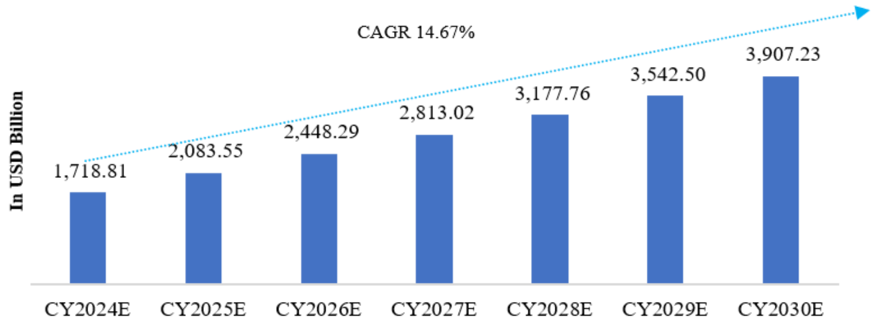


Note : EM – Expense Management | RR – Channel Rewards & Recognitions

Source: Frost & Sullivan Analysis

The primary advantage of SaaS-based spend management software lies in its accessibility and ease of deployment. Unlike traditional on-premises systems, SaaS platforms are cloud-based, requiring minimal infrastructure investment, which appeals to companies seeking flexible and scalable solutions. These platforms allow businesses to integrate spend management processes into existing workflows while also providing real-time data analysis for quick decision-making. Such flexibility has made SaaS solutions especially popular among Small and Medium sized Enterprises (SMEs) that may not have the resources to invest in complex in-house systems. The outsourced spend SaaS market is expected to grow from US$ 1,718.81 billion in CY2024E to US$ 3,907.23 billion in CY2030E at a CAGR of 14.67%.

Outsourced Spend Software as a Service Market Global, In US$ billion, CY2024E-CY2030E



Source: Frost & Sullivan Analysis

The global outsourced spend management market continues to gain traction in CY2024, with significant regional variations in penetration rates. North America leads the market, accounting for around 35–40% of the global adoption, driven by the maturity of procurement practices and widespread acceptance of outsourcing. Europe follows closely with a penetration rate of approximately 30–35%, reflecting the region's focus on cost optimization and compliance. The Asia Pacific region exhibits a penetration of about 15–20%, as organizations increasingly adopt outsourced solutions to streamline procurement processes amidst rapid economic growth. In MENA, penetration stands at approximately 10%, where adoption is growing steadily due to the diversification of economies and increased focus on efficiency. The Rest of the World (ROW) contributes around 5%, highlighting emerging but limited adoption in less mature markets.

Global Penetration of Outsourced Spend Management Market, CY2024

Region	Penetration %
North America	Around 35–40%
Europe	Around 30-35%
Asia Pacific	Around 15-20%
MENA	Approximately 10%
ROW	Approximately 5%

Source: Frost & Sullivan Analysis

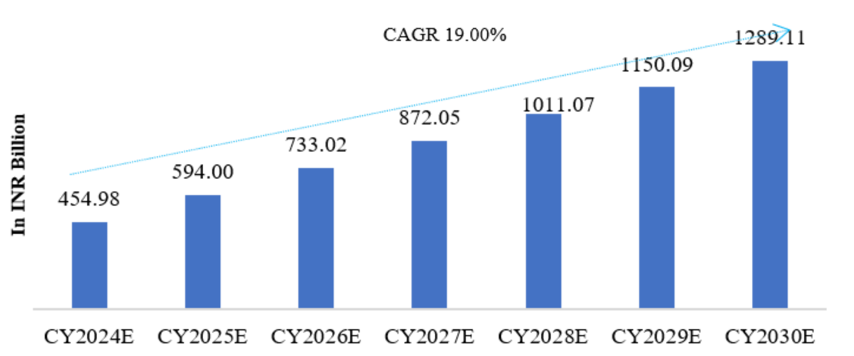
India Spend Management Market

The spend management market in India is evolving rapidly, with organizations balancing between in-house and outsourced approaches to manage expenditures. While exact percentages are not readily available, industry trends and reports provide useful estimates for understanding the landscape. The estimated Spend Management market in India is estimated around ₹ 650 billion to ₹ 700 billion in CY2024

India Outsourced Spend Software as A Service Market

The outsourced spend SaaS in India is rapidly expanding, driven by digital transformation and increased focus on cost optimization. As businesses face mounting pressure to streamline their operations and optimize expenditure, the demand for SaaS solutions catering to outsourced spend management has gained significant traction. This factor makes outsourced spend SaaS particularly appealing to small and medium-sized enterprises (SMEs), which constitute a substantial portion of India's business ecosystem. By leveraging these solutions, SMEs can effectively control spending without investing heavily in IT infrastructure. One of the core drivers behind the adoption of outsourced spend SaaS in India is the value it brings to procurement and vendor management processes. Companies are now outsourcing procurement functions to specialized providers, seeking operational efficiencies and cost savings. The need for transparency and accountability in managing these outsourced activities is met by SaaS platforms that offer real-time visibility into procurement operations, track compliance, and manage spending against predefined budgets. Features such as e-procurement, contract lifecycle management, and spend analytics make SaaS a compelling choice, allowing businesses to make data-driven decisions and achieve greater control over their outsourced spending.

Outsourced Spend Market, India, In ₹ billion, CY2024E-CY2030E



Source: Frost & Sullivan Analysis

The Indian outsourced spend management market is expected to grow from ₹ 454.98 billion (US$ 5.36 billion) in CY2024E to ₹ 1289.11 billion (US$ 15.20 billion) in CY2030E at a CAGR of 19.00%.

Segments of the Indian Outsourced Spend Software as a Service Market

Indian Outsourced Spend Management and Service Categories

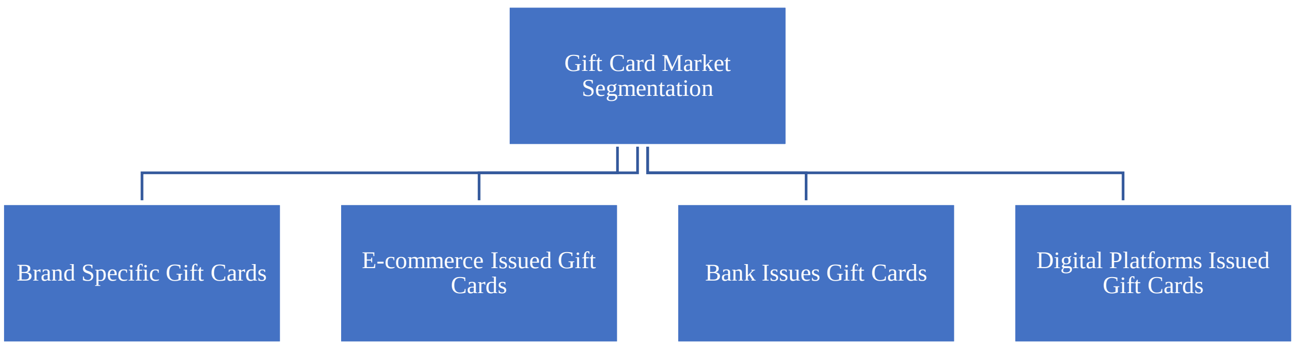
Category	Definition	Key Trends
Employee Expense Management	Employee expenses are categorized as ▪ Reimbursable ▪ Non-reimbursable and ▪ Rewards.	• 82% of companies lack process automation despite being the 2nd largest expense after payroll. • 48% of companies do not have a fraud detection system for expenses mapped manually.
Rewards & Recognitions	Refer to a program to motivate employees	• Talent emphasis to be on diversity, equality, and inclusion, and to benefits, pressurizing Indian companies to revise their employee experience.
Vendor Payment management	System overseeing business payment to its external suppliers for goods, services, or both.	• Modern, astute firms have already begun to consider automating their vendor management procedures, including vendor onboarding, to reduce compliance risks. • Firms are automating vendor interactions, payments, and increasing overall compliance in the tax environment.
Channel Partner Incentivization	Behavior modification tool designed to reward partners for achieving specific goals.	• Covid-19 reduced demand, so companies increased dealer and distributor incentives to push sales. • Incentives focused on increasing liquidity, rewarding sales performance, and covering dealer overhead.
GCLP (part of CEMS)	Benefits program that helps employees save money through financial wellness packages.	• Companies offering incentives or providing sustainable or fitness-related presents. • IGP, a multi category gifting company, saw a 30%YoY increase in corporate gifting since 2021.

Source: News Release, Frost & Sullivan Analysis

India's Gift card transaction value

The gift card market in India has experienced significant growth, driven by increasing consumer demand, digital transformation, and the popularity of e-commerce platforms. The segment is expected to grow from ₹ 59,793.36 billion (US$ 711.14 billion) in CY2024E to ₹ 125,144.98 billion (US$ 1,453.80 billion) in CY2030E at a CAGR of 13.10%. The transaction value of gift cards has risen as businesses and consumers alike recognize their versatility and convenience. Gift cards have become an attractive option for a variety of purposes, including corporate gifting, retail promotions, and personal gifting occasions.

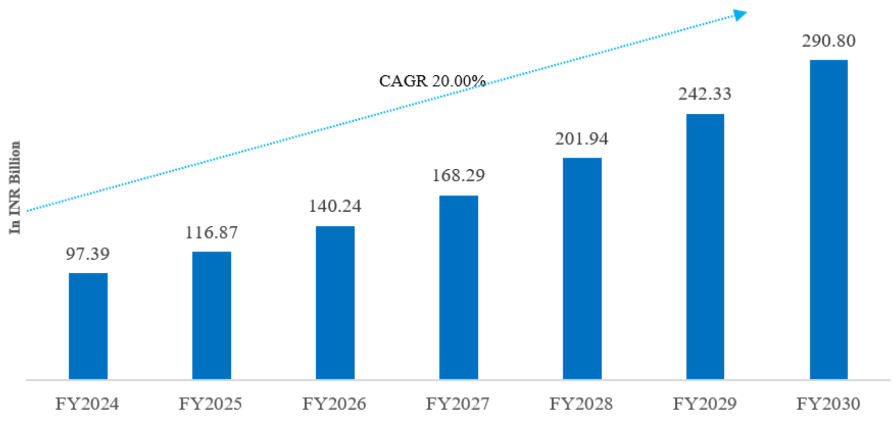
India Gift Card Segmentation, Fiscal 2024



Source: News Release, Frost & Sullivan Analysis

This growth is further fuelled by a young, tech-savvy population that increasingly prefers cashless transactions and digital solutions. India's corporate sector has played a crucial role in driving gift card usage, particularly through employee rewards and recognition programs.

India Gift Card and Incentive Card Market, Gross Transaction Value, In ₹ billion, Fiscal 2024E- Fiscal 2030E



Source: Frost & Sullivan Analysis

COMPETITIVE ANALYSIS

Product Offerings of Key Players

Product Offering of Key Players, Fiscal 2024

Products & Features	Z a	P a	D iv	B re	Pl eo	R a	E x	C or	E d	W ex	H a	S A	Pl u	P a	E n	Q w	X O
Employee Expense/ Benefit/ Reimbursement																	
Automatic Expense Reporting	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✓	✗	✗
Mobile First Experience	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✓	✗	✗
Seamless Transaction Reconciliation against scanned receipt	✓	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗	✓	✗	✓	✗	✗
Policies and Limit Controls	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✓	✗	✗
Consolidated statement for admins/ users	✓	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗	✓	✗	✓	✗	✗
Multiple billing cycles	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗
Controls and MCC, MID and transaction type level wide acceptance	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✓	✗	✗
Real Time expense approval	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✓	✗	✗
100% RBI and Income Tax Complaint	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✓	✗	✗
Channel Partner and Sales Commissions																	
Scheme Management	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗	✓	✗	✓
Seamless Partner Onboarding	✓	✗	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✓	✓	✓
Campaign Management	✓	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗	✗	✓	✓
Metric Based Incentive Computation	✓	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✓	✓
Lead Management	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓
Leaderboards and Achievements	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗	✗	✓	✓
Automated Claim Management	✓	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗	✓	✓	✓
Performance Management	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗	✓	✓	✓
Redemption	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗	✓	✓	✓
Reports & Analytics	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗	✓	✓	✓
Accounts Payable																	
Seamless Petty Cash Management Through the Mobile App & Corporate Credit/Prepaid	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗	✗	✓	✓	✗	✗
Consolidated Statement for the Admin and Individual Statement for every User	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗	✗	✓	✓	✗	✗
Multiple Billing Cycles to Match Corporate Expense Management Requirement	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗	✗	✓	✓	✗	✗
Controls At Merchant Category Code. Merchant Identification Number & Transaction type Level	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗	✗	✓	✓	✗	✗

Products & Features	Z a	P a	D iv	B re	Pl eo	R a	E x	C or	E d	W ex	H a	S A	Pl u	P a	E n	Q w	X O
Automated Invoice Processing	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗	✗	✓	✓	✗	✗
Integrated Payable and Credit Cards	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗	✗	✓	✓	✗	✗
Multiple Payment Options vis Zoyer Pay	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗	✗	✓	✓	✗	✗
Utility Payments powered by BBPS*	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✓	✗	✗
Real Time Payment Alerts and self-service app	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗	✗	✓	✓	✗	✗
Seamless ERP and Accounting Integration	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗	✗	✓	✓	✗	✗

Source: Company website and Frost & Sullivan Analysis

KEY REGULATIONS, TAKEAWAYS, AND CONCLUSION

Key Regulations Impacting Fintech

Indian Govt. regulations, being shaped by SME (Small and Medium Enterprises), Start-ups, and corporate participation via sandboxes, impacting the Fintech sector, include the following:

Key Regulations in the Indian FinTech Market, March 2024

Category	Regulations	Description
Income Tax Regulations	Section: 80C, 80CCC, 80CCD, 80D, 80DDB	For employee's investment options to save tax – PPF (Public Provident Fund), mutual funds, medical insurance, home loans, etc.
GDPR (General Data Protection Regulation) Equivalent Regulations	Data Protection Policies	Data protection incl. GDPR, user consent, data breach, data fiduciary etc. The Personal Data Protection Bill (PDP), revamps data protection as per IT Act, 2000.
Personal Data Protection for Fintech	Fintech Specific	To further consent-based data exchanges in financial services. To appropriately price risk if lacking data.
PCI DSS (Payment Card Industry Data Security Standards)	PCI Data Security	PCI DSS is a set of security standards schemes that aim to secure credit and debit card transactions against data theft and fraud.
KYC (Know Your Customer) Regulations	KYC Regulations	RBI (Reserve Bank of India) Advisory for financial institutions to ensure KYC mandatory adherence.
Digital Payments	PSS (Payment and Settlement System) Act, 2007, UPI (Unified Payment Interface) Payments, Payment Aggregators/Gateways, PPI (Prepaid Payment Instruments), Card Tokenization, E-mandate on cards	The Payment and Settlement System Act, 2007 regulates electronic payments with a goal of ensuring secure and efficient payments and settlements, including payments through UPI, gateways, PPI, etc.
Digital Lending	Banking Regulation (BR) Act, 1949, RBI Act 1934, Companies Act, State wise Lenders Act, Chit Funds Act, 1982, P2P (Peer-to-Peer) Lending	Lending activity-specific, online or offline, governed by RBI, and banks, NBFCs (Non-Banking Financial Company), mandatorily to register with for undertaking digital lending. Not covered can also undertake lending subject to applicable provisions of the Companies Act, 2013, Section 186.
Neo Banks	Licensing from SEBI (Securities and Exchange Board of India) and IRDAI (Insurance Regulatory and Development Authority of India) w.r.t. financial investment products & Insurance,	Neobanks offer products operating under the guidelines of RBI, SEBI and IRDAI, engaging Business Correspondents (BCs), risk management, digital payment security controls, etc.
Product Specific Regulations	RBI, SEBI, and IRDAI Directives & issuances on specific category of investment products	Fintech and Neo-banks to follow specific guidelines issued by RBI (related to Credit/Loans etc.), SEBI (related to investment products), and IRDAI (related to insurance issuance & aggregation, etc.)
Key Operational Processes	RBI and SEBI specified processes	Market players to adhere to process guidelines e.g., customer onboarding, grievance redressal, fair practice, or interchange rate, etc.
Cloud Ecosystem	DSCI (Data Security Council of India) Guidelines, Ministry of Home Affairs categorization, MFA (Multi-Factor	All service providers with cloud ecosystem to follow IT guidelines governed under regulations issued.

Category	Regulations	Description
	Authentication) Access Controls, MeITY (Ministry of Electronics and Information Technology) Data Localization Rules	
Other Fintech Guidelines	NBFC Guidelines; P2P Lending Platform Directives, 2017	NBFCs are subdivided into categories and adherence levels for each. Master Directions – NBFC – P2P Lending Platform Directions 2017 govern lending.

Source: Annual Report of RBI and Other Stakeholderss in the Market, Investor Presentation of FinTech Companies, Frost & Sullivan Analysis

Conclusion

The FI (Financial Inclusion) index has shown improvement in the last five years, however,high inactivity and limited engagement persist. The largest participants in the SME sector are - 99% micro companies, leaving only 1% of small, medium, and large enterprises within the SMEsector. And while the number of new company registrations in India is at all-time high, and expected to grow by the CAGR of 28%, there is greater reliance, and governance calls for operating within the Fintech as applicable for SMEs.

India is mainly a debit card market with an increasing scope for prepaid and credit cards. With India's Fintech focus on the employee-oriented services market, as this segment of customers is easy to acquire and retain at lower costs, this space also remains highly competitive, with more than 3,000 start-ups as of October 2024.

While India launched a pilot digital currency project, the digital rupee and associated awareness are still in nascent stages with most spend management opportunities for SaaS offerings being restricted to those that have been licensed so far. Thus, Licenses or regulatory approvals, are limiting the existence of digital banks or challenger banks in the country to 36 neo banks according to the report published in April 2023 that exist with tie-ups with NBFCs and RBI-licensed banks.

OUR BUSINESS

Some of the information in the following section, including information, with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" on page 19 for a discussion of the risks and uncertainties related to those statements and the section "Risk Factors" beginning on page 51 for a discussion of certain risks that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements.

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Preliminary Placement Document, including the information contained in "Risk Factors", "Industry Overview", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 51, 133, 235 and 103, respectively, as well as financial and other information contained in this Preliminary Placement Document as a whole.

Unless otherwise stated, or unless the context otherwise requires, the financial information for Fiscals 2022, 2023 and 2024 included herein is derived from the Audited Financial Statements and the financial information as at and for the six months ended September 30, 2023 and September 30, 2024, included herein is derived from the Unaudited Consolidated Interim Financial Statements disclosed to the Stock Exchanges pursuant to Regulation 33 of the SEBI Listing Regulations. All the consolidated financial information as at and for the six months ended September 30, 2023 have been extracted from the comparative period column included in the Unaudited Consolidated Interim Financial Statements as at and for the six months ended September 30, 2024. For further information, see "Financial Information" on page 235. The financial information as at and for the six months ended September 30, 2024 is not indicative of our Company's annual performance and not comparable with the annual financial information. Our financial year ends on March 31 of each year. Accordingly, references to "Fiscal 2022", "Fiscal 2023" and "Fiscal 2024", are to the 12-month period ended March 31 of the relevant year..

In this Preliminary Placement Document, unless the context otherwise indicates, requires or implies, any reference to "the Company" or "our Company" refers to Zaggle Prepaid Ocean Services Limited, on a standalone basis, and any reference to "we", "us" or "our" refers to Zaggle Prepaid Ocean Services Limited, its subsidiaries and its associate, on a consolidated basis, as applicable and as reflected in the Audited Financial Statements and Unaudited Consolidated Interim Financial Statements.

*Unless stated otherwise, industry and market data used in this section has been obtained or derived from a report titled "Industry Report on SaaS based Fintech Market in India" dated December 14, 2024 (the "**Frost & Sullivan Report**"), prepared and issued by Frost & Sullivan pursuant to an engagement letter dated October 14, 2024, and exclusively commissioned and paid for by us in connection with the Issue. The industry related information included herein includes excerpts from the Frost & Sullivan Report and may have been rearranged by us for the purposes of presentation. There are no parts, data or information (that may be material for the proposed Issue), that have been left out or changed in any manner. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Frost & Sullivan Report and included herein with respect to any particular year is in relation to the relevant calendar year. For more information, see "Presentation of Financial and Other Information" and "Risk Factors - Industry information included in this Preliminary Placement Document has been derived from an industry report commissioned and paid for by us exclusively in connection with the Issue." on pages 14 and 75, respectively.*

Overview

We are a software-as-a-service ("**SaaS**") fintech platform, digitising spends with automated workflows tailored for businesses. We operate at the intersection of the SaaS and fintech ecosystems, offering our corporate cards through our unified platform, which integrates employee benefits, expense management, accounts payable and personal finance tools into a streamlined dashboard for corporate administrators and a user-friendly mobile application for employees and their ecosystem partners. We empower businesses to optimize their spending, enhance financial control and drive operational efficiency by addressing their needs of digitization, automation and optimization. We follow a plug and play approach, where we can introduce newer products and services to our existing and potential Customers (*i.e.*, businesses), leveraging our strong technology platform and network partners.

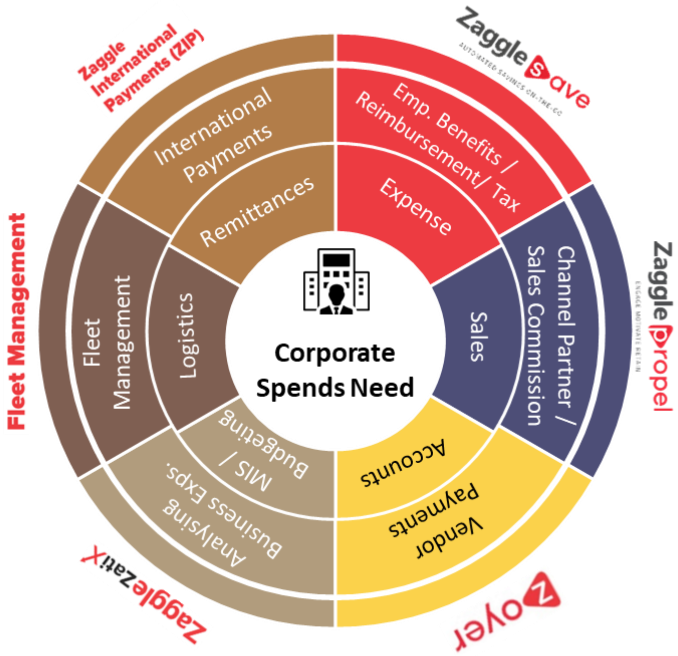
Incorporated in 2011, we operate in a segment where we interact and interface with our Customers (*i.e.*, businesses) and end Users (*i.e.*, amongst others, employees, vendors, dealers, suppliers and channel partners). We offer a variety of spend management solutions for a business' needs with regards to their key stakeholders (*i.e.*, end Users) such as employees, vendors, channel partners, dealers and suppliers through various payments solutions such as business credit cards, prepaid cards and unified payments interface ("**UPI**"). We have issued more than 50 million business credit cards and prepaid cards in partnership with banking partners and served more than 3 million users served, as of September 30, 2024.

We are sector-agnostic and cater to corporate customers ("**Customers**") across, amongst others, banking, financial services and insurance ("**BFSI**"), technology, healthcare, manufacturing, retail, fast-moving consumer goods ("**FMCG**"), infrastructure, pharmaceuticals, automobile and oil and gas industries. We have developed relationships with brands such as Wipro Limited, Emami Limited, Hiranandani Constructions Pvt Ltd, Wockhardt Ltd, Digicare Health Solutions Private Limited, Hoichoi Technologies Private Limited, WhiteOak Capital Asset Management Limited, Inox India Limited, Volvo Auto India Private Limited, Skoda Auto Volkswagen India Private Limited, IIFL Finance Limited and Motilal Oswal Financial Services Limited. Our Customers have grown at a CAGR of 31.17% from 1,753 as of March 31, 2022 to 3,016 as of March 31, 2024, and was 3,213 as of September 30, 2024. Our offerings have features such as a configurable platform for each Customer, allowing for partner on-boarding and automated workflows to track spends and reconciliations, which has helped maintain a consistent Customer retention rate, with only 0.49%, 0.67%, 1.62%, 1.54% and 0.37% of Customers terminating their contracts during the six months ended September 30, 2024 and 2023, and Fiscals 2024, 2023 and 2022, respectively.

We are placed at the intersection of the SaaS and fintech ecosystems, and our spend management platform is designed for: (i) employee expenses, reimbursements and benefits; (ii) accounts payable platform for vendor management; (iii) channel partner incentives for, amongst others, distributors, dealers, sub-dealers, retailers, agents and influencers; and (iv) specialised use cases and payments solutions such as fleet spend management system, analytics platform and international payments. Our core products portfolio include:

Employee expenses, reimbursements and benefits	• '**Save**', a SaaS-based platform to offer expense management solution for business spend management facilitating digitised employee reimbursements and tax benefits; • '**TaxSpanner**', a tax preparation and e-filing platform, offering digital tax solutions (such as income tax and GST filing) to businesses and individuals.
Accounts payable solution	• '**Zoyer**', an integrated data driven, SaaS based business spend management platform with embedded automated finance capabilities in core invoice to pay workflows. It also includes our petty cash solution which streamlines long-tail spending with automated petty cash management and digital fund transfers. Our spend analytics dashboard empowers corporates to enhance spend control, eliminate cash handling risks and minimize fraud.
Channel partner incentives	• '**Propel**', a corporate SaaS rewards and recognition platform for channel rewards and incentives, employee rewards and recognition through our banking partner co-branded prepaid gifting card or redemption of catalogue of brand vouchers through our platform.
Specialised use cases and payment solutions	• **'Zatix'**, an intelligent spend analytics platform, designed to empower businesses with greater cost efficiencies. • **'Fleet Management'**, a fleet spend management system for fleet owners and oil marketing companies/ CNG providers that offers dashboard and analytics along with advanced spend controls for fleet owner and automated approval workflow.

	• **'Zaggle International Payments ("ZIP")'**, an international payments platform, that offers transparency, and efficiency with convenience and compliance.



Our primary Customers provide us with access to their employees, channel partners, vendors and consumers (together, the "**Users**"), giving us the benefit of a diversified User base. As of September 30, 2024, we had 2,578 corporate accounts (*i.e.*, more than 250 Users) and 635 small and medium-sized business ("**SMB**") accounts (*i.e.*, up to 250 Users). Our Customers use our software to manage spends related to their employees, business, channel partners, vendors and consumers.

We offer a SaaS fintech platform with low customer acquisition and retention costs in the business-to-business-to-consumer ("**B2B2C**") segment. Our approach revolves around cross-selling, up-selling, and offering our products and services in strategic partnerships with other players in the operating ecosystems. Through our arrangements with partner banks and fintechs, our Customers are able to offer their employees, channel partners, vendors and consumers a suite of SaaS fintech solutions. We offer an integrated value proposition through our platform, providing a combination of payment instruments as well as an integrated mobile application that digitises business and employee spends. Application programming interface ("**API**") integrations on the platforms provided to our Customers offer them enhanced convenience and an efficient user experience through a simplified dashboard. This enables a clear, distinct and integrated access to our products, and gives us an opportunity to promote and offer our third-party associations through the same interface. Our ability to offer diversified SaaS offerings to an existing customer base enables us to launch new products and cross-sell products to our wide User base, such as our recently launched Fleet Payment Solution and ZIP solution. Accordingly, we have partnered with various businesses to offer their products and value-added services ("**VAS**"), including insurance, investment and tax planning, to our Users on our platform. Further, as part of our offering, we have collaborated with certain key banking partners, including IndusInd Bank Limited, NSDL Payments Bank Limited, ICICI Bank, IDFC First Bank Limited, Kotak Mahindra Bank Limited and Axis Bank Limited (our "**Banking Partners**"), and with card networks for forex cards.

Key Performance Indicators

We utilise a set of financial and non-financial key performance indicators that our management reviews in evaluating the performance of our business. Our management believes that the presentation of these key performance indicators in this Preliminary Placement Document are important to understanding our performance from period to period and also have an impact on our results of operations. These key performance indicators may or may not be compatible with similarly titled metrics presented by others operating in our industry. These indicators are not intended to be a substitute for, or superior to, any measures of performance prepared in accordance with Ind AS, and may not fully reflect our financial performance, liquidity, profitability or cash flows.

Also see "*Risk Factors – We have included certain Non-GAAP Measures, industry metrics and key performance indicators related to our operating and financial performance in this Preliminary Placement Document that are subject to inherent* *challenges in measurement. These Non-GAAP Measures, industry metrics and key performance indicators may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.*" on page 74.

The table below sets forth certain key financial performance indicators as of and for the financial years and periods indicated.

Metric	As of and for the six month period ended September 30,		As of and for the financial year ended March 31,		
	2024	2023	2024	2023	2022
Revenue from operations (₹ *million*)	5,547.63	3,027.21	7,755.98	5,534.60	3,712.55
Gross profit[(1)] (₹ *million*)	2,710.62	1227.62	3,799.02	2,181.38	2,151.15
Gross margin[(2)] (*%*)	48.86	40.55	48.98	39.41	57.94
EBITDA[(3)] (₹ *million*)	491.86	229.84	705.90	480.96	598.54
Profit/ (loss) after tax for the year/ Net profit after tax (₹ *million*)	370.28	96.40	440.20	229.01	419.21
EBITDA Margin[(4)] (*%*)	8.87	7.59	9.10	8.69	16.12
Net Profit Ratio/Margin[(5)]	6.67	3.18	5.68	4.14	11.29
Return on Equity (RoE)/ Return on Net Worth [(6)] (*%*)	5.97	1.81	7.65	46.98	(1,178.22)
Debt to Equity Ratio[(7)]	0.10	0.13	0.13	2.48	(18.12)
Interest Coverage Ratio[(8)]	13.09	3.49	5.76	6.30	18.00
Debt Service Coverage Ratio[(9)]	4.01	0.42	1.11	2.66	5.17
Current Ratio[(10)]	4.84	7.44	6.18	1.49	1.46
Net Capital Turnover Ratio[(11)]	1.24	0.58	1.58	9.52	19.05

Notes:

(1). *Gross profit includes subscription fees, Program Fees, Propel platform revenue/gift cards, merchant revenue and value added services fees earned reduced by customer support, software support, network charges, costs of propel points/gift cards and other direct costs. Merchant revenues refers to the commission paid by merchants to us for increasing footfall in their stores and driving spends to such merchants. Value added services fees refers to the fees our Company earns by offering third party services to our existing User/ Customer base through our app/platform. For example: a finder's fee for a loan disbursed through a VAS partner to a User from one of the corporates/SMBs.*

(2). *Gross margin refers to gross profit as a percentage (%) of total revenues earned during a financial year/ period.*

(3). *EBITDA refers to earnings before interest, taxes, depreciation and amortisation. EBITDA excludes other income but includes reversal of provision for doubtful debts.*

(4). *EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that financial year/ period.*

(5). *Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.*

(6). *Return on equity (RoE) is equal to profit for the year divided by the Total Equity during that financial year/ period and is expressed as a percentage. Return on Net Worth (RoNW) is a measure of profitability (expressed in percentage) and is defined as net profit after tax attributable to our equity shareholders divided by our Total Equity for the financial year/ period.*

(7). *Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term-borrowings) by Total Equity (which includes issued capital and all other equity reserves).*

(8). *Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing cash profit after tax plus interest payment by interest payment. Cash profit after tax is the sum of profit before tax and depreciation and amortisation expense but excludes current tax.*

(9). *Debt Service Coverage Ratio measures our ability to meet principal and interest payment obligations from available earnings and is calculated by dividing the sum of (i) earnings available for debt-service, i.e., the profit after tax, (ii) depreciation, (iii) interest, (iv) loss on sale of assets; by the sum of (i) interest and (ii) principal repayment (which excludes repayment of optionally convertible debentures pursuant to the term loan availed from ICICI Bank Limited) during the financial year/ period.*

(10). *Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.*

(11). *Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).*

See "*Management's Discussion and Analysis of Financial Condition and Result of Operations - Non-GAAP Measures*" on page 103 for the reconciliation and the manner of calculation of our key financial performance indicators. Also see "*Risk Factors - Our recent revenue growth rates may not be indicative of our future financial performance. We have limited operating history at our current scale. Failure to effectively manage our growth could materially and adversely affect the success of our business and/or impact our margins and profitability.*" on page 52.

Set forth below are some of our key operational performance indicators* as of and for the financial years and periods indicated.

Metric	Unit	As of and for the six month period ended September 30,		As of and for the financial year ended March 31,		
		2024	2023	2024	2023	2022
Platform fee / SaaS fee / Service fee[(1)]	₹ million	169.51	146.66	312.49	242.32	166.30
Program Fees[(2)]	₹ million	2,530.50	965.82	3,218.43	1,694.53	2,007.03
Propel platform revenue/gift cards[(3)]	₹ million	2,847.62	1,914.73	4,225.06	3,597.75	1,539.22
Total Customers catered to	#	3,213	2,732	3,016	2,411	1,753
Aggregate Users on the platform[(4)]	#	3,029,859	2,523,674	2,734,674	2,274,138	1,723,350
Average Users per account[(5)]	#	943	924	907	943	983
Customer Acquisition and Retention Cost[(6)]	₹ million	293.90	234.01	534.12	327.40	185.83
Acquisition and Retention Cost per Customer[(7)]	₹ million	1.49	0.73	0.88	0.50	0.28
Cash back expense per ₹1 earned from revenue from operations[(8)]	₹	0.30	0.17	0.28	0.18	0.32
Churn[(9)]	%	0.49	0.67	1.62	1.54	0.37
Average revenue per customer[(10)]	₹ million	1.73	1.11	2.57	2.30	2.12
Number of new Customers added during the year	#	197	321	605	685	665

Notes:

** As certified by P R S V & Co. LLP, Chartered Accountants pursuant to their certificate dated December 18, 2024.*

(1). Platform fee / SaaS fee / Service fee refers to all fee income received by our Company from the Customers, including the fixed monthly subscription fees paid by our Customers on a per User basis and any one-time setup fees and any other fees that may be levied from time to time by our Company to the Customers.

*(2). Program Fees refers to the sum of (i) interchange fees earned on the spend that Users/ Customers make on the cards; (ii) any other income which we receive from our Banking Partners and third-party payment networks ("**Payment Networks**"); and (iii) inactivity fees which is earned on the balance amount left on the cards. Interchange fees is the spend-based fees earned from a Payment Network for the transactions carried out by the Users/ Customers of business credit cards or prepaid cards at offline and/or online outlets.*

(3). Propel platform revenue/gift cards refers to revenue which is received from our Customers for issuing reward points (Propel points) to Customers' employees and channel partners.

(4). Aggregate Users on the platform refers to the total number of Users served by our Company as of the respective dates.

(5). Average Users per account refers to the total number of Users divided by total number of Customers.

(6). Customer Acquisition and Retention Cost refers to digital marketing campaign costs, business promotion costs, feet on the street (FOS) and strategic partnership team salaries costs and other advertisement and marketing costs incurred for all the new Customers added in the business in the relevant financial year/ period.

(7). Acquisition and Retention Cost per Customer is calculated as customer acquisition and retention cost divided by the number of new Customers added during the relevant financial year/ period.

(8). Cash back expense per ₹1 earned from revenue from operations is calculated as revenue from operations divided by expenses towards incentives and cash back.

(9). Churn refers to corporates and SMB customers discontinuing their subscription and other services on our platform.

(10). Average Revenue per customer is calculated by dividing the Revenue from operations by total customers catered to.

For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Key Performance Indicators*" on page 112.

Strengths

Differentiated SaaS-based fintech platform, with an omni-channel offering through a combination of embedded finance, payment instruments, mobile application and API integrations

Our SaaS fintech offerings are deeply embedded in the spend management segment, comprising Propel, Save, Zoyer, Fleet Management, Zatix, ZIP and TaxSpanner. These innovative spend management solutions are designed to provide businesses with employee expenses, reimbursements and benefits, accounts payable platform for vendor management, channel partner incentives, and specialized solutions such as fleet spend management and international payments. Our key SaaS fintech offerings include:

- '*Save*', is a SaaS-based platform and mobile application focused on employee expense management and benefits. It features automated workflows, digitized employee reimbursements, and an employee benefits module. This platform is bundled with a prepaid card or business credit card along with our dashboard and a mobile application for the user, with an ability to create multiple wallets for a single user, that can be used at any online or offline terminal across all networks. 'Save' enables our Customers to digitise, aggregate and manage their employee spends, enabling efficiencies through automated workflows.

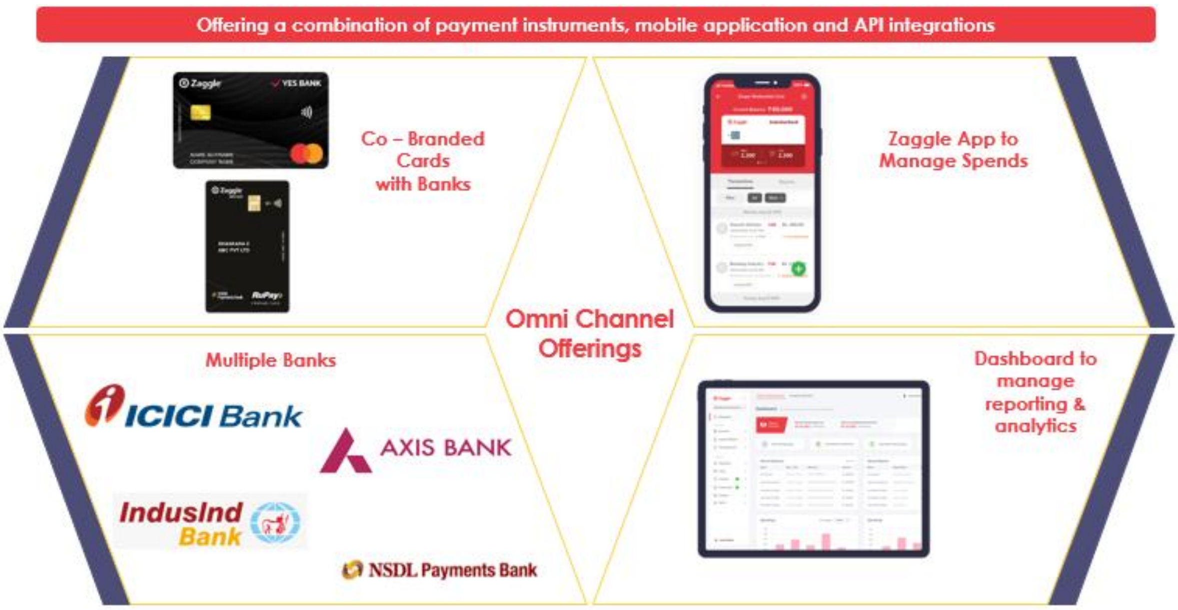
- '*Propel*', is a corporate SaaS platform for channel rewards and incentives, employee rewards and recognition. 'Propel', through its automated rewards and recognition platform, drives sales and business performance for our Customers, enabling them to drive growth and unlock value in their business operations. Propel allows our Customers to have an increased engagement with their employees and channel partners, contributing to their growth.

- '*Zoyer*', is an integrated data-driven accounts payable platform with embedded finance capabilities that drives efficiencies by digitizing vendor procure-to-pay solutions and providing seamless petty cash management, automated invoice processing and utility bill payments. It also offers insights into enterprise wide spends, and digitized management of cash outflows to improve business performance.

We combine our unified SaaS fintech platform with a comprehensive product stack that digitises spend management and rewards for businesses, along with our offering of payment instruments, such as the cobranded corporate credit cards, ZIP (foreign exchange cards and remittances that simplifies international payments for Users), Zakey (a contactless payment device that allows Users to make cashless and contactless payments at various locations) and Zinger Multi-wallet Card (a reloadable card with multiple wallets that works at both online and offline outlets, including UPI, are accepted in India).

Our mobile application provides our Customers and Users with a real time view of card details, account balance, transactions (including transfers to bank accounts), card security, easy expense management by allowing for bills to be uploaded, approved, and paid for corporate spending and such other benefits. Our platform can be used for setting spending limits for employees according to their role and designation, prohibit designated spends (for alcohol), prohibit transactions at non-designated merchant establishments (for example in a bar), enabling an organisation to efficiently manage corporate spending. Furthermore, API integrations (which are hosted through the cloud) with our banking partners, card networks and merchants provide us with access to their user base.

Our omni-channel technology offering is depicted below.

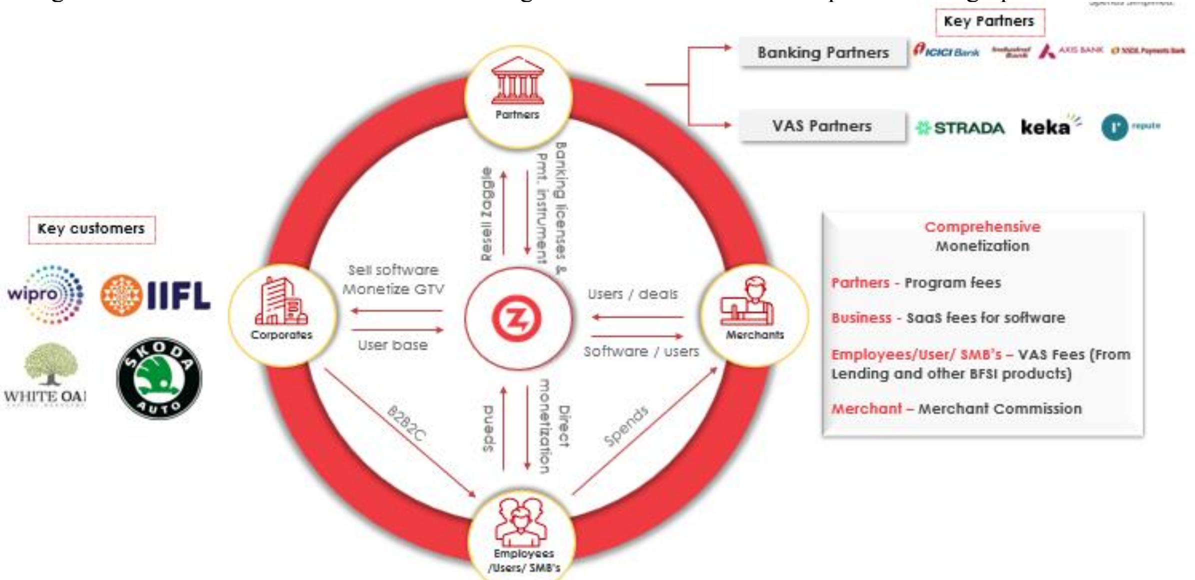


Unique SaaS fintech ecosystem play with strong network effect, in-house developed technology and significant cross selling potential

Our unique SaaS fintech ecosystem allows for parties with complementary services to connect, creating a strong network effect for businesses, employees, channel partners, customers, merchants and banks. We provide a composite omnichannel SaaS fintech offering under a single application and payment instrument. Our SaaS offerings (comprising Propel, Save, Zoyer, Fleet Management, Zatix, ZIP and TaxSpanner) work together with our omnichannel product offerings (comprising, amongst others, business credit cards, prepaid cards, mobile application, analytics solutions), which allows our Customers to offer a seamless and integrated experience to their end-Users across multiple channels and platforms. The API integrations of all our offerings with our customers' enterprise resource planning ("**ERP**") and other internal platforms provide our Customers and Users with ease of access and utility under a single application. The APIs are representational state transfer ("**REST**") based which makes them configurable and are designed with the developers in mind for easy consumption and quick integration. Moreover, the deep integration with our Customers' technology stack results in more customised interactions for our Users, thereby enhancing our Customer loyalty and retention.

We provide our offerings to our Customers and Users who include employees, vendors, channel partners, consumers, dealers, suppliers and influencers, while partnering with merchants, banks, fintechs and NBFCs, providing a strong value proposition to each stakeholder.

These benefits provided by our platform to each of the stakeholders enhance their usage of our platform, thus forming a strong network effect. The benefits of our offerings across stakeholders are depicted in the graphic set forth below.



Profitable business model with diverse sources of revenue and low customer acquisition and retention costs

We have achieved strong growth in revenues and consistent profitability in the last three Fiscals. Our revenue from operations have grown at a CAGR of 44.54% during Fiscal 2022 and 2024. Our profit after tax was ₹370.28 million, ₹96.40 million, ₹440.20 million, ₹229.01 million and ₹419.21 million in the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively, demonstrating growth in scale across our businesses which was primarily attributable to an increase of 75.81% in our User base from 1,723,350 Users as of March 31, 2022 to 3,029,859 Users as of September 30, 2024, along with a corresponding increase in spending by our Users that facilitated an increase in the interchange fees received due to an overall increase in the scale of our business, commensurate with the growth in the digital payments industry. This has enabled us to diversify our streams of revenue.

We generate revenue from operations through various sources, including program fee, propel platform revenue/ gift cards and platform fee/ SaaS fee/ service fee subscription fees, which reduces our reliance on any single customer segment, product category, or market as well as provides flexibility to adapt to changing market conditions and customer preferences.

Program fees is one of the largest components of our total revenue from operations, which in turn primarily consists of our portion of interchange fees which are spend-based fees that our Banking Partners earn for the transactions carried out by the Users/ Customers of business credit cards and prepaid cards at offline and/or online merchant points of sale and which we receive from our Banking Partners. Owing to the strong business value proposition we offer to our Banking Partners, we are able to receive a larger share of the interchange fees compared to our Banking Partners. We reduce the cost to serve and cost to acquire customers for our Banking Partners, while increasing their cross-sell opportunity and revenue streams. Our Banking Partners generate revenue from float income in prepaid cards, interest income in business credit cards and a share of the interchange fees, while we bear the entire cost of issuing, managing and marketing the cards.

Our focus on diversification of our streams of revenue in recent periods has resulted in reduction of contribution of interchange fees to 37.38% of our total revenue from operations in the six month period ended September 30, 2024 from 50.66% in Fiscal 2022. We charge our Customers a platform fee, SaaS fee and service fee for implementing our product offerings. We earn fees from periodic subscriptions from our Customers for the usage of our software and also generate revenue by monetizing 'Propel Points' which are reward points that are calculated, issued and redeemed on our platform. In particular, the introduction of Zoyer, an integrated data driven, SaaS based Accounts Payable platform, has increased the revenue generated from program fees by 89.93% from Fiscal 2023 to Fiscal 2024 and 162.01% from the six months ended September 30, 2023 to the six months ended September 30, 2024.

In addition to the revenue stream from subscription fees (including add-on charges, if any), we have also begun to earn merchant commissions and commission on VAS sales. We also work with wealth management partners to offer their loan and wealth management products to our Users. Additionally, we have partnered with industry participants and financial institutions such as RZPX Private Limited and Strada India Private Limited, who offer our products 'Save', 'Propel' and 'Zoyer' to their customers. Further, we have recently entered into a referral partnership agreement with Mastercard Technology Private Limited ("**Mastercard**"), wherein Mastercard shall, in its sole discretion, introduce us to their customers in order for us to offer and sell our products. Under the terms of our contracts, we earn a referral fee for each successful loan or financial product availed by the users of our platforms but take no credit risks on our balance sheet which is borne by the partner who also conducts the KYC and underwriting processes.

Set forth below is a breakdown of our different sources of revenue for the financial years and periods indicated.

Revenue from contracts with customers	**Six month period ended September 30, 2024**		**Six month period ended September 30, 2023**	
	Amount	**Percentage of total**	**Amount**	**Percentage of total**
	(₹ million)	*(%)*	*(₹ million)*	*(%)*
Program Fee	2,530.50	45.61	965.82	31.90
Propel platform revenue/gift cards	2,847.62	51.33	1,914.73	63.25
Platform fee/ SaaS fee/ Service fee	169.51	3.06	146.66	4.84
Total	**5,547.63**	**100.00**	**3,027.21**	**100.00**

Revenue from contracts with customers	**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount	**Percentage of total**	**Amount**	**Percentage of total**	**Amount**	**Percentage of total**
	(₹ million)	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*
Program Fee	3,218.43	41.50	1,694.53	30.62	2,007.03	54.06
Propel platform revenue/gift cards	4,225.06	54.47	3,597.75	65.00	1,539.22	41.46
Platform fee/ SaaS fee/ Service fee	312.49	4.03	242.32	4.38	166.30	4.48
Total	**7,755.98**	**100.00**	**5,534.60**	**100.00**	**3,712.55**	**100.00**

Our business model is a key differentiator which implements our strategy of acquiring large User bases through our corporate and SMB Customers that enables us to limit our costs incurred on the acquisition of new Users relative to other B2C/retail focused players. Our Customer Acquisition and Retention Costs accounted for 5.71%, 8.02%, 7.35%, 6.26% and 5.80% of our total expenses in the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Customer Acquisition and Retention Costs comprised 5.30%, 7.73%, 6.89%, 5.92% and 5.01% of our total revenue from operations in the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. We incurred sales, advertisement, business promotion and marketing expense of ₹313.92 million, ₹200.64 million and ₹129.67 million in Fiscals 2024, 2023 and 2022, respectively. Furthermore, our platform is also equipped for cross-selling and up-selling opportunities.

Strong relationships with customer across sectors and network partners

Customers: We have a diversified Customer base covering leading brands across multiple industry verticals such as BFSI, technology, healthcare, manufacturing, retail, FMCG, infrastructure, automobile, pharmaceuticals and oil and gas industries. We have been successful in developing relationships with some of the well-known names, including Wipro Limited, Emami Limited, Hiranandani Constructions Pvt Ltd, Wockhardt Ltd, Digicare Health Solutions Private Limited, Hoichoi Technologies Private Limited, WhiteOak Capital Asset Management Limited, Inox India Limited, Volvo Auto India Private Limited, Skoda Auto Volkswagen India Private Limited, IIFL Finance Limited and Motilal Oswal Financial Services Limited.

As of September 30, 2024, we had more than 3.03 million Active Users with 635 SMB accounts and 2,578 corporate accounts. Our Customer base as of September 30, 2024 was 3,213 and has grown at a CAGR of 27.42% during Fiscals 2022 and 2024. We have a strong customer retention capability with the churn rate for Customers terminating their contracts with us being consistently low at 0.49%, 0.67%, 1.62%, 1.54% and 0.37% in the six months ended September 30, 2024, the six months ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. With our integrated and diverse product and service offerings with latest technology that is highly customizable and flexible, customer service, focus on long-term value creation and deep integrations with our Customer's ERP systems, we have successfully increased the stickiness of our corporate customers. Our ability to offer Customers subscription-based services helps provide a recurring revenue stream.

Network Partners: One of our key strengths is our strong relationships with our network partners, who are essential for us to further develop our fintech capabilities, expand our reach and offer diversified suite of products and services. We have developed strong relationships with our network partners, which include: (i) Banking Partners, such as IndusInd Bank Limited, NSDL Payments Bank Limited, ICICI Bank, IDFC First Bank Limited, Kotak Mahindra Bank Limited and Axis Bank Limited; (ii) Payment Networks; (iii) fintechs, such as RZPX Private Limited; (iv) merchants; (v) channel partners; (vi) VAS partners; and (viii) other partners such as Strada India Private Limited, Keka Technologies Private Limited, Easy Trip Planners Limited, Repyute Networks Private Limited and Riya Travel and Tours (India) Private Limited. In addition, the agreements with Visa Worldwide Pte. Limited and our Company outline the following 5-year partnerships to develop and market co-brand cards in India: (i) prepaid forex card; (ii) consumer credit card; (iii) commercial credit card; and (iv) domestic prepaid card.

We have been partnering with some of our network partners, and built a strong value proposition for them to partner with us. For instance, for our Banking Partners, we act as a corporate firewall for our network partners, ensuring compliance, security, and quality of service for their customers. We also provide them with opportunities to cross sell their products and services, earn float income from the prepaid and business cards, and acquire new customers through our platform. Additionally, we benefit from the customer referrals and feedback that our network partners generate, which help us improve our offerings and reach more potential customers.

Seasoned management team with deep domain expertise supported by a professional workforce

We are led by our Promoter and Executive Chairman, Raj P Narayanam, who established our business in 2011 and has experience in the technology and FinTech industry. He was also honoured as the "Top 50 Indian Digital Finance Influencers 2024" by The Digital Fifth, for his contributions to the FinTech revolution in India and also received the "FinTech Leader of the Year" award at the BW Festival of FinTech Conclave & Awards 2024 as well as the "Lifetime Achievement Award" at the International Startup Festival in 2024. Further, our Promoter, Managing Director and Chief Executive Officer, Avinash Ramesh Godkhindi has been on the Board of Zaggle since May 7, 2012. He holds a Masters' degree in Business Administration from the University of Chicago. He has been awarded the "Inspiring CEO" award by the Economic Times in 2022 and has extensive experience in the banking industry, having worked with Citibank N.A., India prior to joining our Company. Our Promoters play a pivotal role in providing us strategic guidance and direction. We believe that our Promoters have been instrumental in our growth, and that their vision and expertise will continue to provide us with a significant competitive advantage as we seek to expand our business and operations.

Our senior management team is supported by our educated and professionally qualified workforce, comprising professionals with extensive knowledge, understanding and experience in the fintech, banking, technology, infrastructure and healthcare industries. For instance, our Chief Financial Officer, Venkata Aditya Kumar Grandhi, has experience in the financial services industry. Our senior management team has domain and industry expertise as well as the ability to launch products and lead teams, that will be advantageous as we seek to grow our businesses, including the introduction of new products and verticals. Furthermore, this industry expertise provides our senior management with the vision to steer the long-term strategic direction of our business. We have also further strengthened our senior management team at the 'Chief x Officer ("**CXO**") level with diverse and experienced leaders. For example, Saurabh Puri, our Chief Business Officer (categorized on July 30, 2024), came on board in March 2022; Latha Iyer , our Chief Human Resources Officer (categorized on July 30, 2024), in August 2022; and Srikanth Gaddam, our Chief Technology Officer (categorized on July 30, 2024), in July 2023.

Our Board consists of Directors with a diverse mix of experience in various sectors, and also comprises three experienced independent directors, including Aravamudan Krishna Kumar, who has significant experience in the banking industry. In October 2024, we further strengthened our Board by appointing Virat Sunil Diwanji. With over three decades of experience in the banking industry, his expertise will be instrumental in driving further growth in the fintech sector. The committees of our Board, such as the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee and the Corporate Social Responsibility Committee, work in tandem and supervise the activities of our executive leadership.

For further details, see "*Board of Directors and Senior Management*" on page 176.

Strategies

As the digital revolution accelerates, businesses are increasingly moving away from outdated, in-house solutions and adopting agile, adaptable digital platforms. We believe we stand at the forefront of this transformation in spend management. By leveraging APIs, we create unified platforms that streamline critical corporate functions such as expense management, vendor payments, employee benefits, channel incentives and travel management. Our business model is profitable and scalable, underpinned by software excellence, trusted partnerships with banks and a diverse client base. These factors collectively enable us to capitalize on the rapidly growing market and deliver value to our customers. The key elements of our strategy are summarised below:

Pursue selective strategic acquisitions and investments to grow our business

In addition to generating organic growth opportunities, we have a demonstrated history of integrating acquisitions with our business and consolidating our position in the fintech industry. For instance, pursuant to a share purchase agreement dated September 26, 2024, we acquired an additional 53.32% shareholding in Span Across IT Solutions Private Limited, a company that deals in online income tax return preparation services and development of software. This acquisition was completed on September 30, 2024 and resulted in us holding 98.32% shareholding in Span Across IT Solutions Private Limited. As a result, Span Across IT Solutions Private Limited became our Subsidiary with effect from September 30, 2024. We follow a disciplined and opportunistic approach to acquisitions, and our track record of efficiently integrating acquired businesses, realizing cost synergies, and consolidating our position in the market is a testament to our expertise. Our ability to consolidate acquisitions has been a key strength, enabling us to continue to deliver superior value to our customers and stakeholders.

We intend to continue to actively pursue strategic investments and acquisitions that are complementary to our business and in the fintech space that we operate in. We evaluate each potential acquisition to determine how the product offering or solution will integrate with our existing portfolio and what synergies we can derive from such potential investments or acquisitions. Our corporate development team consists of professionals who evaluate potential M&A opportunities that might enable us to further enhance our current market share and/ or product offering or offer a new segment on the digital spend management platform. These acquisitions could include companies providing access to software for loyalty programs, reward and recognition, payments integrated space, non-banking financial companies, supply chain financing and vendor payments, that may be seen as a VAS for our Customers/ Users to enhance their experience and increase Customer/ User retention and loyalty, other SaaS companies and companies that provide us access to newer target demographics and markets within India and in international geographies that are positioned to support our business model and products. For further details, see "- *Use of Proceeds*" on page 91.

While we intend to enhance our penetration in existing markets as they continue to grow, we are also working towards expanding our footprint globally. In June 2022, we commissioned a study by Aranca of 16 international markets for potential expansion and have shortlisted the United States, the United Kingdom and Brazil, each of which exhibits a large target audience, high fintech adoption, economic stability and a large addressable market for our offerings. We may undertake investments in certain target markets by incorporating new entities, contingent on various factors, including the regulatory requirements in such geographies. We also intend to collaborate with various vendors to expand our portfolio of offerings, increasing our acceptability with Customers.

Continue to increase our Customer base of corporate accounts, SMB accounts, start-ups and merchants

Set forth below are details of our Customers using our products and services, as of the dates indicated.

Particulars	As of September 30,		As of March 31,		
	2024	2023	2024	2023	2022
Number of Customers	3,213	2,732	3,016	2,411	1,753
Increase in number of Customers from the prior financial year end/ period end *(%)*	17.61	-	25.09	37.54	-

Set forth below are details of our Active Users, total Users and average User base per business, as of the dates indicated.

Particulars	As of September 30,		As of March 31,		
	2024	2023	2024	2023	2022
Active Users*	3,029,859	2,523,674	2,734,674	2,274,138	1,723,350
Increase in number of Users from the prior financial year end/ period *(%)*	20.06	-	20.25	31.96	-
Total Users	3,765,432	3,094,312	3,364,532	2,997,816	2,643,545
Average User base per business	943	924	907	943	983

** Active Users are Users who have used our products or services on any of our platforms during the relevant year or specific period above.*

According to the Frost & Sullivan Report, the FinTech SaaS market is expected to grow from ₹120.24 billion in 2024 (expected) to ₹689.29 billion in 2030 (expected) at a CAGR of 33.78%. Further, the growth of the credit and prepaid cards market are much higher than the debit card market. India's credit card market is expanding rapidly, driven by growing consumer demand for digital payments, the rise of e-commerce, and a shift towards cashless transactions. Moreover, India's spend management market is witnessing notable growth as businesses increasingly seek streamlined financial oversight and operational efficiency. The Indian spend market is expected to grow from ₹98.85 billion in 2024 (expect) to ₹207.25 billion in 2030 (expected) at a CAGR of 13.13%. In addition, India's accounts payable market is advancing rapidly as businesses emphasize streamlined financial operations and stronger cash flow management. The accounts payable market is expected to grow from ₹11.86 billion in 2024 (expected) to ₹21.76 billion in 2030 (expected) at a CAGR of 10.64%. In addition, the number of new company registrations in India are at an all-time high and is expected to grow at a CAGR of approximately 28.0%. (*Source: Frost & Sullivan Report*) This offers us significant opportunities and headroom for future growth. We intend to continue to leverage our strong customer relationships, and invest in our direct and indirect sales and marketing capabilities, to continue to acquire new Customers in India.

Continue to scale and expand by increasing user penetration and cross selling within our existing Customer base

Our customer base of 3,213 organisations as of September 30, 2024 represents a growth opportunity for us through potential access to their employees, partners, and their customers. Expansion in these organisations is driven by adding Users, increasing adoption of our products by other departments within the organisation, displaying the offerings to our customers through a variety of third-party products that help increase User base penetration and loyalty towards our brand. Our multi-product platform offers significant cross-sell opportunities such as insurance, investments, loans, retail and corporate credit cards, tax advisory and purchase cards, among others. We plan to continue scaling our offerings through effective cross-sell and up-sell opportunities to offer new products to our existing Customers. Our Customer base and partnerships with our Banking Partners, financial institutions and merchants, provides us with the ability to cross-sell and up-sell our products and services to a large User base. We have recently entered into an agreement with Open Network for Digital Commerce to facilitate the issuance of prepaid payment instruments to customers or sponsor organisations for rewarding their employees, partners and consumers. We are also focused on scaling Zoyer and Zatix to drive growth and provide deeper insights to our corporate clients.

By offering our products and services to different departments within an existing Customer, we continue to grow our User base by increasing penetration within our existing Customers across departments and drive higher spending per employee through cross-selling and up-selling opportunities. We believe that the annual amount of spending per employee is expected to increase in the coming years. As the annual amount of spending per employee increases, and more of our Customers offer our cards and solutions to an increased number of their employees and channel partners, we anticipate that the funds disbursed through our platform or wallets will increase, and in turn the amount spent by such Users at various merchants available through our platform or who support our wallets, resulting in better growth of our business and operations.

Continue to innovate to introduce new products and use cases

Since inception, we have expanded our offerings from employee rewards to rewards for channel partners of businesses, to recognition for employees, to employee tax benefits, to employee reimbursement, to employees' expense management solutions, to vendor payments, to selling of software to banks and financial institutions, to fleet spend management solutions and recently to international payments. Our commitment to innovation is evident through initiatives such as API integrations for enhanced user experience and the introduction of contactless payment options, such as Zakey.

We cross-sell corporate credit cards and purchase cards along with other value-added services through our Banking Partners. Through our partnership with lending platform, we are able to provide our Users with additional services on our platform such as availing advance salaries. Our partnerships with our Banking Partners enable our SMB Customers to seek access to working capital for their business operations. In Fiscal 2024, we launched a spend management system, Fleet Management, for fleet management for fleet owners and oil marketing companies/ CNG providers to manage their fleet expenses efficiently. Fleet Management offers dashboard and analytics along with advanced spend controls for fleet owner and automated approval workflow. We also launched an international payments solution, ZIP, in Fiscal 2024 that simplifies global transactions by offering end-to-end payment tracking, live foreign exchange rates and instance issuance of foreign inward remittance certificates. Further, in Fiscal 2023, we introduced Zakey, a contactless payment device in the form of a "key fob", in partnership with our Banking Partners. Through Zakey, Users can make cashless and contactless payments at various locations such as cafeterias, fuel outlets and fast-food counters for up to ₹5,000 without entering a PIN and by tapping the key fob on the POS machine. The Zaggle app can used to view transaction history and Zakey can be locked and unlocked through the Zaggle app. Zakey can be also utilised for corporate gifting to employees of our Customers and channel partners given its hassle free set up usage. We intend to extend our technology platform with a view that the continued efforts of our technology team could offer a higher value proposition for certain Customers and could result in an increased adoption of our products by both new and existing Customers.

Leverage strategic partnerships with financial institutions and merchants

Our partnerships are categorised into two broad categories: (i) growth; and (ii) VAS.

To drive growth, we have partnered with industry participants and financial institutions such as RZPX Private Limited and Strada India Private Limited who offer our products 'Save', 'Propel' and 'Zoyer' to their customers. Further, we have recently entered into a referral partnership agreement with Mastercard, wherein Mastercard shall, in its sole discretion, introduce us to their customers in order for us to offer and sell our products. We intend to leverage on the insights of our partners to provide and build new solutions for our Customers and Users, while acquiring new Customers, merchants and Users with the support of our partners including the development of new technologies and ideas.

We also have VAS partnerships for services such as insurance, investment and tax planning. For example, we have tied up with a financial and investment services provider for marketing their products and to provide our Users with access to investment products. In addition to using our own sales and marketing teams, we plan to leverage our partner networks while adding new partners to explore additional go-to-market opportunities and grow our Customer base. We have partnered with a lending platform to market their loan products to our user base.

Going forward, we also intend to enable our Banking Partners to penetrate into large and small businesses, attracting a wider Customer base that provides an opportunity to cross-sell their offerings.

Major Events

Set out below are some of the major events in the history of our Company:

Calendar year	Activity
2015	• Launched Zaggle app and started focusing on customer loyalty programs •
2019	• Launched a prepaid card powered by IndusInd Bank Limited • Launched a channel incentive and engagement platform, namely, "PROPEL" • Launched an expense management card platform, namely, "Save"
2021	• Partnered with various businesses including RZPX Private Limited for offering VAS products including for insurance, investing and tax planning, to enhance User experience and maintain Customer/ User retention • Partnered with NSDL Payments Bank Limited for issuance of cobranded prepaid cards
2022	• Launched an integrated data-driven accounts payable platform with embedded finance capabilities, namely, "Zoyer" • Launched a wearable contactless payment device, in partnership with one of our Banking Partners, namely, "Zakey"
2023	• Launched 'ZatiX', an intelligent spend analytics platform • Partnered with a bank for issuance of cobranded corporate credit cards, integrated with "ZatiX", an analytics platform • Listed on the Indian Stock Exchanges
2024	• Launched 'Fleet Management', a spend management system for fleet management • Launched 'ZIP', an international payments platform

Our Business Operations

Our Customers

We provide differentiated offerings for corporate accounts as well as the SMB accounts:

Corporate accounts (*i.e.*, organisations with more than 250 Users): We acquire our corporate account Customers through inbound, outbound and partner demand generation. We focus on serving divisions or departments within these accounts.

SMB accounts (*i.e.*, organisations with 250 or fewer Users): We acquire our SMB account Customers through inbound and partner demand generation as well as through our digital marketing initiatives which are low-cost, low-touch, and self-service. SMB Customers are acquired through the platform digitally and, in many cases, the number of interactions required to onboard a SMB customer are significantly lower than a Corporate account.

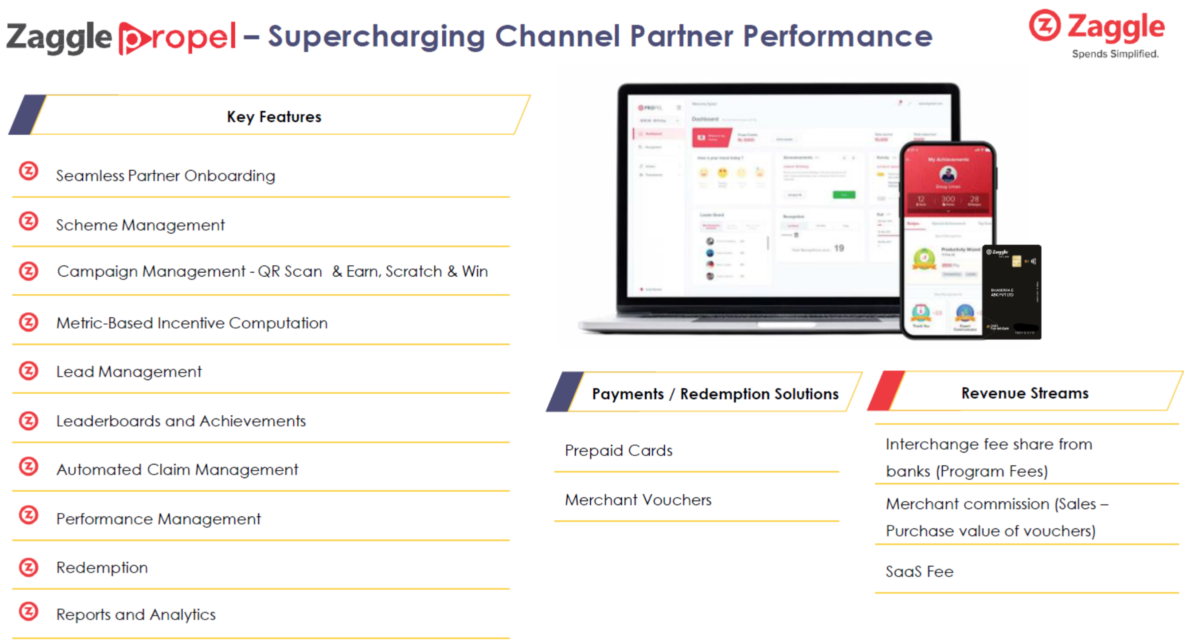
Set forth below is a breakdown of our Customer and User base, as of the dates indicated.

Particulars	As of September 30,		As of March 31,		
	2024	2023	2024	2023	2022
Customer base					
Corporate accounts (more than 250 Users)	2,578	2,127	2,385	1,832	1,318
SMB accounts (up to 250 Users)	635	605	631	579	435
User base	30,29,859	25,23,674	27,34,674	2,274,138	1,723,350
Program fees					
- % from corporate account Customers	99.25%	98.33%	99.02%	98.82%	99.31%
- % from SMB account Customers	0.75%	1.67%	0.98%	1.18%	0.69%

Our product and service offerings

Our products and services span across the SaaS and fintech value chain and are at different stages of growth, market penetration, customer adoption, product development, and monetisation. Our key product and service offerings are briefly described below.

1. **Propel**: Corporate SaaS rewards and recognition platform for channel rewards and incentives, employee rewards and recognition. Propel has contributed 21.10%, 50.06%, 39.66%, 61.04% and 69.61% to our revenue from our Program Fee in the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. The key offerings of Propel are depicted in the graphic set forth below.



The key features of Propel are further elaborated below:

- ability to submit proofs/evidence of sales generation via QR Code scans or receipt uploads from channel partners;
- allow to set up approval hierarchies to review and approve/reject sales claims based on predefined criteria and validations;
- provide ability to corporates to design and manage reward schemes for different stock keeping units (SKUs), categories of channel partners, locations (such as region, state, city/ town and pincode), festivals and time periods (such as quarters and months);
- 'real-time dashboard' to monitor reward spends;
- 'on-the-go point redemption' program through the mobile application;
- peer-to-peer recognition with in-built gamification tools to drive increased adoption of the system and framework;
- employee rewards with nomination workflow;
- ability to set targets, measure and reward based on the achievement with metric-based rewards;
- configurable platform with multiple custom rules and settings;
- library of plug and play frameworks for employee and channel programs; and

- reports and analytics to drive recognition, engagement and performance.

2. **Save**: A SaaS-based platform and mobile application for employee expense management with automated workflows, along with a digitised employee reimbursements solution and employee benefits module. Save has contributed 36.82%, 33.62%, 30.93%, 38.96% and 30.39% to our revenue from operations during the six month period ended September 30, 2024, the six month period ended September 30, 2023, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. The key offerings of Save are depicted in the graphic set forth below.

The key features of Save are further elaborated below:

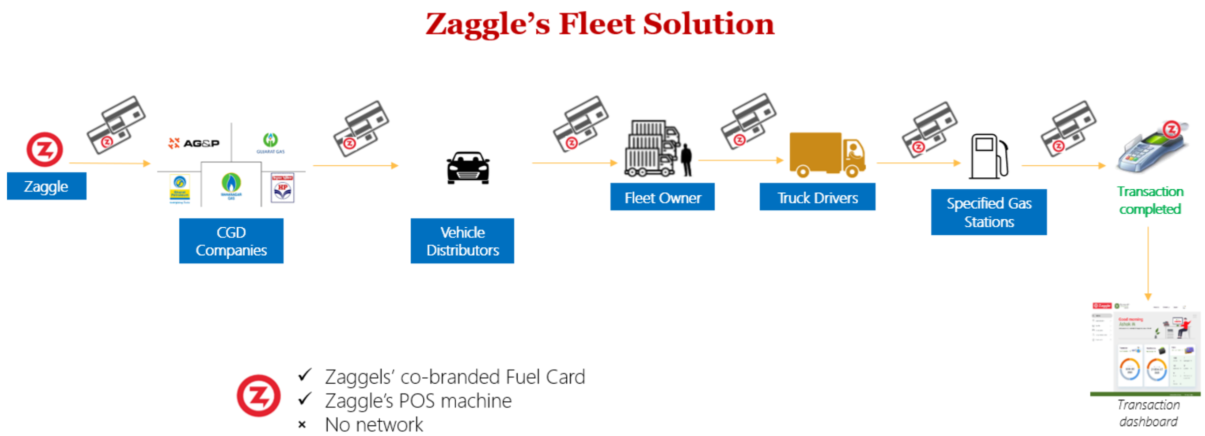
- automated reconciliation of scanned receipt information against card transactions;
- ability to submit expense receipts on the Zaggle mobile application, which allows Users to click a digitised picture of receipts to facilitate processing. Our OCR technology extracts data from the receipts, generating a report that is automatically shared with the relevant party for approvals;
- reduction of the employee reimbursement cycle time and associated processing costs, along with centralised visibility and audit trails;
- real-time visibility into company-wide expenses, bringing all employees and expenses on one platform;
- integration with accounting and ERP systems, helping to save time on repetitive tasks with one-click imports;
- AI-powered fraud detection leverages historical data to look for aberrations such as duplicate claims, policy exceptions or overstated expenses;
- ability to define expense policies and approval settings, customise spending limits and workflows to enable payments;
- offer employees the ability to avail of multiple tax benefits such as drivers' salary, meal, fuel, leave travel, uniform, books and periodicals allowance, broadband and telecom on a single multi-wallet card and application; and
- corporate dashboard to manage and track all spends of employees classified by project and location codes and cost codes.

3. **Zoyer**: Zoyer is an integrated data-driven business spend management platform with embedded finance capabilities. We launched Zoyer in Fiscal 2022 and commenced generating revenues from Fiscal 2024, contributing 42.08%, 16.32%, 29.41% of our revenue from operations during the six month period ended September 30, 2024, the six month period ended September 30, 2023 and Fiscal 2024, respectively. The key offerings of Zoyer are depicted in the graphic set forth below.

The key features of Zoyer are further elaborated below:

- seamless petty cash management through our mobile app and business/ corporate credit or prepaid card;
- touchless invoice automation that digitises and automates the invoice lifecycle from the time of receipt through capture, matching, coding and approvals;
- integrated payables and credit cards that help businesses capture early payment discounts, earn cash back rebates on spends and deliver real-time visibility into cash flows;
- 'Zoyer Pay' is a feature that supports a range of payment options, enabling businesses to make payments using their preferred instrument such as online bank transfer, credit card, purchase cards, prepaid cards IMPS, RTGS, NEFT and UPI;
- enables utility payments through 'Bharat Bill Payment System' (BBPS);
- timely payments and self-service mobile app for enrolment, raising and tracking invoice progress and proactive payment notifications that help deepen supplier engagement;
- configurable dashboards that provide an instant, big picture view into spend and status of payables; and
- API-first approach and architecture for seamless integration with existing ERP and accounting systems as well as payment processors, banks and third-party value-added service providers.

4. **Fleet Management**: Our fleet management solution was launched in Fiscal 2024, which offers a spend management system tailored for fleet management to enable them to manage their fleet expenses efficiently. We are yet to recognise any revenues under this offering, as of September 30, 2024. Our fleet solution is depicted in the graphic set forth below.



Key features of Fleet Management include:

- Dashboard and analytics for fleet owners as well as oil marketing companies/ CNG providers;
- Advanced spend controls for fleet owners; and
- Automated approval workflow.

5. **ZatiX**: ZatiX is an intelligent spend analytics platform, which is designed to empower businesses with greater cost efficiencies. We launched ZatiX in Fiscal 2024 and are yet to recognise any revenues under this offering, as of September 30, 2024. ZatiX is available as part of a bundled solution offered by banks, combining corporate credit cards with SaaS technology.

   Key features of ZatiX include:

   - control over spends through dashboard for corporates;
   - digital journey for employee card;
   - granular level visibility of employee card;
   - download and customize transaction reports; and
   - self-servicing tools for corporates.

6. **Zaggle International Payments (ZIP)**: ZIP ensures seamless international payments and simplifies global transactions with compliance and transparency. We launched ZIP in Fiscal 2024 and are yet to recognise any revenues under this offering, as of September 30, 2024. We intend to leverage our existing Customers base to distribute our foreign exchange cards (in collaboration with, amongst others, Axis Bank) to their employees. We have also entered into a strategic alliance with fintech startup, which provides international business payments, for providing integrated international inward remittance solutions to corporate clients.

   Key features of ZIP include:

   - Live foreign exchange rates with timestamps;
   - Issuance of foreign remittance certificate;
   - Multi-currency forex cards for individuals and corporates; and
   - Segregate business and personal forex spends.

7. **TaxSpanner**: In September 2024, we acquired 98.32% shareholding in Span Across IT Solutions Private Limited, which operated 'TaxSpanner'. TaxSpanner is a tax preparation and e-filing platform, offering digital tax solutions (such as income tax and GST filing) to businesses and individuals.

Our Online Platform and Zaggle App

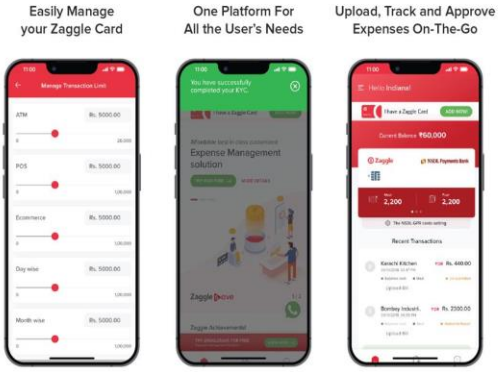
Our online platform includes our mobile application and website. Our online presence is anchored by our Zaggle app, which is an integrated application allowing Users to report their expenses, manage allowances and redeem rewards from a single application.

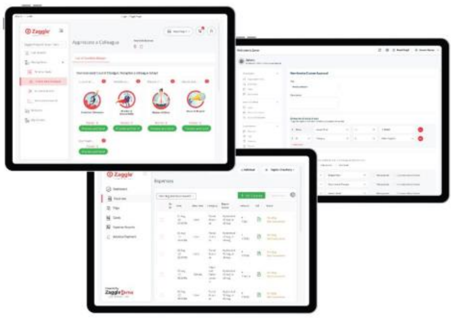
Our current platform handles a large volume of Users. Set forth below are details of our Active Users as a percentage of total Users, as of the dates indicated.

Particulars	As of September 30,		As of March 31,		
	2024	2023	2024	2023	2022
Active Users*	3,029,859	2,523,674	2,734,674	2,274,138	1,723,350
Total Users	3,765,432	3,094,312	3,364,532	2,997,816	2,643,545
Active Users* as a percentage of total Users	80.47%	81.56%	81.28%	75.86%	65.19%

* *Active Users are Users who have used our products or services on any of our platforms during the relevant year or specific period above.*

The Zaggle app allows the User/ Customers to submit and track the status of the expense report submitted, notifying instantly once the report is approved. Any expenses made on behalf of an organisation using personal debit/ credit card/ cash/ UPI can also be submitted on the Zaggle app for reimbursement. Users/ Customers can add any of their prepaid or business credit cards to the application at any given point of time to track their card spends, block or unblock their cards and set their PINs.





Our platform provides enhanced convenience and an efficient user experience through a simplified dashboard

Research and Development

Our product development and information technology teams are responsible for R&D activities including the launch of new products, selection of markets and development of product features. Our product development team focuses on the following areas for new product development requirements:

- Market research;
- Customer surveys;
- Analysing consumer data;
- Analysing competitors' data;
- Testing product builds;
- Technology research; and
- Innovative ways in which new features can be implemented.

An example is development and launch of our product 'Zoyer', a business spends offering to corporates and SMB Customers which was launched in Fiscal 2022. 'Zoyer' was built after market research of the business spend software market, its size, existing competitors and their offerings followed by a user survey to understand the need for the solution, Customers' willingness to pay for such a product, pricing point for such products, pain points in business operations and current workflows, etc. Based on research inputs, 'Zoyer' was designed with various features, user journeys and workflow automation. We introduced some features to extract invoice, purchaser order, goods receipt note (GRN) details using artificial intelligence tools. Zoyer now offers invoice-to-payment processes. We plan to continue scaling our offerings through effective cross-sell and up-sell opportunities and have a systematic "land-and-expand" framework to offer additional products to our existing customers. In Fiscal 2024 and the six months ended September 30, 2024, we experienced a significant increase in 'Zoyer' usage and commenced generating revenues.

We also rely on third-parties who provide transaction processing, card printing, logistics and call centre support services, among others. They form part of the chain that enables us to provide our products and services to the Users/ Customers.

Our R&D costs primarily comprise payroll costs for employees in our product development and information technology teams. In Fiscals 2024, 2023 and 2022, we capitalised R&D costs of ₹125.65 million, ₹151.04 million and ₹40.00 million, respectively, in accordance with Ind AS 26, towards the development of 'Save', 'Zatix', 'Propel' and 'Zoyer'. The development and introduction of these new products has contributed to an increase in our Customers. Further, our revenue from operations increased at a CAGR of 44.54% between Fiscals 2022 to 2024 which reflects the market acceptance of our products. In order to achieve growth, we have constituted in-house product development and technology teams that focus on developing new and innovative products.

Business promotion

We have historically made substantial investments in business promotion through our marketing efforts, which involve a combination of: (i) online channels, such as digital brand and performance advertising campaigns, paid search engine marketing, and using other digital marketing tools; (ii) offline channels, such as print, television and mass-media campaigns; (iii) targeted communication through continuous engagement on social media platforms and personalised messages/push notifications; (iv) driving internal rewards program for and increasing the size of the sales team; and (v) certain other measures for customer acquisition including cash back incentives and promotions.

Also see “*Risk Factors – Failure to effectively develop and expand our direct sales capabilities could affect our ability to expand usage of our products within our Customer and User base and achieve broader market acceptance of our products.*” on page 59.

Business Continuity Plan

We have a business continuity plan, which includes replication of data at multiple locations and back-up connectivity in case of connectivity failure. As a disaster-recovery measure, we regularly back-up critical data on the data cloud in multiple locations. The back-ups are done automatically on a periodic basis. We have a dedicated team of engineers for reviewing and maintaining the continuity of our systems.

Information Security and Data Privacy

We place importance on information security and data. Protecting critical assets, such as the personal data of our Customers and Users, and the relevant infrastructure to process and store this data, is a priority. Protection of such assets starts from how the data is handled, backed up, retained, encrypted on rest as well as during transit. We develop the applications that handle such data using secure guidelines and procedures, and we undertake vulnerability assessments and other testing to ensure gaps are identified and fixed in a timely manner. Sensitive data is accessed at various endpoints, such as desktops, laptops, mobile and servers, which are equipped with protection, including antivirus and antimalware software. Furthermore, when given data is transmitted over the network, we use transport lawyer security (TLS) 1.2 and above. All data flows in and out of the application environment are safeguarded by firewalls to detect and protect any incoming or outgoing threats. These processes are managed by our IT team, and in addition to our comprehensive IT policies, we also rely on legal protection, background checks and regular training of personnel on IT security and risks. We have also obtained the valid compliance certificates including the PCI-DSS version 3.2.1, ISO 9001, ISO/IEC 27001, SOC I Type II, SOC II Type II, Digital Payment Security Controls (DPSC), and the General Data Protection Regulation (GDPR) Assessment.

The privacy and data security laws and regulations to which we are subject, as well as their interpretation, are evolving and expected to continue to change over time. We continue to monitor the current landscape of privacy and security laws, as well as pending and emerging legislation, both in India and abroad. It is not possible to predict whether or when such legislation may be adopted in additional jurisdictions and certain proposals, if adopted, could harm our business through a decrease in consumer registrations and revenues, or through a change in marketing strategies.

Additionally, we may be subject to foreign privacy and data protection requirements including the General Data Protection Regulation 2016/679 issued by the European Union. More generally, the various privacy and data security legal obligations that apply to us may evolve in a manner that relates to our practices or the features of our mobile application or website. We may need to take additional measures to comply with the new and evolving legal obligations and to maintain and improve the information security posture practices/measures in an effort to avoid information security incidents or breaches affecting personal or sensitive personal information or data.

Also see “*Risk Factors - Our sites, networks, and systems may in the future experience security incidents or breaches, or we may be unable to comply with the relevant data protection or privacy laws, which could potentially damage our reputation and adversely affect our business, cash flows, results of operations and financial condition.*”, “*Risk Factors - Real or perceived software errors, interruptions, failures, vulnerabilities, or bugs in our products, defects, or outages of our technology platform or IT systems and any potential inadequacies in our redundancies, business continuity plans or disaster recovery plans, could impair our ability to effectively provide our products, services and solutions.*” and “*Risk Factors - Service disruptions or failures of our Company's or our third-party service providers' information systems and networks as a result of computer viruses, misappropriation of data or other bad acts, natural disasters, extreme weather, accidental releases of information or other similar events may disrupt our business, damage our reputation, expose us to regulatory investigations, actions, litigation, fines and penalties or have a negative impact on our results of operations including but not limited to loss of revenue or profit, loss of Customers or sales and other adverse consequences.*” on pages 63, 70 and 65, respectively.

Competition

Our business model and diversified product offerings makes our business such that there is no industry peer listed in India or abroad which are of comparable size, belong to the same industry and follow a similar business model. Consequently, there is limited information in the public domain about our peers and it may be difficult to benchmark and evaluate our financial performance against other operators who operate in the same industry as us. However, with the rise of technology-driven start-ups in our segments, there exist various companies which offer one or more notionally or feature-wise similar product or service as our Company, such as spend management, fintech solutions and loyalty cards. Few examples of such companies include Payhawk, Divvy, Brex, Pleo, Ramp, Expensify, Corpay, Edenered, Wex, Happay, SAP Concur, Pluxeem Paymate, Enkash, Qwikcliver and XOXODay (*Source: Frost & Sullivan Report*).

Also see "*Risk Factors – We operate in a highly competitive industry, and an inability to compete successfully could materially and adversely affect our business, financial condition, results of operations and future prospects.*" on page 62.

Key Awards, Accreditations and Recognitions

Set out below are certain key awards, accreditations and recognitions received by our Company:

Calendar year	Awards and accreditations
2024	• Best Digital Expense Management Platform India 2024 by CFI.co • Pride of Telangana, "Achiever" by Round Table India and Ratnadeep • Best Spend Management System at 11th Edition Payments Industry Awards • Best Card Initiative for Zaggle ZatiX at 11th Edition Payments Industry Awards • FinTech Brand of the Year Award at 4th Edition Festival of FinTech, Conclave & Awards. • Excellence in Fintech Innovation at Business Leadership Awards' 24 by Confederation of Indian Micro, Small and medium Enterprises • Telangana Best Employer Brand Awards 2024 at the 19th Employer Branding Awards. • Transformation Tech Award at Deloitte Technology Fast 50, 2024 INDIA. • Best Use of Customer Loyalty Program - Fintech at FINIXX 2024 • Best Use of Print Ad - Fintech at FINIXX 2024
2023	• Awarded "Best B2B Payment Solution Provider" at the 10th Payments Industry Awards • Awarded "Winner" in the "Best Payments Solutions of the Year" category at the BW Businessworld Festival of Fintech Conclave Awards • Awarded "Excellence in Innovation Business Spend Management Software India 2023" at the Global Banking & Finance Award • 10 Most Promising Expense Management Solution Providers – 2023 by Silicon India Magazine
2022	• Recognised as the "Most Preferred Workplace 2022" by Marksmen Daily • Recognized by the Telangana Government for building a robust and sustainable SaaS and fintech business • Awarded the "Certificate of Appreciation" at the India Startup Festival 2022 by Sri Sathya Sai Grama Muddenahalli, Bengaluru
2021	• Awarded the "Best Digital Card" at the BW Businessworld Festival of Fintech Conclave Awards • Awarded the "Best Employee Engagement Program (Multi Industry)" at the Human Excellence Awards 2021 • Recognised for "Epitomizing Excellence in the BFSI Industry 2021" at the 50 most trusted BFSI brands awards by Marksmen Daily • Awarded the "Best Employee Engagement Award in B2B Sector" at the 29th Edition of the WorldHRD Congress and Awards by Times Ascent
2019	• Certificate of compliance with 'ISO/IEC 27001:2013' issued by Certiva Limited • Awarded the "Best Prepaid Card of the year" at Payments and Cards Awards at the 7th Payment and Cards Summit by Kamikaze • Awarded the "Best Prepaid Card Solution" at India Digital Awards by Internet and Mobile Associationof India

Employees

As of September 30, 2024, we had 396 employees. Set forth below is a breakdown of our employees by function as of September 30, 2024.

Function	Number
Sales	161
Information technology	92
Operations	42
Product development	21
Finance and accounts	12
Marketing	9
Human resources	12
Administrative	8

Function	Number
Chief x Officer ("**CXO**")	10
Executive assistants to CXO team	2
Legal and compliance	3
Founder's office	1
Implementation services	19
Strategic partnerships and alliances	4
Total	**396**

None of our employees are represented by a labour union. We have not experienced any work stoppages since our incorporation.

Also see "*Risk Factors – We are dependent on our Promoter and our Executive Chairman, Dr. Raj P Narayanam and our Promoter, Managing Director and Chief Executive officer, Avinash Ramesh Godkhindi, our Key Managerial Personnel or senior management personnel and the loss of, or our inability to hire, retain, train, and motivate qualified personnel could adversely affect our business, results of operations and financial condition.*" on page 61.

Health, Safety and Environmental Matters

We are committed to the well-being of our employees and we organise support for aiding their emotional and physical well-being. We are committed to ensuring that the appropriate resources are provided, and that appropriate actions are taken, to implement and maintain sustainable health, safety and environmental practices and effective management systems. In addition, we organise financial wellness events at our offices to educate employees on various investing tools and risk mitigation strategies.

Corporate social responsibility

We have adopted a CSR policy in compliance with the requirements of applicable law and have undertaken various CSR initiatives. Our Board has also constituted the CSR Committee. For further details, see the chapter titled "*Board of Directors and Senior Management*" beginning on page 176.

Our CSR activities are primarily focused on integrating the interests of the business with that of the communities in which it operates. We believe that this approach also reaffirms the view that businesses are an integral part of society and have a critical and active role to play in the sustenance and improvement of healthy ecosystems, in fostering social inclusiveness and equity, and in upholding the essentials of ethical practices and good governance. Our CSR activities include, among other things, promoting education and gender equality, eradicating hunger, poverty and malnutrition, promoting health care and protecting national heritage, art and culture as specified in Schedule VII of the Companies Act. We see our CSR strategy as a means of further aligning our business to the global and India centric sustainable development agenda.

Intellectual Property

As of the date of this Preliminary Placement Document, we had 92 trademark registrations including "Zaggle", "Zaggle, the Prepaid Ocean", "Zaggle Stored Value Discount Card", "Zaggle Zinger", "Zaggle Wave", and "BoMB" under various classes including Class 9, 16, 18, 24, 25, 35, 36, and 42 for which we have obtained registration certificates from the Trade Marks Registry, Government of India under the Trade Marks Act. 15 of our trademark applications, including 3 of those relating to our key brand, "Zaggle" have been objected or opposed. In addition to the above, our Company has also registered certain domain names, including www.zaggle.in.

Further, we have filed a trademark application for obtaining copyright for our logo, 'Zaggle' which is currently pending. For details regarding our intellectual property, see "*Risk Factors – Our business depends on our reputation, brand identity, intellectual property and knowhow and any harm to them may adversely affect our business, cash flows, results of operations and financial condition*" on page 66.

Insurance

We maintain limited insurance coverage for key risks relating to our business. We have obtained cyber liability insurance, comprehensive general liability insurance, directors and officers liability insurance policy and vehicle insurance to cover the various risks related to our business. While we believe that the level of insurance we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, we do not have insurance policies to cover all possible events.

Also see "*Risk Factors – Our insurance coverage may not be adequate to cover all future costs and losses the incurrence or magnitude of which are unforeseen or unpredictable and could result in an adverse effect on our business and results of operations.*" on page 71.

Property and facilities

As of September 30, 2024, we operated out of a combination of owned premise, leased premises and co-working spaces. Our Registered Office is located on our owned premise at 15 Floor – Western Block, Vamasiram – Suvarna Durga Tech Park, Nanakramguda Village, Serilingampally Mandal, GHMC Serilingampally Circle, Ranga Reddy District, 500032, Telangana, India. Our Corporate Office is located at B1-004, Ground Floor, Boomerang Building, C.T.S. No. 4A, Chandivali Farm Road, Andheri (East), Taluka Kurla, District Mumbai Suburban, Mumbai 400 072, Maharashtra, India. Our other offices located in Hyderabad, Mumbai, Pune, Bangalore, Chennai and Ahmedabad are leased premises while the facilities located in Kolkata and Gurugram are co-working spaces.

Also see "*Risk Factors – Certain properties on which our offices operate are neither owned by us nor leased to us on a perpetual basis. Any breach of the terms or non-renewal of the leave and license agreements may lead to disruptions and affect our business operations.*" on page 72.

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ORGANIZATIONAL STRUCTURE

Corporate History

Our Company was incorporated as ‘Zaggle Prepaid Ocean Services Private Limited’ at Hyderabad as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated June 2, 2011 issued by the Registrar of Companies, Andhra Pradesh at Hyderabad. Subsequently, our Company was converted into a public limited company under the Companies Act, 2013, pursuant to a resolution passed by our Board and a special resolution passed by our Shareholders at the EGM, each held on August 22, 2022 and consequently the name of our Company was changed to ‘Zaggle Prepaid Ocean Services Limited’ and a fresh certificate of incorporation dated September 13, 2022 was issued by the Registrar of Companies, Telangana at Hyderabad.

Our Company’s CIN is L65999TG2011PLC074795.

The Registered Office of our Company is located at 15th Floor - Western Block, Vamasiram - Suvarna Durga Tech Park, Nanakramguda Village, Serilingampally Mandal, GHMC Serilingampally Circle, Rangareddi District 500 032, Telangana, India.

The Corporate Office of our Company is located at B1-004, Ground Floor, Boomerang Building, C.T.S. No. 4A, Village Saki Naka, Andheri (East), Taluka Kurla, District Mumbai Suburban, Mumbai 400 072, Maharashtra, India.

For further details regarding the properties of our Company, see “*Business—Property*” on page 173.

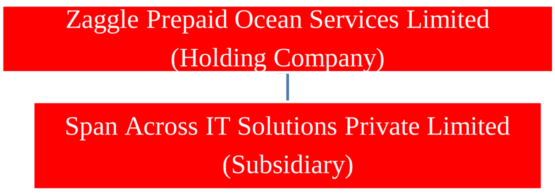
Our Equity Shares are listed since on BSE and NSE since September 22, 2023.

Changes in Registered Office

Except as disclosed below, there has been no change in the address of the registered office of our Company since the date of incorporation:

Date of change	Details of change in the registered office	Reasons for change
July 10, 2015	Change of the registered office address from TGV Mansion, 3rd floor, 6-12-1012, Khairatabad, Hyderabad 500 004, Telangana to Plot no. 87, Apparel Export Park, Medchal Mandal, Gundlapochampally, Rangareddi 501 401, Telangana, India	Administrative efficiency
June 12, 2017	Change of the registered office address from Plot no. 87, Apparel Export Park, Medchal Mandal, Gundlapochampally, Rangareddi 501 401, Telangana to H No. 8-2-334/18, II Floor, Salguti House, Road No. 3, Banjara Hills, Hyderabad 500 034, Telangana, India	Administrative efficiency
May 10, 2018	Change of the registered office address from H No. 8-2-334/18, II Floor, Salguti House, Road No. 3, Banjara Hills, Hyderabad 500 034, Telangana to 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Rangareddi 500 081, Telangana, India	Administrative efficiency
August 31, 2024	Change of the registered office address from 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Rangareddi 500 081, Telangana, India to 15th Floor - Western Block, Vamasiram - Suvarna Durga Tech Park, Nanakramguda Village, Serilingampally Mandal, GHMC Serilingampally Circle, Rangareddi District 500 032, Telangana, India	Administrative efficiency

Organizational Structure



Subsidiaries

As at the date of this Preliminary Placement Document, our Company has one Subsidiary, as set forth below.

Span Across IT Solutions Private Limited

Span Across IT Solutions Private Limited was incorporated under the laws prevailing in India on February 2, 2007. Its CIN is U72900DL2007PTC158677 and has its registered office at 404, 4th Floor, 18/12 W.E.A. Arya Samaj Road, Karol Bagh, Central Delhi, New Delhi, Delhi, India, 110005.

Joint Ventures

As at the date of this Preliminary Placement Document, our Company does not have any joint venture.

Associate

As at the date of this Preliminary Placement Document, our Company does not have any associate.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The composition of our Board is governed by the provisions of the Companies Act, 2013, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles of Association of our Company. In accordance with the Companies Act and our Articles of Association, our Company is required to have not more than 15 Directors. As at the date of this Preliminary Placement Document, our Board comprises seven Directors, *i.e.*, two Executive Directors including the Executive Chairman, one Non-Executive Director and Non-Independent and four Independent Directors (including one woman Independent Director).

Pursuant to the provisions of the Companies Act, 2013, at least two-thirds of the total number of Directors, excluding Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each annual general meeting. A retiring Director is eligible for re-appointment. Further, pursuant to the Companies Act, 2013, the Independent Directors may be appointed for a maximum of two consecutive terms of up to five consecutive years each and thereafter have a cooling off period of three years prior to being eligible for re-appointment. Any re-appointment of Independent Directors shall be on the basis of, *inter alia*, the performance evaluation report and approval by the shareholders of our Company, by way of a special resolution.

The following table sets forth details regarding our Board as at the date of this Preliminary Placement Document:

S. No.	Name	Designation	Term	DIN	Address	Other details
1.	Raj P Narayanam	Executive Chairman	Five years with effect from June 1, 2023	00410032	The Trails Villa #2, Lancohills Road, Kanaka Durga Temple, Manikonda, Pokalawada, Hyderabad, Puppalaguda, K.V. Rangareddy 500 089, Telangana, India	**Occupation:** Business **Date of Birth:** August 31, 1970 **Age:** 54 **Nationality:** Indian
2.	Avinash Ramesh Godkhindi	Managing Director and Chief Executive Officer	Two years with effect from May 7, 2024	05250791	C-2103, Oberoi Splendor, Jogeshwari Vikroli Link Road, Opp Majas Depot, Jogeshwari East, Mumbai 400 060, Maharashtra, India	**Occupation:** Service **Date of Birth:** June 14, 1978 **Age:** 46 **Nationality:** Indian
3.	Virat Sunil Diwanji	Non-Executive and Non-Independent	Liable to retire by rotation with effect from October 4, 2024	07021146	B-173/174, Kalpataru Avana, Dr. S. S. Rao Road, Near Animal Hospital, Parel, Mumbai 400 012	**Occupation:** Professional **Date of Birth:** July 17, 1963 **Age:** 61 **Nationality:** Indian
4.	Arun Vijaykumar Gupta	Independent Director	Two years with effect from October 4, 2024	05131228	Flat No. 5005/5006, Oberoi Esquire Tower C, Yashodham, Goregaon East, Mumbai 400 063, Maharashtra, India	**Occupation:** Business **Date of Birth:** June 1, 1971 **Age:** 53 **Nationality:** Indian

S. No.	Name	Designation	Term	DIN	Address	Other details
5.	Aravamudan Krishna Kumar	Independent Director	Five years with effect from September 26, 2022	00871792	Flat B-603, B Block, 6th Floor, Fortune Towers, Madhapur, Shaikpet, Hyderabad 500 081, Telangana, India	**Occupation:** Professional **Date of Birth:** November 18, 1954 **Age:** 69 **Nationality:** Indian
6.	Abhay Deshpande Raosaheb	Independent Director	Five years with effect from August 22, 2022	00427314	Richmond Villa, Villa - 73, Sun City, Rajendranagar, Hyderabad 500008, Telangana, India	**Occupation:** Professional **Date of Birth:** August 18, 1971 **Age:** 53 **Nationality:** Indian
7.	Prerna Tandon	Independent Director	Three years with effect from September 26, 2022	09652432	301, Brigade Heritage, 4/2, Cookson Street, Richards Town, Bengaluru 560 005, Karnataka, India	**Occupation:** Management professional/ corporate executive **Date of Birth:** October 17, 1966 **Age:** 58 **Nationality:** Indian

Relationship with other Directors, Key Managerial Personnel and Senior Management

None of our Directors are related to each other or to any of our Key Managerial Personnel or Senior Management.

Borrowing Powers of our Board of Directors

In accordance with the Articles of Association of our Company, the Companies Act, 2013, and pursuant to a resolution of the Shareholders dated September 27, 2022 in accordance with section 180(1)(c) of the Companies Act, our Board of Directors are empowered to borrow funds in accordance with applicable law, provided that the funds borrowed or to be borrowed, shall not at any time exceed an amount of ₹5,000 million.

Shareholding of our Directors

Our Articles of Association do not require our Directors to hold any qualification shares.

Details of our Directors who hold Equity Shares in our Company as on the date of this Preliminary Placement Document are as follows:

Name	Number of Equity Shares#	Percentage of pre-Issue share capital#
Raj P Narayanam	46,155,323	37.57%
Avinash Ramesh Godkhindi	7,650,379	6.23%
Abhay Deshpande Raosaheb	1,239,837	1.01%
Prerna Tandon	10,000	0.01%

Based on beneficiary position data of our Company as at December 13, 2024.

Bonus or profit-sharing plan

Except for Avinash Ramesh Godkhindi, who receives performance based variable remuneration as disclosed in "—*Terms of appointment of our Executive Directors*", our Company does not have any performance linked bonus or a profit-sharing plan for our Directors.

Interest in the promotion and formation of our Company and our Subsidiary

Except for Raj P Narayanam and Avinash Ramesh Godkhindi who are the Promoters of our Company and are interested in the promotion or formation of our Company, none of our Directors have any interest in the promotion or formation of our Company or its Subsidiary as of the date of this Preliminary Placement Document.

Interest of our Directors

All our Directors may be deemed to be interested to the extent of (i) their remuneration, fees and compensation payable to them for attending meetings of our Board or committees thereof, commission as well as to the extent of reimbursement of expenses payable to them and the Equity Shares held by them in our Company; (ii) Equity Shares and stock options, if any, already held by them or their relatives or any firms, companies and trusts in which our Directors are interested as a director, member, partner or trustee, in our Company, and any dividend payable to them and other benefits arising out of such shareholding; and (iii) transactions entered into in the ordinary course of business with companies in which our Directors hold directorship.

Except as disclosed below and provided in "*Financial Information—Related Party Transactions*" on page 50, we have not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Preliminary Placement Document in which any of our Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

Our Company has entered into a consultancy agreement dated November 1, 2024 (the "**Consultancy Agreement**") with Virat Sunil Diwanji (the "**Consultant**"), also one of our Directors. Pursuant to the Consultancy Agreement, which shall continue unless terminated, the Company has engaged the Consultant to provide services in relation to developing strategy and facilitating execution of promoting the existing products of our Company, evaluating and advising us in connection with modification of our existing product offerings, facilitating in forging alliances with banking institutions, evaluating potential investment/ acquisition opportunities for inorganic growth of our Company, among others.

Terms of appointment of our Executive Directors

Raj P Narayanam

The following is a description of the current terms of appointment of Raj P Narayanam, our Executive Chairman:

Particulars	Terms
Remuneration	₹0.85 million per month
Perquisites	Allowance, perquisites, reimbursement of medical expenses and bonus payable as per the policy of the Company from time to time
Others	Nil

Avinash Ramesh Godkhindi

The following is a description of the current terms of appointment of Avinash Ramesh Godkhindi, our Managing Director and Chief Executive Officer:

Particulars	Terms
Remuneration	fixed annual remuneration of ₹4.02 million, payable monthly, together with flexi benefit component of ₹1.01 million per annum, and annual performance variable remuneration of ₹2.30 million
Perquisites	Special allowance of ₹1.67 million per annum together with housing perquisite ₹1.15 million per annum
Others	Nil

Remuneration of our Directors

The following tables set forth the compensation of our Directors for period from October 1, 2024 to as on the date of this Preliminary Placement Document, six-months period ended September 30, 2024, Fiscals 2024, 2023, and 2022:

Name of Director	From October 1, 2024*	Six-months period ended September 30, 2024	Fiscal		
			2024	2023	2022
	(₹ million)				
Raj P Narayanam	1.71	5.10	10.20	10.20	10.20
Avinash Ramesh Godkhindi	1.28	3.73	6.87	8.20	7.06
Arun Vijaykumar Gupta	0.32	0.51	0.71	0.35	Nil
Aravamudan Krishna Kumar	0.41	0.65	1.82	0.93	Nil
Abhay Deshpande Raosaheb	Nil	Nil	Nil	Nil	Nil
Prerna Tandon	0.23	0.35	0.95	0.53	Nil
Virat Sunil Diwanji	0.15	Nil	Nil	Nil	Nil

** For the period from October 1, 2024 to as on the date of this Preliminary Placement Document.*

Changes in the Directors during the last three years

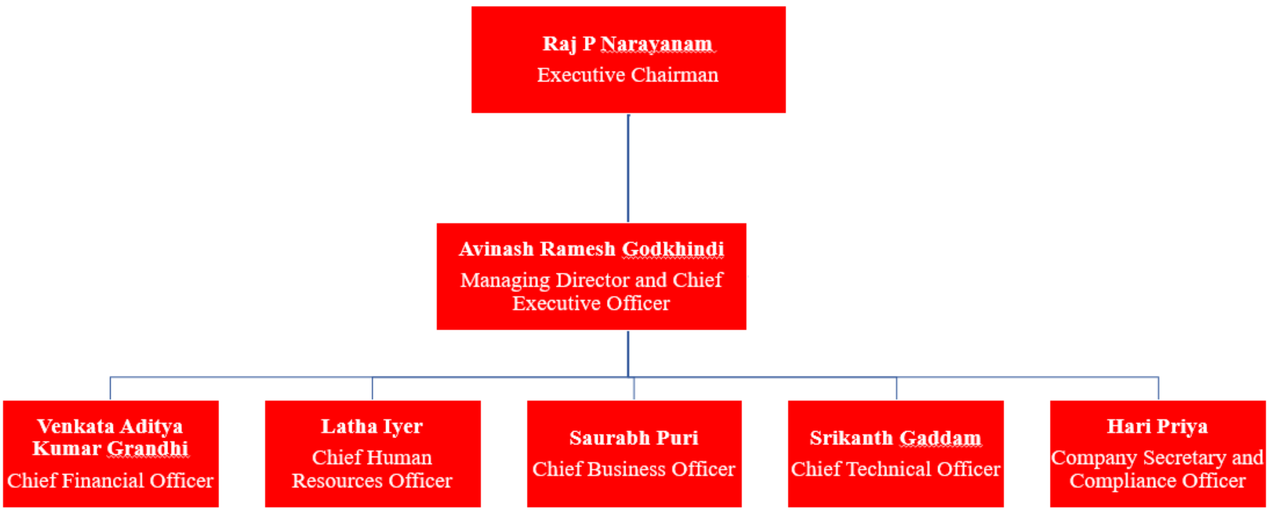
Name of the Director	Date of Appointment*	Reason for change
Virat Sunil Diwanji	October 4, 2024	Appointment as Non-Executive and Non-Independent Director
Aravamudan Krishna Kumar	September 26, 2022	Appointment as Independent Director
Arun Vijaykumar Gupta	September 26, 2022	Appointment as Independent Director
Prerna Tandon	September 26, 2022	Appointment as Independent Director
Abhay Deshpande Raosaheb	August 22, 2022	Appointment as Independent Director

** Does not include re-designation and re-appointment.*

Corporate Governance

Our Company is compliant with Regulation 17 of the SEBI Listing Regulations, with four of our Directors, one of which is a woman, being eligible to be considered as independent directors under the SEBI Listing Regulations.

Organisational Chart of our Company



Key Managerial Personnel and Senior Management

In addition to our Executive Chairman and our Managing Director and Chief Executive Officer, the details of our Key Managerial Personnel and Senior Management are given below:

S. No.	Name of Key Management Personnel / Senior Management	Designation
Key Management Personnel		
1.	Venkata Aditya Kumar Grandhi	Chief Financial Officer
2.	Hari Priya	Company Secretary and Compliance Officer
Senior Management		
3.	Saurabh Puri	Chief Business Officer
4.	Latha Iyer	Chief Human Resources Officer
5.	Srikanth Gaddam	Chief Technical Officer

Shareholding of the Key Managerial Personnel and Senior Management

Name	Number of Equity Shares#	Percentage of pre-Issue share capital#
Raj P Narayanam	46,155,323	37.57
Avinash Ramesh Godkhindi	7,650,379	6.23
Venkata Aditya Kumar Grandhi	11,100	0.01
Hari Priya	9,650	0.01

Based on beneficiary position data of our Company as at December 13, 2024.

Relationship

None of our Key Managerial Personnel or Senior Management are related to each other or to our Directors.

Changes in the Key Managerial Personnel and Senior Management during the last three years

Name of the Key Managerial Personnel/ Senior Management	Date of Change	Reason for change
Vidya Niwas Khetawat	August 24, 2023	Re-designation(1)
Srikanth Gaddam	July 10, 2023(3)	Appointment
Hari Priya	November 19, 2022	Appointment
Venkata Aditya Kumar Grandhi	August 25, 2022	Appointment
Vidya Niwas Khetawat	August 25, 2022	Re-designation(2)
Latha Iyer	August 2, 2022(3)	Appointment
Saurabh Puri	March 14, 2022(3)	Appointment
Hari Priya	January 18, 2022	Appointment

(1) *Re-designation from Chief Strategy Officer to Chief Investor Relations Officer.*
(2) *Re-designation from Chief Financial Officer to Chief Strategy Officer.*
(3) *Designated as Senior Management with effect from July 30, 2024.*

Interest of the Key Managerial Personnel and Senior Management

The Key Managerial Personnel and Senior Management of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to in accordance with their terms of appointment and reimbursement of expenses incurred by them and to the extent of the Equity Shares and stock options held by them in our Company, if any.

Except as provided in "*Related Party Transactions*" on page 50, we have not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Preliminary Placement Document in which any of our Key Managerial Personnel or Senior Management are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them. For further details on the related party transactions, with our Key Managerial Personnel or Senior Management during the last three Fiscals, see "*Related Party Transactions*" on page 50.

Committees of our Board

In accordance with the SEBI Listing Regulations and the Companies Act, 2013 including the rules made thereunder, our Company has constituted the following committees of our Directors:

Committee	Chairperson	Members
Audit Committee	Abhay Deshpande Raosaheb	(a) Aravamudan Krishna Kumar; and (b) Raj P Narayanam
Nomination and Remuneration Committee	Aravamudan Krishna Kumar	(a) Abhay Deshpande Raosaheb; and (b) Arun Vijaykumar Gupta
Stakeholders' Relationship Committee	Arun Vijaykumar Gupta	(a) Prerna Tandon; and (b) Avinash Ramesh Godkhindi
Corporate Social Responsibility Committee	Raj P Narayanam	(b) Abhay Deshpande Raosaheb; and (c) Avinash Ramesh Godkhindi
Risk Management Committee	Raj P Narayanam	(a) Abhay Deshpande Raosaheb; and (b) Avinash Ramesh Godkhindi

Policy on disclosures and internal procedure for prevention of insider trading

SEBI Insider Trading Regulations applies to us and our employees, and requires us to formulate and implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and a code of conduct to regulate, monitor and report trading by designated persons. Our Company is in compliance with the SEBI Insider Trading

Regulations and has implemented a code of conduct for regulating, monitoring and reporting of trades and prevention of insider trading in accordance with the SEBI Insider Trading Regulations, in terms of which, our Company Secretary, acts as the Compliance Officer of our Company under the aforesaid code of conduct for the prevention of insider trading.

Other Confirmations

None of the Directors, Key Managerial Personnel or Senior Management of our Company have any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

Neither our Company nor our Directors have ever been identified as Wilful Defaulters or Fraudulent Borrowers.

Neither our Company nor our Promoters or Directors have been debarred from accessing capital markets under any order or direction made by the SEBI. Further, none of our Promoters or Directors have been declared as a Fugitive Economic Offender.

Related Party Transactions

For details in relation to the related party transactions entered into by our Company during the last three Fiscals, immediately preceding the year of circulation of this Preliminary Placement Document, see "*Related Party Transactions*" on page 50.

SHAREHOLDING PATTERN OF OUR COMPANY

The shareholding pattern of our Company, as at September 30, 2024, is set forth below.

Summary statement showing the shareholding pattern of our Company

Cate-gory code	Category of shareholder	No. of share-holders	No. of fully paid up equity shares held	No. of partly paid up equity shares held (See note below)	No. of shares underlying DRs	Total no. of equity shares held	Share-holding as a % of total no. of shares (as a % of A+B+C2)	No. of Voting Rights held in each class of securities			No. of shares under-lying o/s conv. Sec. (incl. warrant)#	Share-holding as a % assuming full conv. of conv. sec (as a % of diluted cap.i.e. A+B+C2)	No. of locked in shares		No. of shares pledged or otherwise encumbered		No. of equity shares held in demat form
								Class X - Equity	Class Y	Total as a % of Total Voting rights i.e. (as a % of A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	VII = (IV)+(V)+(VI)	(VIII)	(IX)			(X)	(XI = (VII)+(X))	(XII)		(XIII)		XIV
(A)	Promoters and Promoter Group	2	53,805,702	-	-	53,805,702	43.88	53,805,702	-	43.88	-	43.88	24,419,370	45.38	-	-	53,805,702
(B)	Public	75,098	68,801,097	-	-	68,801,097	56.12	68,801,097	-	56.12	-	56.12	-	-	NA	NA	68,501,217
(C)	Non-Promoter Non Public																
(C1)	Shares underlying Depository Receipts (DRs)	-	-	-	-	-	NA	-	-	-	-	NA	-	-	NA	NA	
(C2)	Shares held by Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	
	Total (A+B+C)	**75,100**	**122,606,799**	**-**	**-**	**122,606,799**	**100.00**	**122,606,799**	**-**	**100.00**	**-**	**100.00**	**24,419,370**	**45.38**	**-**	**-**	**122,306,919**

The following table sets forth the details regarding the equity shareholding pattern of our Promoters and Promoter Group as at September 30, 2024:

Category code	Category of shareholder	No. of share-holders	No. of fully paid up equity shares held	No. of partly paid up equity shares held	No. of shares underlying DRs	Total no. of equity shares held	Share-holding as a % of total no. of shares (as a % of A+B+C2)	No. of Voting Rights held in each class of securities	No. of shares under-lying o/s conv. Sec. (incl. warrant)		Share-holding as a % assuming full conv. of conv. sec (as a % of diluted cap.i.e. A+B+C2)		No. of locked in shares		No. of shares pledged or otherwise encumbered		No. of equity shares held in demat form
								Class X - Equity	Class Y	Total as a % of Total Voting rights i.e. (as a % of A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
	(I)	(III)	(IV)	(V)	(VI)	(VII = IV+V+VI)	(VIII)	(IX)	(X)		(XI = VII+X)		(XII)		(XIII)		(XIV)
(1)	Indian																
(a)	Individuals / HUFs	2	53,805,702	-	-	53,805,702	43.88	53,805,702	-	43.88	-	43.88	24,419,370	45.38	-	-	53,805,702
i)	Promoters																
1	Raj P Narayanam	1	46,155,323	-	-	46,155,323	37.64	46,155,323	-	37.64	-	37.64	20,947,310	45.38	-	-	46,155,323
2	Avinash Ramesh Godkhindi	1	7,650,379	-	-	7,650,379	6.24	7,650,379	-	6.24	-	6.24	3,472,060	45.38	-	-	7,650,379
ii)	Promoter Group																
(b)	Central Govt. / State Govt.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions / Banks		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any other (specify)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i)	Bodies Corporate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Promoter Group		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A1)	2	53,805,702	-	-	53,805,702	43.88	53805702	-	43.88	-	43.88	24,419,370	45.38	-	-	53,805,702
2	Foreign			-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals/NRIs/Foreign Individuals			-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government			-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions			-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor			-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any other (specify)			-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A2)			-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Promoters (A = A1 + A2)	2	53,805,702	-	-	53,805,702	43.88	53,805,702	-	43.88	-	43.88	24,419,370	45.38	-	-	53,805,702

The following table sets forth the details regarding the equity shareholding of the members of the public as at September 30, 2024:

Cate-gory code	Category of shareholder	No. of share-holders	No. of fully paid up equity shares held	No. of partly paid up equity shares held	No. of shares underlying DRs	Total no. of equity shares held	Share-holding as a % of total no. of shares (as a % of A+B+C2)	No. of Voting Rights held in each class of securities			No. of shares under-lying o/s conv. Sec. (incl. warrant)	Share-holding as a % assuming full conv. of conv. sec (as a % of diluted cap.i.e. A+B+C2)	No. of locked in shares		No. of shares pledged or otherwise encumbered		No. of equity shares held in demat form	Sub-categorisation of shareholding (no. of shares)		
								Class X - Equity	Class Y	Total as a % of Total Voting rights i.e. (as a % of A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)		Sub-category (i) (Shareholders who are represented by Nominee Director	Sub-category (ii) (Shareholders who have entered into Shareholders Agreement with Listed Company)	Sub-category (iii) (Shareholders acting as PACs with Promoters)
	(I)	(III)	(IV)	(V)	(VI)	(VII = IV+V+VI)	(VIII)	(IX)			(X)	(XI = VII+X)	(XII)		(XIII)		(XIV)	(XV)		
(1)	Institutions (Domestic)																			
(a)	Mutual Funds	4	8,316,318	-	-	8,316,318	6.78	8,316,318	-	6.78	-	6.78	-	-	NA	NA	8,316,318	-	-	-

Cate-gory code	Category of shareholder	No. of share-holders	No. of fully paid up equity shares held	No. of partly paid up equity shares held	No. of shares underlying DRs	Total no. of equity shares held	Share-holding as a % of total no. of shares (as a % of A+B+C2)	No. of Voting Rights held in each class of securities			No. of shares under-lying o/s conv. Sec. (incl. warrant)	Share-holding as a % assuming full conv. of conv. sec (as a % of diluted cap.i.e. A+B+C2)	No. of locked in shares		No. of shares pledged or otherwise encumbered		No. of equity shares held in demat form	Sub-categorisation of shareholding (no. of shares)		
								Class X - Equity	Class Y	Total as a % of Total Voting rights i.e. (as a % of A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)		Sub-category (i) (Shareholders who are represented by Nominee Director	Sub-category (ii) (Shareholders who have entered into Shareholders Agreement with Listed Company)	Sub-category (iii) (Shareholders acting as PACs with Promoters)
	(I)	(III)	(IV)	(V)	(VI)	(VII = IV+V+VI)	(VIII)	(IX)			(X)	(XI = VII+X)	(XII)		(XIII)		(XIV)	(XV)		
	ICICI Prudential Flexicap Fund	1	4,919,022	-	-	4,919,022	4.01	4,919,022	-	4.01	-	4.01	-	-	NA	NA	4,919,022	-	-	-
	Bank of India Flexi Cap Fund	1	1,765,482	-	-	1,765,482	1.44	1,765,482	-	1.44	-	1.44	-	-	NA	NA	1,765,482	-	-	-
	ITI Multi Cap Fund	1	1,456,424	-	-	1,456,424	1.19	1,456,424	-	1.19	-	1.19	-	-	NA	NA	1,456,424	-	-	-
	SBI Large & Midcap Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	3	2,475,885	-	-	2,475,885	2.02	2,475,885	-	2.02	-	2.02	-	-	NA	NA	2,475,885	-	-	-
	Valuequest SCALE Fund	1	2,292,780	-	-	2,292,780	1.87	2,292,780	-	1.87	-	1.87	-	-	NA	NA	2,292,780	-	-	-
(d)	Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Provident / Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Asset Reconstruction Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	NBFCs registered with RBI	2	2,322,159	-	-	2,322,159	1.89	2,322,159	-	1.89	-	1.89	-	-	NA	NA	2,322,159	-	-	-
	Bengal Finance and Investment Private Limited	1	2,317,159	-	-	2,317,159	1.89	2,317,159	-	1.89	-	1.89	-	-	NA	NA	2,317,159	-	-	-
(j)	Other Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B1)	9	13,114,362	-	-	13,114,362	10.70	13,114,362	-	10.70	-	10.70	-	-	NA	NA	13,114,362	-	-	-
(2)	Institutions (Foreign)	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-	-	-	-
(a)	Foreign Direct Investment	1	110,160	-	-	110,160	0.09	110,160	-	0.09	-	0.09	-	-	NA	NA	-	-	-	-
(b)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investors Category I	13	6,773,825	-	-	6,773,825	5.52	6,773,825	-	5.52	-	5.52	-	-	NA	NA	6,773,825	-	-	-
	Matthews India Fund	1	1,437,370	-	-	1,437,370	1.17	1,437,370	-	1.17	-	1.17	-	-	NA	NA	1,437,370	-	-	-
	ACM Global Fund VCC	1	4,363,798	-	-	4,363,798	3.56	4,363,798	-	3.56	-	3.56	-	-	NA	NA	4,363,798	-	-	-
(e)	Foreign Portfolio Investors Category II	4	654,234	-	-	654,234	0.53	65,4234	-	0.53	-	0.53	-	-	NA	NA	654,234	-	-	-
(f)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-	-	-	-
(g)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-	-	-	-
(i)	Foreign Institutional Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-	-	-	-

Category code	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of partly paid up equity shares held	No. of shares underlying DRs	Total no. of equity shares held	Shareholding as a % of total no. of shares (as a % of A+B+C2)	No. of Voting Rights held in each class of securities			No. of shares underlying o/s conv. Sec. (incl. warrant)	Shareholding as a % assuming full conv. of conv. sec (as a % of diluted cap.i.e. A+B+C2)	No. of locked in shares		No. of shares pledged or otherwise encumbered		No. of equity shares held in demat form	Sub-categorisation of shareholding (no. of shares)		
								Class X - Equity	Class Y	Total as a % of Total Voting rights i.e. (as a % of A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)		Sub-category (i) (Shareholders who are represented by Nominee Director	Sub-category (ii) (Shareholders who have entered into Shareholders Agreement with Listed Company)	Sub-category (iii) (Shareholders acting as PACs with Promoters)
	(I)	(III)	(IV)	(V)	(VI)	(VII = IV+V+VI)	(VIII)	(IX)			(X)	(XI = VII+X)	(XII)		(XIII)		(XIV)	(XV)		
(ii)	Bank (Foreign)	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-	-	-	-
	Sub-Total (B2)	18	7,538,219	-	-	7,538,219	6.15	7,538,219	-	6.15	-	6.15	-	-	NA	NA	7,428,059	-	-	-
(3)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Central Government / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	State Government / Governor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(4)	Non-institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Associate companies/ Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Directors and their relatives (excluding independent directors and nominee directors)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Key Managerial Personnel	2	6,900	-	-	6,900	0.01	6,900	-	0.01	-	0.01	-	-	NA	NA	6,900	-	-	-
(d)	Relatives of promoters (other than immediate relatives' of promoters disclosed under 'Promoter and promoter Group' category)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Investor Education and Protection Fund (IEPF)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Resident Individuals holding nominal share capital up to Rs. 0.2 million	71,757	24,526,576	-	-	24,526,576	20.00	24,526,576	0	20.00	0	20.00	0	0.00	NA	NA	24,364,906	-	-	-
(h)	Resident Individuals holding nominal	8	7,247,102	-	-	7,247,102	5.91	7,247,102	-	5.91	-	5.91	-	-	NA	NA	7,247,102	-	-	-

Category code	Category of shareholder	No. of share-holders	No. of fully paid up equity shares held	No. of partly paid up equity shares held	No. of shares underlying DRs	Total no. of equity shares held	Share-holding as a % of total no. of shares (as a % of A+B+C2)	No. of Voting Rights held in each class of securities			No. of shares under-lying o/s conv. Sec. (incl. warrant)	Share-holding as a % assuming full conv. of conv. sec (as a % of diluted cap.i.e. A+B+C2)	No. of locked in shares		No. of shares pledged or otherwise encumbered		No. of equity shares held in demat form	Sub-categorisation of shareholding (no. of shares)		
								Class X - Equity	Class Y	Total as a % of Total Voting rights i.e. (as a % of A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)		Sub-category (i) (Shareholders who are represented by Nominee Director	Sub-category (ii) (Shareholders who have entered into Shareholders Agreement with Listed Company)	Sub-category (iii) (Shareholders acting as PACs with Promoters)
	(I)	(III)	(IV)	(V)	(VI)	(VII = IV+V+VI)	(VIII)	(IX)			(X)	(XI = VII+X)	(XII)		(XIII)		(XIV)	(XV)		
	share capital in excess of Rs. 0.2 million																			
	Ashish Kacholia	1	2,903,356	-	-	2,903,356	2.37	2,903,356	-	2.37	-	2.37	-	-	NA	NA	2,903,356	-	-	-
	Ajay Kumar Aggarwal	1	1,409,615	-	-	1,409,615	1.15	1,409,615	-	1.15	-	1.15	-	-	NA	NA	1,409,615	-	-	-
	Abhay Deshpande	1	1,239,837	-	-	1,239,837	1.01	1,239,837	-	1.01	-	1.01	-	-	NA	NA	1,239,837	-	-	-
(i)	Non Resident Indians (NRIs)	1,125	1,297,536	-	-	1,297,536	1.06	1,297,536	-	1.06	-	1.06	-	-	NA	NA	1,297,536	-	-	-
(j)	Foreign Nationals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(k)	Foreign Companies / Foreign Corporate Bodies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(l)	Bodies Corporate	538	13,852,891	-	-	13852891	11.30	13,852,891	-	11.30	-	11.30	-	-	NA	NA	13,852,891	-	-	-
	Zuzu Software Services LLP	1	10,812,152	-	-	10812152	8.82	10,812,152	-	8.82	-	8.82	-	-	NA	NA	10,812,152	-	-	-
(m)	Any Other (specify)																			
(i)	Clearing Members	2	8,050	-	-	8,050	0.01	8,050	-	0.01	-	0.01	-	-	NA	NA	8,050	-	-	-
(ii)	HUF	1,638	998,858	-	-	998,858	0.81	998,858	-	0.81	-	0.81	-	-	NA	NA	970,808	-	-	-
	Trusts	1	210,603	-	-	210,603	0.17	210,603	-	0.17	-	0.17	-	-	NA	NA	210,603	-	-	-
	Sub-Total (m)	**1,641**	**1,217,511**	**-**	**-**	**1,217,511**	**0.99**	**1,217,511**	**-**	**0.99**	**-**	**0.99**	**-**	**-**			**1,189,461**	**-**	**-**	**-**
	Sub-Total (B4)	**75,071**	**48,148,516**	**-**	**-**	**48,148,516**	**39.27**	**48,148,516**	**-**	**39.27**	**-**	**39.27**	**-**	**-**			**47,958,796**	**-**	**-**	**-**
	Total Public (B = B1+B2+B3+B4)	**75,098**	**68,801,097**	**-**	**-**	**68,801,097**	**56.12**	**68,801,097**	**-**	**56.12**	**-**	**56.12**	**-**	**-**			**68,501,217**	**-**	**-**	**-**

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the application, payment of Bid Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and investors are assumed to have apprised themselves of the procedure from our Company or the Lead Managers. Prospective investors are advised to inform themselves of any restrictions or limitations that may be applicable to them.

Our Company, the Lead Managers and their respective directors, officers, agents, advisors, shareholders, employees, counsel, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws. Also see "Selling Restrictions" and" Transfer Restrictions" on pages 201 and 210*, respectively*.

Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Bidders that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Lead Managers and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Lead Managers and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates, and representatives accept no responsibility or liability for advising any Bidder on whether such Bidder is eligible to acquire the Equity Shares. For further details, please see "Selling Restrictions" and "Transfer Restrictions" on pages 201 and 210*, respectively.*

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document has not been, and the Placement Document will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Sections 42 and 62 and other applicable provisions of the Companies Act, 2013, and rules thereunder, to the extent applicable, through the mechanism of a QIP ("**Issue**").

Under Chapter VI of the SEBI ICDR Regulations and Sections 42 and 62 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, our Company, a listed issuer in India may issue Equity Shares, non-convertible debt instruments along with warrants and convertible securities (other than warrants) to QIBs, provided, *inter alia*, that:

- The shareholders have adopted a special resolution approving the QIP. Such special resolution must specify: (a) that the allotment of the securities is proposed to be made pursuant to the QIP and (b) the relevant date for the QIP;
- The explanatory statement to the notice to the shareholders for convening the general meeting must disclose, *inter alia*, the particulars of the issue, including the date of passing the board resolution, the kind of securities being offered and the price at which they are offered, amount which our Company intends to raise by way of such securities and the material terms of raising such securities, proposed Issue schedule, the purpose or objects of the issue, the contribution made by the promoters or directors either as part of the Issue or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;
- As per Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of such issuer, which are proposed to be allotted through the QIP, are listed on a recognized stock exchange in India that has nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the above-mentioned special resolution;

- The invitation to apply in the QIP must be made through a private placement offer letter and an application form serially numbered and addressed specifically to the Eligible QIBs to whom the QIP is made, either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;
- The allotments with respect to any earlier offer or invitation made by the issuer shall have been completed or the issuer shall have withdrawn or abandoned such invitation or offer made, except as permitted under the Companies Act, 2013. However, subject to the limits prescribed under the applicable law, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;
- The Issuer shall not make any subsequent QIP until the expiry of two weeks from the date of the issue;
- An offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., this Preliminary Placement Document and Application Form), the issuer must prepare and record a list of Eligible QIBs to whom the offer will be made. The offer must be made only to such Eligible QIBs whose names are recorded by the issuer prior to the invitation to subscribe;
- The promoters and directors of the issuer are not Fugitive Economic Offenders and are not declared as Wilful Defaulters; and

The Directors of the Issuer are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016.

At least 10% of the Equity Shares issued to Eligible QIBs shall be allotted to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

The Issuer shall not issue or allot partly paid-up shares.

Bidders are not allowed to withdraw or revise downwards their Bids after the closure of the issue.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The floor price of the equity shares issued under a QIP shall not be less than the average of the weekly high and low of the closing prices of the issuer's equity shares of the same class quoted on the stock exchanges during the two weeks preceding the relevant date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The "relevant date" referred to above means the date of the meeting in which the board of directors of the issuer or a duly authorized committee thereof decides to open the issue and "stock exchange", for the purposes of determination of price, means any of the recognized stock exchanges on which the equity shares of the issuer of the same class are listed and on which the highest trading volume in such equity shares has been recorded during the two weeks immediately preceding the relevant date. However, a discount of up to 5% of the floor price is permitted in accordance with the provisions of the SEBI ICDR Regulations.

The Issue Price shall be subject to appropriate adjustments, if our Company makes any alteration to its share capital as mentioned in Regulation 176 (4) of the SEBI ICDR Regulations.

The Equity Shares will be Allotted within 365 days from the date of the Shareholders' resolution approving the Issue, being December 2, 2024 and within 60 days from the date of receipt of Bid Amount from the Successful Bidders, failing which our Company shall refund the Bid Amount in accordance with applicable laws. For details of refund of Bid Amount, see "*—Pricing and Allocation—Designated Date and Allotment of Equity Shares*" on page 197.

Subscription to the Equity Shares of the issuer offered pursuant to the Issue must be made by Eligible QIBs on the basis of a Preliminary Placement Document and a Placement Document, which shall contain all material information required under applicable law including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under the PAS Rules and Form PAS-4. The preliminary placement document and the placement document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned stock exchanges and of the issuer with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of the Preliminary Placement Document addressed to you, you may not rely on the Preliminary Placement Document or the Placement Document uploaded on the website of the concerned stock exchanges or the issuer for making an application to subscribe to the Equity Shares being offered pursuant to the issue.

This Issue was authorized and approved by our Board on October 30, 2024 and approved by our Shareholders on December 2, 2024 via postal ballot.

The minimum number of allottees with respect to a QIP shall not be less than:

- two, where the issue size is less than or equal to ₹2,500 million; and

- five, where the issue size is greater than ₹2,500 million.

No single Allottee shall be Allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "*—Bid Process—Application Form*" on page 193.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on a recognized stock exchange. Additionally, purchasers of the Equity Shares Allotted pursuant to the Issue shall comply with the resale restrictions set forth in the sections, "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 201 and 210, respectively

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements.

The Equity Shares offered in the Issue have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the Equity Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described under "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 201 and 210**, respectively.**

Our Company has filed a copy of this Preliminary Placement Document with each of the Stock Exchanges. Our Company has received in-principle approvals dated December 18, 2024 from each of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares. Our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited.

Issue Procedure

1. On the Issue Opening Date, our Company and the Lead Managers shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to Eligible QIBs and the Application Form will be specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to whom this Preliminary Placement Document and the serially numbered Application Form have been dispatched. Our Company will make the requisite filings with the RoC within the stipulated time periods as required under the Companies Act, 2013 and the PAS Rules. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered will be determined by our Company in consultation with the Lead Manager, at its sole discretion.

2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. Eligible QIBs may submit the Application Form, including any revisions thereof along with the Bid Amount transferred to the Escrow Account specified in the Application form and a copy of the PAN card or PAN allotment letter (as applicable) and/or other documents mentioned in the Application Form, during the Issue Period to the Lead Managers. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

4. Eligible QIBs will be required to indicate the following in the Application Form:

   - full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail ID, PAN and bank account details;
   - number of Equity Shares Bid for;
   - price at which they are agreeable to subscribe for the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;
   - details of the depository account to which the Equity Shares should be credited pursuant to the Issue;
   - a representation that it is outside the United States acquiring the Equity Shares in an "offshore transaction", as defined in, and in compliance with Regulation S and in accordance with the applicable laws of the jurisdiction where those offers and sales are made, and it has agreed to certain other representations set forth in the "*Representations by Investors*" on page 6 and "*Transfer Restrictions*" on page 210 and certain other representations made in the Application Form;
   - Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or a custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made;
   - in case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law;
   - details of an Equity Shares held by the Eligible QIBs in our Company prior to the Issue; and
   - confirm acceptance of any other representations set forth in the Application Form.

5. Each Bidder shall be required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of the Bid Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. The Bid Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Pending Allotment, the Bid Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which the Bid Amount has been paid by such Bidder, (c) the Bid Amount was in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or the Bid Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Bid Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "—*Refunds*" on page 197.

6. Once a duly completed Application Form is submitted by a Bidder and the Bid Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. Upon receipt of the duly completed Application Form and the Bid Amount in the Escrow Account, after the Issue Closing Date, our Company shall, in consultation with Lead Managers determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the Lead Managers will send the serially numbered CAN to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such

Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company and will be based on the recommendation of the Lead Managers.**

8. The Bidder acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose the names of proposed allottees and the percentage of their post-Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.

9. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the Lead Manager, shall, on our behalf, send a serially numbered Placement Document to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN either in electronic form or through physical delivery.

10. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares in accordance with the details in the CANs sent to the Successful Bidders. We will inform the Stock Exchanges of the details of the Allotment.

11. After passing the resolution for Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the depository participant, as indicated in their respective Application Form, or as specified in the records of the depositories, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

12. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

13. Our Company will then apply for the final trading approvals from the Stock Exchanges.

14. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading approvals from the Stock Exchanges.

15. In accordance with applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

16. The Bidder represents that it is outside the United States and is acquiring the Equity Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S, and is not an affiliate of our Company or the Lead Managers or a person acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form.

17. In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Ap plication Form and towards which the Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted, in the form and manner set out in "—*Refunds*" on page 197.

Qualified Institutional Buyers

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to foreign portfolio investors, only Eligible FPIs applying under Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under the applicable laws, will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue (not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations) and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with the SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;

- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions;
- Mutual Funds;
- pension funds with minimum corpus of ₹250 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
- provident funds with minimum corpus of ₹250 million;
- public financial institutions;
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- venture capital funds registered with SEBI; and
- SI-NBFC.

Eligible FPIs are permitted to participate through the portfolio investment scheme under Schedule II of FEMA Rules respectively, in this Issue. Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard. Other eligible non-resident QIBs shall participate in the Issue under Schedule I of the FEMA Rules.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or more of the post-Issue equity share capital of our Company, and the total holding of all FPIs, collectively, shall not exceed 20% of the paid-up equity share capital of our Company. Further, if any FPI holds 10% or more of the Equity Share capital of our Company, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done, the total investment made by such FPI together with its investor group will be re-classified as FDI in accordance with the procedure specified by the SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in the company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable.

In accordance with the FEMA Rules and the extant FDI Policy, foreign direct investment in our Company is permitted up to 100% under the automatic route.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included, and the aggregate investment by FPIs in our Company shall not exceed the sectoral cap applicable to our Company on a fully diluted basis.

Restriction on Allotment

Under Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being, or any person related to, the Promoters. QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoters:

- rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that a QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoters.

Our Company and the Lead Managers and any of their respective shareholders, employees, counsel, officers, directors, advisers, representatives, agents or affiliates are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering an open offer under the SEBI Takeover Regulations.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of under subscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Affiliates or associates of the Lead Managers who are Eligible QIBs may participate in the Issue in compliance with applicable laws.

Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document and the Placement Document. The Application Form may be signed physically or digitally, if required under applicable laws in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable laws. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period, and in such case, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

By making a Bid (including any revision thereof) for Equity Shares through the Application Form and pursuant to the terms of this Preliminary Placement Document, the Eligible QIB will be deemed to have made the following representations, warranties, acknowledgements and undertakings as well as those given or made in "*Notice to Investors*", "*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 3, 6, 201 and 210, respectively:

1. The Eligible QIB confirms that it, (i) is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, (ii) has a valid and existing registration under the applicable laws in India (as applicable) and (iii) is eligible to participate in this Issue;
2. The Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoters or Promoter Group or persons related to the Promoters;
3. The Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender which shall not be deemed to be a person related to the Promoters;
4. The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;
5. The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchanges;
6. The Eligible QIB confirms that it is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The Eligible QIB further confirms that the holding of the Eligible QIB, does not and shall not, exceed the level permissible in accordance with any applicable regulations applicable to the Eligible QIB;
7. The Eligible QIB confirms that its Bid would not result in triggering an open offer under the SEBI Takeover Regulations;
8. The Eligible QIB confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution,

and is eligible to invest in India under applicable laws, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

9. The Eligible QIB agrees that although the Bid Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, 2013 and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Lead Managers. The Eligible QIB further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

10. The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose names as proposed Allottees and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and consents to such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Lead Manager;

11. The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

    a. Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, among an Eligible QIB, its subsidiary(ies) or holding company and any other QIB; and

    b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

    c. The Eligible QIB confirms that if it is outside the United States, it is purchasing the Equity Shares in an "offshore transaction" as defined in, and in compliance with, Regulation S, and is not our affiliate or a person acting on behalf of such an affiliate;

12. The Eligible QIB acknowledges that no Allocation shall be made to them if the price at which they have Bid for in this Issue is lower than the Issue Price;

13. The Eligible QIB confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations; and

14. The Eligible QIBs confirm that they shall not undertake any trade in the Equity Shares credited to their beneficiary accounts maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares Allotted in the Issue are issued by the Stock Exchanges.

ELIGIBLE QIBS MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, EMAIL-ID, PHONE NUMBER, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN/PAN ALLOTMENT LETTER, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE LEAD MANAGERS, THE ELIGIBLE QIBS SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE LEAD MANAGERS TO EVIDENCE THEIR STATUS AS AN "ELIGIBLE QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE LEAD MANAGERS, ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSING DATE, THE ELIGIBLE QIBS SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO

SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories according to the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company through the Lead Managers in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form will include details of the relevant Escrow Account into which the Bid Amounts will have to be deposited. The Bid Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Lead Managers either through electronic form or through physical delivery at the following addresses:

Lead Manager	Address	Contact person	Website and e-mail ID	Telephone no.
Motilal Oswal Investment Advisors Limited	Motilal Oswal Tower, Rahimtullah Sayani Road Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India	Subodh Mallya/ Sankita Ajinkya	**Website:** www.motilaloswalgroup.com **E-mail:** zaggle.qip@motilaloswal.com	+91 22 7193 4380
Equirus Capital Private Limited	12th Floor, C Wing, Marathon Futurex N M Joshi Marg, Lower Parel, Mumbai 400 013, Maharashtra, India	Malay Shah/ Rahul Wadekar	**Website:** www.equirus.com **E-mail:** zaggle.qip@equirus.com	+91 22 4332 0736
Nuvama Wealth Management Limited	801-804, Wing A, Building No. 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051, Maharashtra, India	Lokesh Shah	**Website:** www.nuvama.com **E-mail:** zaggle@nuvama.com	+91 22 4009 4400

The Lead Managers shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

Bidders Bidding in the Issue shall pay the entire Bid Amount along with the submission of the Application Form, within the Issue Period.

Payment of Bid Amount

Our Company has opened the "M/S. ZAGGLE PREPAID OCEAN SERVICES LIMITED QIP ESCROW ACCOUNT" with AU Small Finance Bank Limited, our Escrow Bank, in terms of the arrangement among our Company, the Lead Managers and the Escrow Bank. Bidders will be required to deposit the entire Bid Amount payable for the Equity Shares applied for through the Application Form submitted by it in accordance with the applicable laws.

Payments are to be made only through electronic fund transfer.

Payments through cheques or demand draft or cash shall be rejected.

If the payment is not made favouring the "M/S. ZAGGLE PREPAID OCEAN SERVICES LIMITED QIP ESCROW ACCOUNT" within the Issue Period stipulated in the Application Form, the Application Form of the Eligible QIB is liable to be cancelled.

Pending Allotment, our Company undertakes to utilise the amount deposited in the Escrow Bank Account only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or the Bid Amount was in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or the Bid Amount has been arrived at using an indicative price higher than the Issue Price, or any Bidder lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Bid Amount will be refunded to the same bank account from which the Bid Amount was remitted, in the form and manner set out in "*—Bid Process—Refunds*" on page 197.

Permanent Account Number or PAN

Each Bidder should mention its PAN allotted under the Income-tax Act, 1961 in the Application Form and enclose a copy of the PAN card or PAN allotment letter along with the Application Form. Applications without this information will be considered incomplete and are liable to be rejected. Bidders should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank Account Details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Pricing and Allocation

Build-up of the Book

The Eligible QIBs shall submit their Bids (including any revision thereof) through the Application Form within the Issue Period to the Lead Managers. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the Lead Managers.

Price Discovery and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. The "Relevant Date" referred to above will be the date of the meeting in which the Board decides to open the Issue and "stock exchange" means any of the recognized stock exchanges in India on which the Equity Shares of the issuer of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Our Company, in consultation with the Lead Manager, shall determine the Issue Price, which shall be at or above the Floor Price. However, our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by our Shareholders on December 2, 2024 via postal ballot.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Lead Managers on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellation or default by the Bidders, our Company in consultation with the Lead Managers have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at its sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE LEAD MANAGERS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE LEAD MANAGERS AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE ISSUE PERIOD. NEITHER OUR COMPANY NOR THE LEAD MANAGERS ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

Confirmation of Allotment Notice or CAN

Based on the serially numbered Application Forms received and the Bid Amount, our Company, in consultation with the Lead Managers, in its sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered

CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allocated shall be notified to such Successful Bidders. The CAN shall also include details of amount to be refunded, if any, to such Bidders. Additionally, the CAN will include the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidders.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to furnish all details that may be required by the Lead Managers. Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees in consultation with the Lead Managers.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have been deemed to have made the representations and warranties as specified in "*Notice to Investors*" on page 3 and further, to have represented that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

Our Company will ensure that the Allotment of Equity Shares is completed by the Designated Date provided in the respective CANs.

The Equity Shares in the Issue will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, in accordance with the provisions of the Companies Act, 2013 and the Depositories Act. However, transfer of securities of listed companies in physical form is not permitted pursuant to Regulation 40 of the SEBI Listing Regulations.

Our Company, at its sole discretion (in consultation with the Lead Managers), reserves the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall submit the necessary documents with the Stock Exchanges in relation to the Issue and after that our Company shall credit the Equity Shares into the Successful Bidders' beneficiary accounts.

Following the credit of Equity Shares into the Successful Bidders' beneficiary accounts maintained with the Depository Participant, as indicated in the respective Application Form, our Company, will apply for final listing and trading approvals from the Stock Exchanges.

After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file it with the Stock Exchanges as the Placement Document, including the details of names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, the Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, viz, the names of the Allottees, and number of Equity Shares Allotted to each of them, and the percentage of the Equity Shares Allotted to each such Allottee of the total Issue. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company will be disclosed in the Placement Document.

The Escrow Bank shall release the monies lying to the credit of the Escrow Account to our Company upon receipt of notice from the Lead Managers and the trading and listing approvals of the Stock Exchanges for Equity Shares offered in the Issue and after filing return of Allotment under Form PAS-3 with the RoC within the prescribed timelines under the Companies Act, 2013.

In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

After finalization of the Issue Price, our Company shall update the Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or the Bid Amount paid by a Bidder is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to such Bidder and the Issue Price, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder lowers or withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which the Bid Amount was remitted, in the form and manner set out in the Refund Intimation. The Refund Amount will be transferred to the relevant Bidders within two working days from the issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue, or where our Company has Allotted the Equity Shares but final listing and trading approvals are refused by the Stock Exchanges, or on cancellation of the Issue, within 60 days from the date of receipt of the Bid Amount, our Company shall repay the Bid Amount within 15 days from the expiry of the aforementioned 60 days, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act, 2013.

Other Instructions

Right to Reject Applications

Our Company, in consultation with the Lead Managers, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Lead Managers in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder. For details see "*—Bid Process—Refunds*" on page 197.

Equity Shares in dematerialized form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialized form (*i.e.*, not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Lead Managers will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

Release of Funds to our Company

The Escrow Bank shall not release the monies lying to the credit of the Escrow Account until receipt of notice from the Lead Managers, the trading and listing approvals of the Stock Exchanges for Equity Shares offered in the Issue and filing of return of Allotment under Form PAS-3 with the RoC.

Provided that upon receipt of the listing and trading approval from the Stock Exchanges, our Company files the return of Allotment in connection with the Issue with the RoC, upon which, the Net Proceeds deposited in the Escrow Bank Account, shall be transferred to a separate bank account with a scheduled bank or any other account as may be mutually agreed between our Company and the Monitoring Agency.

PLACEMENT AND LOCK-UP

Placement Agreement

The Lead Managers have entered into the placement agreement dated December 18, 2024 with our Company, pursuant to which the Lead Managers have agreed to manage the Issue and to act as a placement agent in connection with the Issue and procure subscription to the Equity Shares on a reasonable efforts basis to be placed with the QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, to the extent applicable, as amended and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

The Placement Agreement contains customary representations, warranties and indemnities from our Company and the Lead Managers, and it is subject to termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares subsequent to the Issue.

The Equity Shares offered in the Issue have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in, and in accordance with, Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. For description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain other jurisdictions, see "*Selling Restrictions*" on page 201. The Equity Shares sold in the Issue are transferable only in accordance with the restrictions described in the sections "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 201 and 210, respectively.

This Preliminary Placement Document has not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares issued pursuant to the Issue, will be offered in India or overseas to the public or any members of the public or any other class of prospective investors, other than Eligible QIBs.

In connection with the Issue, the Lead Managers (or their affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Lead Managers (or its affiliates) may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Lead Managers may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see "*Offshore Derivative Instruments*" on page 11.

From time to time, the Lead Managers, and their affiliates and associates have engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, banking, trading services for our Company, affiliates and the Shareholders of our Company, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Lead Managers and their affiliates and associates.

Lock-up

Under the Placement Agreement, our Company undertakes that it will not for a period of 90 days from the date of Allotment under the Issue, without the prior written consent of the Lead Managers, directly or indirectly, (a) purchase, lend, sell, offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing; or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or (c) deposit Equity Shares with any other depositary in connection with a depositary receipt facility, (d) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares in any depository receipt facility, or (d) publicly announce any intention to enter into any transaction falling within (a) to (c) above. Provided that, the foregoing restriction shall not apply to an issuance of Equity Shares or options pursuant to any employee stock option scheme formulated by the Company.

Under the Placement Agreement, our Promoters, severally and not jointly, on behalf of themselves undertake that they will not, without the prior written consent of the Lead Managers, during the period commencing on the date hereof and ending 180 days after the date of allotment of the Equity Shares (the "**Lock-up Period**"), directly or indirectly: (a) sell, lend, contract to sell, any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares held by them ("**Lock-up Shares**"), or any securities convertible into or exercisable or exchangeable for Lock-up Shares or file any registration statement under the U.S. Securities Act of 1933, as amended, or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of Lock-up Shares or any securities convertible into or exercisable or exchangeable for Lock-up Shares; (c) sell, lend, contract to sell any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares or interest in an entity which holds any Lock-up Shares; or (d) publicly announce any intention to enter into any transaction whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of Lock-up Shares, or such other securities, in cash or otherwise. The Promoters agree that any Equity Shares acquired by any of the Promoters during the Lock-up Period, either from the open market or inter-se transfer, shall constitute Lock-up Shares, and shall be subject to the restrictions contained herein.

The restrictions in the foregoing paragraph shall not apply to: (a) any inter-se transfer of the Lock-up Shares among the promoters and the members of the promoter group of our Company, provided that the restrictions set forth in the previous paragraph shall continue to apply for the remaining period to the transferee and that such transferee shall be bound by the restrictions in the preceding paragraph until the Lock-up Period has expired; and (b) any sale, transfer or disposal of such Lock-up Shares to the extent such sale, transfer or disposal is mandatorily required for compliance with applicable Indian law.

SELLING RESTRICTIONS

General

The Issue is being made only to Eligible QIBs. The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares offered in the Issue is restricted by law in certain jurisdictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised. No action has been taken or will be taken that would permit the offer and sale of the Equity Shares offered in the Issue to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to the Issue in any jurisdiction where action for such purpose is required, except in India. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Therefore, persons who may come into possession of this Preliminary Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions.

Each purchaser of the Equity Shares in this Issue will be deemed to have made the representations, warranties, acknowledgments and agreements as described in this section and under "*Notice to Investors*", "*Representations by Investors*" and "*Transfer Restrictions*" on pages 3, 6 and 210, respectively.

Republic of India

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

Australia

This Preliminary Placement Document:

- does not constitute a product disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) (the "**Corporations Act**");
- has not been, and will not be, lodged with the Australian Securities and Investments Commission ("**ASIC**"), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act;
- does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of interests to a "retail client" (as defined in section 761G of the Corporations Act and applicable regulations) in Australia; and
- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors, or Exempt Investors, available under section 708 of the Corporations Act.

The Equity Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the Equity Shares may be issued, and no draft or definitive Preliminary Placement Document, advertisement or other offering material relating to any Equity Shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Equity Shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of Equity Shares under this Preliminary Placement Document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the Equity Shares you undertake to us that you will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those securities to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Bahrain

All applications for investment should be received, and any allotments should be made, in each case from outside Bahrain. This Preliminary Placement Document has been prepared for private information purposes of intended investors only who will be high net worth individuals and institutions. Our Company has not made and will not make any invitation to the public in the Kingdom of Bahrain and this Preliminary Placement Document will not be issued, passed to, or made available to the public generally. The Bahrain Monetary Agency ("**BMA**") has not reviewed, nor has it approved, the Preliminary Placement Document or the marketing of Equity Shares in the Kingdom of Bahrain. Accordingly, Equity Shares may not be offered or sold in Bahrain or to residents thereof except as permitted by Bahrain law.

British Virgin Islands

The Equity Shares are not being, and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on our behalf. The Equity Shares may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands) (each a "**BVI Company**"), but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

This Preliminary Placement Document has not been, and will not be, registered with the Financial Services Commission of the British Virgin Islands. No registered prospectus has been or will be prepared in respect of the Equity Shares for the purposes of the Securities and Investment Business Act, 2010 or the Public Issuers Code of the British Virgin Islands.

Cayman Islands

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands to subscribe for any of the Equity Shares but an invitation or offer may be made to sophisticated persons (as defined in the Cayman Islands Securities Investment Business Law (the "**SIBL**"), high net worth persons (as defined in the SIBL) or otherwise in accordance with the SIBL. This Preliminary Placement Document does not constitute an invitation or offer to the public in the Cayman Islands of the Equity Shares, whether by way of sale or subscription. The Equity Shares are not being offered or sold, and will not be offered or sold, directly or indirectly, to the public in the Cayman Islands.

People's Republic of China

This Preliminary Placement Document does not constitute a public offer of the Equity Shares, whether by way of sale or subscription, in the People's Republic of China (the "**PRC**"). The Equity Shares are not being offered and may not be offered or sold, directly or indirectly, in the PRC to or for the benefit of, legal or natural persons of the PRC. According to the legal and regulatory requirements of the PRC, the Equity Shares may, subject to the laws and regulations ofthe relevant jurisdictions, only be offered or sold to non-PRC natural or legal persons in any country other than the PRC.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the **Prospectus Regulation** (as defined below), except that it may make an offer to the public in that Relevant State of any Equity Shares at any time:

- to any legal entity that is a qualified investor, as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the Lead Managers for any such offer;
- or in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Equity Shares shall require the Issuer or any Book Running Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129

Hong Kong

This Preliminary Placement Document has not been and will not be approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. No person may offer or sell in Hong

Kong, by means of any document, any Equity Shares other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "**SFO**") and any rules made thereunder, or (ii) in other circumstances which do not result in this document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No person may issue or have in its possession for the purposes of issue, in each case whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made thereunder.

The contents of this Preliminary Placement Document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Issue. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice

Japan

The Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the "**FIEA**") and disclosure under the FIEA has not been and will not be made with respect to the Equity Shares. No Equity Shares have, directly or indirectly, been offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Contract Act of Japan (Law No. 228 of 1949, as amended) ("**Japanese Resident**") or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree does not fall under a "qualified institutional investor" (*tekikaku kikan toshika*), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (Ordinance of the Ministry of Finance No. 14 of 1993, as amended) (the "**Qualified Institutional Investor**"), the Equity Shares will be offered in Japan by a private placement to small number of investors (*shoninzu muke kanyu*), as provided under Article 23- 13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made.

If an offeree falls under the Qualified Institutional Investor, the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investors (*tekikaku kikan toshikamuke kanyu*), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. To receive the Equity Shares (the "**QII Equity Shares**") such offeree will be required to agree that it will be prohibited from selling, assigning, pledging or otherwise transferring the QII Equity Shares other than to another Qualified Institutional Investor.

Kuwait

This Preliminary Placement Document has not been licensed for the offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of securities in the State of Kuwait ("**Kuwait Securities Laws**"). Therefore, in accordance with the Kuwait Securities Laws, no private or public offering of the Equity Shares is or will be made in the State of Kuwait, no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the Equity Shares offered in the Issue may be made to the public in Mauritius without, amongst other things, the prior approval of the Mauritius Financial Services Commission. This Preliminary Placement Document has not been approved or registered by the Mauritius Financial Services Commission. Accordingly, this Preliminary Placement Document does not constitute a public offering. This

Preliminary Placement Document is for the exclusive use of the person to whom it has been given by the Lead Managers and is a private concern between the sender and the recipient.

The Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither this Preliminary Placement Document nor any offering material or information contained herein relating to the offer of Equity Shares may be released or issued to the public in Mauritius or used in connection with any such offer. This Preliminary Placement Document does not constitute an offer to sell Equity Shares to the public in Mauritius and is not a prospectus as defined under the Companies Act 2001.

New Zealand

This Preliminary Placement Document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "**FMA Act**"). This Issue is not an offer of financial products that requires disclosure under Part 3 of the FMA Act and no product disclosure statement, register entry or other disclosure document under the FMA Act will be prepared in respect of this Issue. The Equity Shares offered in the Issue may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who: (a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act; (b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act; (c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act; (d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or (e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

If, in the future, any person in New Zealand to whom the Equity Shares are issued or sold elects to sell any Equity Shares, they must not do so in any manner which will, or is likely to, result in this Issue or such sale, being viewed as an offer to which Part 3 of the FMA Act is applicable.

Qatar (excluding the Qatar Financial Centre)

This Preliminary Placement Document does not, and is not intended to, constitute an invitation or an offer of Equity Shares in the State of Qatar and accordingly should not be construed as such. The Equity Shares offered in the Issue have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this Preliminary Placement Document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Preliminary Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, or any other authority or agency in the State of Qatar; (b) our Company and the Lead Managers is not authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Preliminary Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Issue has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Preliminary Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Our Company and the Lead Managers are not, by distributing this Preliminary Placement Document, advising individuals resident in the State of Qatar as to the appropriateness of purchasing Equity Shares in the Issue. Nothing contained in this Preliminary Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Qatar Financial Centre

This Preliminary Placement Document does not, and is not intended to, constitute an invitation or offer of Equity Shares from or within the Qatar Financial Centre ("**QFC**"), and accordingly should not be construed as such. This Preliminary Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Preliminary Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licenced by or registered with any licensing authorities within the QFC.

Republic of Korea

The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "**FSCMA**"), and the Equity Shares have been and will be offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "**FETL**"). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

Singapore

This Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act, 2001 of Singapore, as amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by an accredited investor which is:

(a) a corporation the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to an accredited investor;

(ii) where no consideration is or will be given for the transfer;

(iii) as specified by operation of law.

Singapore SFA Product Classification: In connection with Section 309B of the SFA and the **CMP Regulations 2018**, unless otherwise specified before an offer of Equity Shares, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Equity Shares are ''prescribed capital markets products'' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).**Sultanate of Oman**

The information contained in this Preliminary Placement Document does not constitute a public offer of securities in Oman as contemplated by the Oman Commercial Companies Law (Sultani Decree 18/2019, as amended) or Article 3 of the Capital Market Authority Law (Sultani Decree 80/98, as amended). This Preliminary Placement Document will only be made available to investors in Oman in accordance with the provisions of Article 139 of the Executive Regulations of the Capital Markets Law (Capital Markets Law Decision No. 1/2009, as amended) (the "**Executive Regulations**") by an entity duly licenced by the Capital Market Authority of Oman to market non-Omani securities in Oman.

This Preliminary Placement Document is strictly private and confidential. It is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient. Additionally, this Preliminary Placement Document is not intended to lead to the making of any contract within the territory or under the laws of Oman.

This Preliminary Placement Document has not been (and will not be) filed with the Capital Market Authority of Oman (except in accordance with Article 139 of the Executive Regulations) or any other regulatory authority in Oman and neither the Capital Market Authority of Oman assumes responsibility for the accuracy and adequacy of the statements and information contained in this Preliminary Placement Document and shall not have any liability to any person for damage or loss resulting from reliance on any statements or information contained herein.

Saudi Arabia

This Preliminary Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital Market Authority ("CMA") pursuant to resolution number 2-11-2004 dated October 4, 2004 as amended by resolution number 1-28-2008, as amended (the "**CMA Regulations**"). The CMA does not make any representation as to the accuracy or completeness of this Preliminary Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser.

South Africa

Due to restrictions under the securities laws of South Africa, the Equity Shares are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions applies:

i. the offer, transfer, sale, renunciation or delivery is to:

(a) persons whose ordinary business is to deal in securities, as principal or agent;

(b) the South African Public Investment Corporation;

(c) persons or entities regulated by the Reserve Bank of South Africa;

(d) authorised financial service providers under South African law;

(e) financial institutions recognised as such under South African law;

(f) a wholly-owned subsidiary of any person or entity contemplated in (c), (d) or (e), acting as agent in the capacity of an authorised portfolio manager for a pension fund or collective investment scheme (in each case duly registered as such under South African law); or

(g) any combination of the person in (a) to (f); or

ii. the total contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than ZAR1,000,000.

No "offer to the public" (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted) (the "**South African Companies Act**")) in South Africa was made in connection with the issue of the Equity Shares. Accordingly, this Offering Memorandum does not, nor is it intended to, constitute a "registered prospectus" (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and has not been approved by, and/or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. Any issue or offering of the Equity Shares in South Africa constitutes an offer of the Equity Shares in South Africa for subscription or sale in South Africa only to persons who fall within the exemption from "offers to the public" set out in section 96(1)(a) of the South African Companies Act. Accordingly, this Offering Memorandum must not be acted on or relied on by persons in South Africa who do not fall within section 96(1)(a) of the South African Companies Act (such persons being referred to as "**SA Relevant Persons**"). Any investment or investment activity to which this Offering Memorandum relates is available in South Africa only to SA Relevant Persons and will be engaged in South Africa only with SA relevant persons.

Switzerland

This Preliminary Placement Document is not intended to constitute, and does not constitute, an offer to the public or solicitation to purchase or invest in the Equity Shares. The Equity Shares may not be publicly offered, sold or marketed, directly or indirectly, in or into Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**"), except under the following exemptions under the FinSA:

(i) to any investor that qualifies as a professional client within the meaning of the FinSA;

(ii) in any other circumstances falling within Article 36 of the FinSA;

provided, in each case, that no such offer of Equity Shares referred to in (i) through (ii) above shall require the publication of a prospectus for offers of Equity Shares pursuant to the FinSA.

The Equity Shares have not been and will not be admitted to trading on any trading venue in Switzerland.

Neither this Preliminary Placement Document nor any other marketing or offering material relating to the Equity Shares constitutes a prospectus within the meaning of the FinSA. This Preliminary Placement Document has not been and will not be filed with, reviewed or approved by, a Swiss review body, and does not comply with the disclosure requirements applicable to a prospectus within the meaning of the FinSA. In particular, this document will not be filed with, and the offer of the Equity Shares will not be supervised by, the Swiss Financial Market Supervisory Authority and the offer of the Equity Shares has not been and will not be authorised under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of the Equity Shares.

Neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares may be distributed or otherwise made available in Switzerland in a manner which would require the publication of a prospectus in Switzerland pursuant to the FinSA.

Taiwan

The Equity Shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorised to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Equity Shares in Taiwan.

United Arab Emirates (excluding the Dubai International Financial Centre)

No offering, marketing, promotion, advertising or distribution (collectively, "**Promotion"**) of this Preliminary Placement Document or the Equity Shares may be made in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE.

The Promotion of this Preliminary Placement Document and the Equity Shares has not been and will not be approved by the SCA and, as such, this Preliminary Placement Document does not constitute an offer to the general public in the UAE to acquire any Equity Shares. Except where the Promotion of this Preliminary Placement Document and the Equity Shares is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE, the Promotion of this Preliminary Placement Document and the Equity Shares in the UAE is being made only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations).

None of the SCA, the Central Bank of the United Arab Emirates or any other regulatory authority in the UAE has reviewed or approved the contents of this Preliminary Placement Document and nor does any such entity accept any liability for the contents of this Preliminary Placement Document.

Dubai International Financial Centre

This Preliminary Placement Document relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority ("**DFSA**"). This Preliminary Placement Document is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this Preliminary Placement Document.

The securities to which this Preliminary Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Preliminary Placement Document you should consult an authorised financial advisor. In relation to its use in the DIFC, this Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC. **United Kingdom**

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Equity Shares at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Lead Managers for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Equity Shares shall require our Company or the Lead Managers to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This Preliminary Placement Document does not constitute an approved prospectus for the purposes of and as defined in Section 85 of Financial Services and Markets Act 2000, has not been prepared in accordance with the prospectus rules issued by UK's Financial Conduct Authority (the "**FCA**") pursuant to Section 73A of the FSMA and has not been approved by or filed with the FCA or by any other authority which would be a competent authority for the purposes of the UK Prospectus Regulation. The Equity Shares in the Issue may not be offered or sold and will not be offered or sold to the public in the United Kingdom (within the meaning of section 85 and 102B of the FSMA) save in the circumstances where it is lawful to do so without an approved prospectus (within the meaning of section 85 of the FSMA) being made available to the public before the offer is made.

This Preliminary Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "relevant persons"). This Preliminary Placement Document is directed only at relevant persons. Other persons should not act on this Preliminary Placement Document or any of its contents. This Preliminary Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

United States

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in accordance with Regulation S. To help ensure compliance with Regulation S, each purchaser of Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgements and agreements set forth in "*Representations by Investors*", "*Transfer Restrictions*" and "*Selling Restrictions*" on pages 6, 201 and 210, respectively. The Equity Shares purchased in the Issue are transferable only in accordance with the restrictions described under the sections "*Selling Restrictions*" and "*Transfer Restrictions*" beginning on pages 201 and 210, respectively.

Until the expiry of 40 days after the commencement of the Issue, an offer or sale of Equity Shares offered in the Issue within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the U.S. Securities Act.

TRANSFER RESTRICTIONS

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares Allotted in the Issue, except on the Stock Exchanges, is not permitted for a period of one year from the date of Allotment.

Investors are advised to consult their legal counsel prior to making any resale, pledge or transfer of our Equity Shares. In addition to the above, Allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see "*Selling Restrictions*" on page 201.

Purchaser Representations and Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made, by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

By accepting delivery of this Preliminary Placement Document, submitting a bid to purchase the Equity Shares and/or accepting delivery of Equity Shares, each purchaser of the Equity Shares shall be deemed to have represented, warranted and acknowledged to and agreed with our Company and the Lead Managers as follows:

- It is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations and will comply with all laws, regulations and restrictions (including the selling restrictions contained in this Preliminary Placement Document) which may be applicable in its jurisdiction and it has obtained or will obtain any consent, approval or authorization required for it to purchase and accept delivery of Equity Shares, and it acknowledges and agrees that none of our Company or the Book Running Lead Manager and its respective affiliates shall have any responsibility in this regard.It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the U.S. Securities Act..

- It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, is located outside the United States (within the meaning of Regulation S), and it has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is located outside the United States (within the meaning of Regulation S), and such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.

- It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.

- It agrees (or it is a broker-deal acting on behalf of a customer that has confirmed to it that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any "directed selling efforts" as defined in Regulation S. It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any "directed selling efforts" as defined in Regulation S.

- It understands that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act.

- It is not an affiliate of our Company or a person acting on behalf of an affiliate.

- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or any of the Book Running Lead Managers for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) is seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and it has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares and (v) have no need for liquidity with respect to the investment in the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

- It has been provided access to this Preliminary Placement Document and will be provided access to the Placement Document which it has read in its entirety.
- It is buying the Equity Shares offered in the Issue for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares offered in the Issue, it agrees that it will not offer, sell, pledge or otherwise transfer the Equity Shares offered in the Issue except in transactions complying with Rule 903 or Rule 904 of Regulation S or an available exemption from registration under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.
- Where it is subscribing to the Equity Shares offered in the Issue as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein.
- Where it is subscribing to the Equity Shares offered in the Issue for one or more managed accounts, it represents and warrants that it was authorised in writing by each such managed account to subscribe to the Equity Shares offered in the Issue for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.
- It agrees to indemnify and hold our Company and each of the Lead Managers harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It will not hold any of our Company or the Lead Managers liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Issue.
- It acknowledges that our Company, the Lead Managers and their affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, agreements and acknowledgements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify the Company and the Lead Managers.

If such person is a dealer (as such term is defined under the U.S. Securities Act), it may not resell the Equity Shares in the United States prior to 40 days from the commencement of the offering of the Equity Shares.

It agrees that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. It understands that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorizes the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

Our Company, our representatives and our agents will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares made other than in compliance with the restrictions set forth herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the respective websites of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Lead Managers or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by the SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 (the "**SCRA**") and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SCR (SECC) Regulations**"), which regulate *inter alia* the recognition, ownership and governance of stock exchanges and clearing corporations in India together with providing for minimum net worth requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by listed companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investor, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, the BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013 the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by the SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations, as well as pursuant to the listing agreements entered into by our Company with the Stock Exchanges. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

Further the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 govern the voluntary and compulsory delisting of equity shares from the stock exchanges. Following a compulsory delisting of equity shares, a company, its whole-time directors, its promoter, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares for a period of 10 years from the date of such delisting. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

The SCRR requires all listed companies to maintain a minimum public shareholding of 25%, subject to certain time bound exceptions.

Disclosures under the Companies Act and SEBI Listing Regulations

Under the Companies Act, a public offering of securities in India must be made by means of a prospectus, which must contain information specified in the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI ICDR Regulations. The prospectus must be filed with the relevant registrar of companies having jurisdiction over the place where a company's registered office is situated. A company's directors and promoters shall be subject to civil and criminal liability for misrepresentation in a prospectus. The Companies Act also sets forth procedures for the acceptance of subscriptions and payment of commission rates for the sale of securities. Pursuant to the provisions of the SEBI Act, SEBI has issued detailed guidelines concerning disclosures by public companies and to further investor protection. The SEBI ICDR Regulations permit companies to price their domestic issues of securities in consultation with the lead merchant banker or through the book building process.

Public listed companies are required to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations. Accordingly, companies are required to publish unaudited financial statements (subject to a limited review by the company's auditors) on a quarterly basis and are required to inform stock exchanges immediately regarding any unpublished price sensitive information.

Minimum Level of Public Shareholding

All listed companies are required to maintain a minimum public shareholding of 25%. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months. However, every listed public sector company whose public shareholding falls below 25% at any time after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such fall, in the manner specified by the SEBI. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the abovementioned requirements. Our Company is in compliance with this minimum public shareholding requirement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available but which are part of Index Derivatives, are subjected to price bands.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by the SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Settlement

The stock exchanges in India operate on a trading day plus one, or T+1 rolling settlement system. At the end of the T+1 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Tuesday.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform called BOLT Plus.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the SEBI Takeover Regulations, which provides for specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribes certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

SEBI Insider Trading Regulations

SEBI had earlier notified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 to prohibit and penalise insider trading in India. The regulations, among other things, prohibited an 'insider' from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**").

The SEBI Insider Trading Regulations, were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the erstwhile regulations of 1992. The SEBI Insider Trading Regulations, *inter alia*, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. It also provides disclosure obligations for promoters, employees and directors, with regard to their shareholding in the company, and the changes therein. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The Insider Trading Regulations define the term "unpublished price sensitive information" to mean any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of its securities and ordinarily includes but not restricted to information relating to the following: (a) financial results; (b) dividends; (c) change in capital structure; (d) mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions; and (e) changes in key managerial personnel. Further, in terms of the Insider Trading Regulations, "generally available information" is defined as information that is accessible to the public on a non-discriminatory basis. An "insider" means any person who is i) a connected person; or ii) in possession of or having access to unpublished price sensitive information. The term "connected person" means any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity, including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holding any position, including a professional or business relationship between himself and the company, whether temporary or permanent, that allows such person, directly or indirectly, to have access to unpublished price sensitive information or is reasonably expected to allow such access.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations.

Depositories

The Depositories Act, 1996 provides a legal framework for the establishment of depositories to record ownership details and effect transfers in book-entry form. Further, SEBI framed the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Buy-back

A company may buy-back its shares subject to compliance with the requirements of Section 68 of the Companies Act, 2013, as amended and the SEBI (Buy-back of Securities) Regulations 2018, as amended. Under Section 68 of the Companies Act, 2013, as amended, a company may buy-back its shares out of its free reserves or securities premium account or the proceeds of the issue of any shares or other specified securities, other than proceeds of an earlier issue of the same kind of shares or same kind of other specified securities.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term “securities”, as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is information relating to the Equity Shares including a brief summary of the Memorandum and Articles of Association, the Companies Act, 2013. Bidders are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Authorised Share Capital

The authorised share capital of our Company is ₹15,00,00,000 divided into 15,00,00,000 Equity Shares of ₹1 each. For further details, see "*Capital Structure*" on page 99.

Voting Rights of Members

Subject to any rights or restrictions for the time being attached to any class or classes of shares,

(a) On a show of hands every member holding Equity Shares and present in person shall have one (1) vote.

(b) On a poll, every member holding Equity Shares shall have voting rights in proportion to his share in the paid up equity share capital.

A member may exercise his vote at a meeting by electronic means in accordance with the Companies Act and shall vote only once.

Further Issue of Shares

Where at any time the Board or the Company, as the case may be, proposes to increase the subscribed capital by the issue of further equity Shares then such equity Shares shall be offered, subject to the provisions of Section 62 of the Act, and the relevant Rules thereunder, as applicable.

(A)

(i) to the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those Shares at that date, subject to the conditions mentioned in (ii) to (iv) below;

(ii) the offer aforesaid shall be made by notice specifying the number of Equity Shares offered and limiting a time not being less than such number of days as may be prescribed under applicable Law and not exceeding thirty (30) days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined;

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing Shareholders within the time prescribed under applicable Law;

(iii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Equity Shares offered to him or any of them in favour of any other person and the notice referred to in (ii) above shall contain a statement of this right;

(iv) after the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the Equity Shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the members and the Company;

(B) to employees under any scheme of employees' stock option subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under applicable Law; or

(C) Notwithstanding anything contained in sub clause (A), the further shares aforesaid may be offered to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, in accordance with the Act and the Rules; or where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the General Meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy exceeds the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board in this behalf, that the proposal is most beneficial to the Company.

(1) Nothing in sub-clause (iii) of clause (1)(A) shall be deemed:

(i) To extend the time within which the offer should be accepted; or

(ii) To authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the Shares compromised in the renunciation.

(2) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loans raised by the Company to convert such Debentures or loans into shares in the Company or to subscribe for shares of the Company.

Provided that the terms of issue of such Debentures or loans containing such an option have been approved by the Central Government before the issue of such Debentures or the raising of such loans or is in conformity with Rules, if any, made by the Government in this behalf; and in case of the debentures or loans or other than debentures issued to, or loans obtained from the Government or any Institution specified by the Central Government in this behalf, has also been approved by a Special Resolution passed by the Company in a General Meeting.

A further issue of Shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act, other applicable provisions of the Act and the Rules and to the extent applicable, any SEBI regulations or guidelines.

Transfers and Register of Transfers

(a) Shares or other securities of any member shall be freely transferable, provided that any contract or arrangement between two or more persons in respect of transfer of securities shall be enforceable as a contract.

(b) The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.

(c) Notwithstanding anything contained in the Companies Act or the Articles, where the shares or other securities are held by a Depository, the records of the Beneficial Ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs or any such other means.

(d) The Company shall not be required to maintain register of transfers for entering particulars of transfers and transmissions of shares or other securities in dematerialised form.

Annual General Meetings

(a) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year.

(b) An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act and other applicable Laws.

Extraordinary General Meetings

All General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meeting". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

Preference Shares

Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed or converted to Equity Shares, on such terms and in such manner as determined by the Board in accordance with the Act.

Issue of Bonus Shares

The Company in General Meeting may decide to issue fully paid up bonus shares to the members if so recommended by the Board of Directors.

Dividends

The Company in General Meeting may declare dividends to be paid to the members according to their rights and interest in the profits and may, subject to the provisions of the Companies Act, fix the time for payment. No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

Winding Up

Winding up when necessary will be done in accordance with the provisions of the Act and other applicable Law.

TAXATION

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors
Zaggle Prepaid Ocean Services Limited
15th Floor – Western Block,
Vamasiram – Suvarna Durga Tech Park,
Nanakramguda Village,
Serilingampally Mandal,
Ranga Reddy District, Telangana
500032, India

Sub: Statement of possible special tax benefits available to Zaggle Prepaid Ocean Services Limited ("the Company") and its shareholders, prepared in accordance with the requirements under Schedule VII(18) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations").

1. We, M S K A & Associates ("**the Firm**"), Chartered Accountants, the statutory auditors of Zaggle Prepaid Ocean Services Limited ("**the Company**") hereby confirm the enclosed statement in the Annexure prepared and issued by the Company (the "**Statement**"), which provides the special tax benefits under Income-tax Act, 1961 (the "Act") presently in force in India viz. the Income-tax Act, 1961, (the "Act"), the Income-tax Rules, 1962, (the "Rules"), regulations, circulars and notifications issued thereon, as applicable to the assessment year 2025-26 relevant to the financial year 2024-25 the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively, the "Taxation Laws"), rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2025-26 relevant to the financial year 2024-25, available to the Company and its shareholders. Several of these benefits are dependent on the Company and its shareholders, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders face in the future, the Company and its shareholders may or may not choose to fulfil.

2. This statement of possible special tax benefits is required as per Schedule VII of the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company and its shareholders the same would include those benefits as enumerated in the Statement. Any benefits under the Taxation Laws other than those specified in the Statement are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the Statement, have not been examined and covered by this Statement.

3. The benefits discussed in the enclosed Statement cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to them.

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4. The benefits stated in the enclosed Statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the proposed qualified institutions placement of equity shares of the Company (the "Issue") particularly in view of the fact that certain enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible tax benefits, which an investor and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of the Statement. Also, any tax information included in this written communication was not intended or written to be used and it cannot be used by the Company or the investor for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

5. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

6. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

7. We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accounts of India.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

9. We do not express any opinion or provide any assurance on whether:
   - The Company and its shareholders will continue to obtain these benefits in future;
   - The conditions prescribed for availing the benefits have been/would be met; and
   - The revenue authorities/courts will concur with the views expressed herein.

10. The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law.

11. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.

12. This Statement is addressed to Board of Directors of the Company and has been issued at the specific request of the Company. The enclosed Annexures to this Statement is intended solely for your information and for inclusion in the Preliminary Placement Document ("PPD"), Placement Document ("PD") (collectively referred to as "Placement Documents") in connection with the Issue, and is not to be used, referred to or distributed for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in the Statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Prakash Chandra Bhutada
Partner
Membership No: 404621
UDIN: 24404621BKFSMU5114

Place: Hyderabad
Date: December 18, 2024
Enclosure: Annexure A and B

ANNEXURE A

Statement of possible special tax benefits available to Zaggle Prepaid Ocean Services Limited ('the Company') and its Shareholders

Direct Taxation

This statement of possible special direct tax benefits available to the Company and its shareholders under the direct tax laws in force in India. This statement is required as per Schedule VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations"). This statement is as per the Income-tax Act, 1961 as amended by the Finance (No.2) Act, 2024 read with the relevant rules, circulars and notifications applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, presently in force.

1. Special Income tax benefits available to the Zaggle Prepaid Ocean Services Limited ('the Company') in India under the Income-tax Act, 1961 ('Act')

- Section 115BAA of the Act, as inserted *vide* The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a corporate tax rate of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions/exemptions or set-off of losses and depreciation provided under clause (ii) and clause (iii) of sub-section (2) of section 115BAA of the Act and claiming depreciation determined in the prescribed manner. In case a company opts for paying tax as per section 115BAA, provisions of section 115JB, i.e., Minimum Alternate Tax ('MAT') would not be applicable on exercise of the option under section 115BAA, as specified under sub-section (5A) of Section 115JB of the Act, and unutilized MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

- The Company has evaluated and decided to opt for the lower corporate tax rate of 22 percent (plus applicable surcharge and cess) with effect from the Financial Year 2019-20 relevant to the Assessment Year 2020-21 under section 115BAA of the Act. Such option has been exercised by the Company while filing its return for the Financial Year 2019-20 relevant to the Assessment Year 2020-21 within the due date prescribed under sub-section (1) of section 139 of the Act. Since the Company has opted for lower corporate tax rate, MAT tax credit (if any) is no longer available for set-off or carry forward in future years.

- Subject to the fulfilment of prescribed conditions, for the year, the Company is entitled to claim deduction under section 80JJAA of the Act with respect to an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided. Further, where the Company wishes to claim possible tax benefit, it shall obtain necessary certification from Chartered Accountant on fulfilment of the conditions under the extant provisions of the Act.

- As per the provisions of Section 80M of the Act, dividend received by the Company from any other domestic company, or a foreign company shall be eligible for deduction while computing its total income for the relevant year. The amount of such deduction would be restricted to the amount of dividend distributed by the Company to its shareholders on or before one month prior to due date of filing of its Income-tax return for the relevant year. Since the Company has investments in domestic companies, it may avail the above-mentioned benefit under Section 80M of the Act.

2. **Special direct tax benefits available to the Shareholders of Company under the Act**

- Apart from the tax benefits available to each class of shareholders as such, there are no special tax benefits available to the shareholders of the Company under the Tax Laws identified supra

For Zaggle Prepaid Ocean Services Limited

Raj P Narayanam
Executive Chairman

Date: December 18, 2024
Place: Hyderabad

ANNEXURE B

Statement of possible special indirect tax benefits available to Zaggle Prepaid Ocean Services Limited ('the Company') and its Shareholders

Indirect Taxation

Outlined below are the tax benefits available to the Company and its shareholders under the Indirect tax laws in force in India. This Statement is as per the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 / the respective Union Territory Goods and Services Tax Act, 2017 and the Goods and Services Tax (Compensation to States) Act, 2017 (the "**GST Acts**"), the Customs Act, 1962 (the "**Customs Act**") and the Customs Tariff Act, 1975 (the "**Tariff Act**"), as amended by the Finance Act, 2024 & Finance (No.2) Act, 2024 read with the relevant rules, notifications and circulars issued there under, applicable for the Financial Year 2024-25, and Foreign Trade Policy, 2023, presently in force in India.

Under the indirect tax

Special benefits to the Company under various indirect tax laws:

1. **Special tax benefits available to the Company**

   (i) The Company has a One GSTIN operating across India.
   (ii) GST is not applicable on Sale of Prepaid Card and Sale of gift cards / vouchers.
   (iii) Export of Services is considered as Zero rated supply as per section 16 of the IGST Act, the company would have a benefit to make exports without payment of tax under a LUT and claim refund of unutilized ITC for making such exports in accordance with section 54 subject to fulfilment of prescribed conditions under the GST Laws. Also, the company has an option to make exports with payment of IGST and later claim refund of the tax paid subject to fulfilment of prescribed conditions under the GST Laws.
   (iv) Apart from the above, no other special Indirect tax benefits are available to the Company under the Indirect Tax Regulations in India.

2. **Special Tax Benefits available to the Shareholders of the Company**

   (i) The shareholders of the Company are not required to discharge any GST on transaction in securities of the Company.

   Securities are excluded from the definition of Goods as defined u/s 2(52) of the Central Goods and Services Tax Act, 2017 as well from the definition of Services as defined u/s 2(102) of the Central Goods and Services Tax Act, 2017.

   (ii) Apart from above, the shareholders of the Company are not eligible to special tax benefits under the provisions of the Customs Tariff Act, 1975 and / or Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017 respective State Goods and Services Tax Act, 2017, Goods and Services Tax (Compensation to States) Act, 2017 including the relevant rules, notifications and circulars issued there under.

Notes:

1. This Statement covers only certain relevant Indirect tax law benefits and does not cover any other benefit under any other law.

2. These tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indian Indirect Tax Regulation. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

3. The tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view

of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

4. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:

    i. the Company or its shareholders will continue to obtain these benefits in future.
    ii. the conditions prescribed for availing the benefits have been/ would be met with; and
    iii. the revenue authorities/courts will concur with the view expressed herein.

5. The above views are based on the existing provisions of laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

For Zaggle Prepaid Ocean Services Limited

Raj P Narayanam
Executive Chairman

Date: December 18, 2024

Place: Hyderabad

LEGAL PROCEEDINGS

We are, from time to time, involved in various litigation proceedings in the ordinary course of our business. These legal proceedings are primarily in the nature of, among others, civil suits, criminal cases, arbitration proceedings, tax proceedings and regulatory and statutory actions. These legal proceedings may have been initiated by us or by other parties against us and are pending at different levels of adjudication before various courts and tribunals. We assess each such legal proceeding filed by or against us and monitor the legal position on an ongoing basis.

As on the date of this Preliminary Placement Document, except as disclosed below, there are no outstanding legal proceedings which have been considered material in accordance with our Company's 'Policy for Determining Materiality of an Event or Information' framed in accordance with the Regulation 30 of the SEBI Listing Regulations and approved by our Board pursuant to its resolution dated December 14, 2022, as amended on August 10, 2023.

*(i) the materiality threshold formed solely for the purpose of the Issue, which is 5% of the average of absolute value of profit after tax as per the audited financial statements of the Company for Fiscals 2022, 2023 and 2024, where the amount involved is ₹18.14 million or above ("**Materiality Threshold**") for legal proceedings involving our Company, Subsidiary, Directors, and Promoters. The Materiality Threshold was approved by our Board pursuant to its resolution dated December 17, 2024.*

Further, as at the date of this Preliminary Placement Document, except as disclosed hereunder, our Company, Subsidiary, Directors, and Promoters are not involved in:

(i) any outstanding action (including show-cause notices) initiated by regulatory and statutory authorities (such as the SEBI, RBI or such similar authorities);

(ii) any disciplinary actions including penalties imposed by the SEBI and the Stock Exchanges;

(iii) any outstanding civil litigation exceeding the Materiality Threshold;

(iv) any outstanding criminal litigation; and

(v) any other litigation which may be considered material by our Company for the purposes of disclosure in this section of this Preliminary Placement Document, solely for the purpose of the Issue.

Further, as at the date of this Preliminary Placement Document, except as disclosed hereunder, our Company and our Subsidiary are not involved in any tax proceedings. In this regard, a consolidated disclosure of all claims related to direct and indirect taxes (including show cause notices) involving our Company and our Subsidiary, giving the number of cases and total amount, has been provided.

Further, this section also discloses:

(i) inquiries, inspections or investigations or penal action initiated or conducted (for which notices have been issued) under the Companies Act, 2013 or Companies Act, 1956 in the last three years involving our Company and our Subsidiary, and any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years involving our Company and our Subsidiary;

(ii) material frauds committed against our Company in the last three years, and if so, the action taken by our Company. For this purpose, frauds where the financial impact crosses the Materiality Threshold will be considered as material fraud;

(iii) significant and material order passed by the regulators, courts and tribunals impacting the going concern status of our Company or its future operations;

(iv) defaults by our Company including the amount involved therein, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon;

(v) default in annual filing of our Company under the Companies Act, 2013 or the rules made thereunder; and

(vi) litigation or legal actions (including regulatory actions), pending or taken, by any ministry or department of the government or a statutory authority against the Promoters of our Company during the last three years, and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any.

It is clarified that for the purposes of the above, pre-litigation notices received by our Company, our Subsidiary, Promoters or Directors as the case may be, have not been considered as litigation until such time that our Company, Subsidiary, Promoters or Directors are not impleaded as a defendant in litigation proceedings before any judicial forum. All terms defined herein in a particular litigation disclosure pertain to that litigation only.

I. *Litigation involving our Company*

Criminal proceedings against our Company

Nil

Criminal proceedings by our Company

1. Our Company filed a complaint dated February 6, 2021 before the Metropolitan Magistrate Court at Andheri, Mumbai against Gollamudi Laxmi Narasimha Ramkumar and Zagg Network under Section 138 of the Negotiable Instruments Act, 1881 for dishonour of cheque of ₹20.00 million in relation to slump sale of GCPL (gift card loyalty programme) software and its related activities. The matter is currently pending.

Outstanding actions and proceedings initiated by statutory/regulatory authorities

For details in relation to (i) service tax matter involving our Company and Avinash Ramesh Godkhindi, (ii) the show cause and demand notices issued by the Directorate General of Goods and Services Tax Intelligence, Mumbai Zonal Unit to our Company, certain of our Directors, and other parties, see "—*X. Except as disclosed below, there are no litigations or legal actions pending or taken against our Promoters by any Ministry or Department of the Government or any statutory authority in the last three years immediately preceding the year of circulation of this Preliminary Placement Document and there are no directions issued by such Ministry or Department of the Government or statutory authority upon conclusion of such litigation or legal action*" on page 223.

Material litigation against our Company

Nil

Material litigation by our Company

Nil

Other material litigation involving our Company

Nil

II. *Litigation involving our Subsidiary*

Criminal proceedings against our Subsidiary

Nil

Criminal proceedings by our Subsidiary

Nil

Outstanding actions and proceedings initiated by statutory/regulatory authorities

Nil

Material litigation involving our Subsidiary

Nil

III. *Litigation involving our Promoters*

Criminal proceedings against our Promoters

Nil

Criminal proceedings by our Promoters

Nil

Outstanding actions and proceedings initiated by statutory/regulatory authorities

For details in relation to (i) service tax matter involving our Company and Avinash Ramesh Godkhindi, (ii) the show cause and demand notices issued by the Directorate General of Goods and Services Tax Intelligence, Mumbai Zonal Unit to our Company, certain of our Directors, and other parties, see "—*X. Except as disclosed below, there are no litigations or legal actions pending or taken against our Promoters by any Ministry or Department of the Government or any statutory* *authority in the last three years immediately preceding the year of circulation of this Preliminary Placement Document and there are no directions issued by such Ministry or Department of the Government or statutory authority upon conclusion of such litigation or legal action*” on page 223.

Material litigation involving our Promoters

Nil

IV. *Litigation involving our Directors*

Criminal proceedings against our Directors

Nil

Criminal proceedings by our Directors

Nil

Outstanding actions and proceedings initiated by statutory/regulatory authorities

For details in relation to (i) service tax matter involving our Company and Avinash Ramesh Godkhindi, (ii) the show cause and demand notices issued by the Directorate General of Goods and Services Tax Intelligence, Mumbai Zonal Unit to our Company, certain of our Directors, and other parties, see “*—X. Except as disclosed below, there are no litigations or legal actions pending or taken against our Promoters by any Ministry or Department of the Government or any statutory authority in the last three years immediately preceding the year of circulation of this Preliminary Placement Document and there are no directions issued by such Ministry or Department of the Government or statutory authority upon conclusion of such litigation or legal action*” on page 223.

Material litigation involving our Directors

Nil

V. *Tax proceedings*

As on the date of this Preliminary Placement Document, except as disclosed below, there are no claims related to direct and indirect taxes involving our Company and our Subsidiary.

Nature of case	Number of cases	Amount involved* (₹ million)
Company		
Direct tax	1	40.92
Indirect tax	3	46.16
Subsidiary		
Direct tax	-	-
Indirect tax	-	-

**To the extent quantifiable, including interest and penalty thereon.*

VI. *There are no litigation, inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 against our Company and/ or our Subsidiary in the last three years preceding the year of this Preliminary Placement Document.*

VII. *There are no prosecutions filed against, fines imposed on, or compounding of offences by our Company and/ or our Subsidiary under the Companies Act, 2013 or the Companies Act, 1956 in the last three years preceding the year of this Preliminary Placement Document.*

However, the following penalties in relation to compounding of offences were imposed on our Company in the last three years immediately preceding the date of filing of this Preliminary Placement Document:

(i) In accordance with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, our Company was required to disclose details of the employee stock option scheme formulated in 2017 (the “**2017 Scheme**”) in the director’s report for the Fiscal ended 2018**,** including, among other things, the number of options granted, vested, exercised, lapsed, the exercise price, variation of terms of options and money realized by exercise of options in the directors’ report. Our Company approved the 2017 Scheme in 2017 and granted the options to its employees on December 27, 2017 without disclosing the relevant details in the director’s report for Fiscal 2018. In this regard, we had filed a compounding application with the Regional Director, South East Region, Hyderabad (the "**Regional Director**") on June 3, 2022. Pursuant to order dated January 10, 2023, our Company and certain of our Directors were directed by the Regional Director to pay an aggregate compounding fee ₹0.03 million, which was paid by our Company and the relevant Directors.

(ii) In accordance with Section 77 of the Companies Act, our Company was required to register the charge created pursuant to availing certain loan facilities, with the RoC within 30 days or 60 days from the date of creation of charge by payment of normal fees or by paying additional fees, respectively. In the years 2020 and 2021, our Company availed two vehicle loans and one home loan from ICICI Bank and created charge on assets pursuant to such loan, without registering such charge with the RoC within the prescribed period. In this regard, we had filed a compounding application with the Regional Director, South East Region, Hyderabad on November 24, 2022. Pursuant to order dated June 15, 2023, our Company and certain of our Directors were directed by the RoC to pay an aggregate penalty of ₹0.30 million, which was paid by our Company and the relevant Directors.

VIII. ***There are no material frauds committed against our Company in the last three years preceding the date of this Preliminary Placement Document.***

IX. ***There are no defaults by our Company (on a consolidated basis) in respect of repayment of (i) statutory dues; (ii) debentures (including interest thereon); (ii) deposits (including interest thereon); and (iv) loans (including interest thereon), as at the date of this Preliminary Placement Document.***

X. ***Except as disclosed below, there are no litigations or legal actions pending or taken against our Promoters by any Ministry or Department of the Government or any statutory authority in the last three years immediately preceding the year of circulation of this Preliminary Placement Document and there are no directions issued by such Ministry or Department of the Government or statutory authority upon conclusion of such litigation or legal action.***

(i) The Directorate General of GST Intelligence, Hyderabad Zonal Unit ("**DGGI**") issued summons under Section 70 and section 174(2) of the Central Goods and Services Tax Act, 2017, as amended (the "**CGST Act**") in relation to non-payment of GST and requested our Company to furnish certain documents. Certain major customers and vendors of our Company were also issued summons in this regard. Based on investigations, our Company was alleged to be in non-compliance with registration and payment requirements for service tax. The DGGI issued a show cause notice dated November 13, 2019 (the "**SCN**") to our Company for evasion of GST on the taxable services provided by our Company. It was alleged that our Company was liable to pay service tax on amount received towards loading of 'face value' of the gift cards (₹240.41 million), breakage income (₹2.66 million), sale of gift vouchers/ coupons issued by merchants (₹16.66 million), interchange fee collected from the payment gateway/network companies (₹7.79 million), merchant commission charged on the amount swiped using the gifts cards (₹0.78 million), miscellaneous income (₹0.90 million) and directors' remunerations paid under reverse charge mechanism (₹2.80 million) (collectively, the "**Allegations**").

Accordingly, in terms of the SCN, our Company was directed to show cause as to why service tax aggregating to ₹272.04 million for the period of April 2014 to June 2017 along with the interest for delayed payment of service tax proposed to be demanded, and other penalties under the Finance Act, 1994, Central Excise Act, 1944 and the rules made thereunder and CGST Act, should not be imposed on our Company. Our Company filed a reply to the SCN on March 20, 2020 contending, among other things, that the Allegations under the SCN are invalid, activities of the Company do not fall under taxable category, and that it only acts as the custodian of the funds collected from the corporate clients. The Commissioner of Central Tax issued an order on March 30, 2022 wherein the demand for certain penalties including, among other things, the interchange fee collected from the payment gateway/network companies, breakage income, merchant commission and discounts received from various associate merchants/retailers with reference to issuance of prepaid cards and miscellaneous income and charged on the amount swiped using the gifts cards were upheld. In addition to this, late fees of ₹0.14 million was imposed on our Company for non-filing of mandatory returns, along with a penalty of ₹0.10 million on Avinash Ramesh Godkhindi in the capacity of Managing Director and Chief Executive Officer of our Company. Our Company and Avinash Ramesh Godkhindi have filed an appeal memorandum against the aforementioned order, before the Assistant Registrar, Customs, Excise and Service Tax Appellate Tribunal, Hyderabad on October 31, 2022. This matter is currently pending.

(ii) The Directorate General of Goods and Services Tax Intelligence, Mumbai Zonal Unit (the "**DGGI**") issued a show cause and demand notice (the "**SCN**") dated June 15, 2023, to our Company, our Directors, Raj P Narayanam, Avinash Ramesh Godkhindi, Abhay Deshpande Raosaheb, Prerna Tandon, Arun Vijaykumar Gupta and Aravamudan Krishna Kumar ("**Directors**"), and various other parties, under provisions of the Central Goods and Sales Tax Act, 2017, the State Goods and Sales Tax Act, 2017 and the Integrated Goods and Sales Tax Act, 2017 ("**GST Laws**"). The SCN alleges, *inter alia*, that our Company wrongly availed input tax credit amounting to ₹8.46 million ("**ITC"**) and passed on such ITC without actual supply of services for the period from July 2017 to March 2022. Accordingly, in terms of the SCN, our Company and our Directors were directed to show cause as to why penalties under the GST Laws should not be imposed. The matter is currently pending.

XI. ***There are no defaults in submitting the annual filings under the Companies Act, 2013 or Companies Act, 1956 or rules made thereunder.***

XII. ***Neither us, nor our Promoters or Directors are wilful defaulters or fraudulent borrowers as at the date of this Preliminary Placement Document.***

XIII. ***As at the date of this Preliminary Placement Document, none of the Directors of our Company are fugitive economic offenders.***

XIV. ***There are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.***

XV. ***There are no reservations or qualifications or adverse remarks of auditors of our Company in the last five financial years immediately preceding the year of this Preliminary Placement Document.***

OUR STATUTORY AUDITORS

Our Statutory Auditors, M S K A & Associates, Chartered Accountant, are independent auditors with respect to our Company, as required by the Companies Act, 2013 and in accordance with the guidelines issued by the ICAI, and have been re-appointed pursuant to our Shareholders approval at the AGM held on September 30, 2022, for a term until the conclusion of the 15th Annual General Meeting to be held in the year 2025-26. The peer review certificate (with the number: 016966) of our current Statutory Auditors, M S K A & Associates, Chartered Accountant, validly exists as at the date of this Preliminary Placement Document.

The audited financial statements of our Company as at and for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022 have been audited by our prior joint statutory auditors, P R S V & Co. LLP, Chartered Accountants and M S K A & Associates, Chartered Accountant, and they have issued audit reports thereon.

Our Statutory Auditors have performed limited review of the Unaudited Consolidated Interim Financial Statements as at and for the six-month ended September 30, 2024 and have issued a limited review report thereon

GENERAL INFORMATION

- Our Company was incorporated as 'Zaggle Prepaid Ocean Services Private Limited' at Hyderabad as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated June 2, 2011 issued by the Registrar of Companies, Andhra Pradesh at Hyderabad. Subsequently, our Company was converted into a public limited company under the Companies Act, 2013, pursuant to a resolution passed by our Board and a special resolution passed by our Shareholders at the EGM, each held on August 22, 2022 and consequently the name of our Company was changed to 'Zaggle Prepaid Ocean Services Limited' and a fresh certificate of incorporation dated September 13, 2022 was issued by the Registrar of Companies, Telangana at Hyderabad.

- Our Registered Office is located at 15th Floor - Western Block, Vamasiram - Suvarna Durga Tech Park, Nanakramguda Village, Serilingampally Mandal, GHMC Serilingampally Circle, Rangareddi District 500 032, Telangana, India.

- The Corporate Office of our Company is located at B1-004, Ground Floor, Boomerang Building, C.T.S. No. 4A, Village Saki Naka, Andheri (East), Taluka Kurla, District Mumbai Suburban, Mumbai 400 072, Maharashtra, India.

- Our CIN is L65999TG2011PLC074795. The website of our Company is www.zaggle.in.

- The authorised share capital of our Company is ₹150,000,000.00 divided into 150,000,000 Equity Shares of face value of ₹1 each.

- The Equity Shares are listed and permitted to trade on BSE and NSE since September 22, 2023.

- The Issue was authorized and approved by our Board of Directors on October 30, 2024. Our Shareholders have approved the Issue by way of a postal ballot in a special resolution on December 2, 2024.

- Our Company has received in-principle approvals in terms of Regulation 28(1) of the SEBI Listing Regulations from each of the BSE and the NSE on December 18, 2024, to list the Equity Shares issued pursuant to the Issue on the Stock Exchanges. We will apply for final listing and trading approvals of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges after Allotment of the Equity Shares in the Issue.

- As of the date of this Preliminary Placement Document, our Company has filed a trademark application to obtain a copyright for its logo "Zaggle" under the Trademarks Act, 1999, which is currently pending.

- Copies of our Memorandum of Association and Articles of Association will be available for inspection between 10:00 am to 5:00 pm on any weekday (except Saturdays and public holidays) during the Issue Period at our Registered Office.

- Except as disclosed in this Preliminary Placement Document, there has been no material change in the financial or trading position of our Company since September 30, 2024 the date of the Unaudited Consolidated Interim Financial Statements included in this Preliminary Placement Document.

- The Floor Price is ₹550.73 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Board by way of its resolution dated October 30, 2024 and the Shareholders of the Company through their special resolution passed on December 2, 2024 via postal ballot and in terms of Regulation 176(1) of the SEBI ICDR Regulations.

- Our Company has obtained necessary consents, approvals and authorizations required in connection with the Issue.

- Except as disclosed in this Preliminary Placement Document, there are no material litigation or arbitration proceedings pending against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which may have a material adverse effect on the Issue. For further details, see "*Legal Proceedings*" on page 226.

- Our Company and the Lead Managers accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including our website, would be doing it at their own risk.

- No change in control in our Company will occur consequent to this Issue.

- Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR.

- In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited as the Monitoring Agency, for monitoring the utilisation of the proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

- Hari Priya is the Company Secretary and Compliance Officer of our Company. Her details are as follows:

  Hari Priya
  15th Floor - Western Block
  Vamasiram - Suvarna Durga Tech Park
  Nanakramguda Village, Serilingampally Mandal
  GHMC Serilingampally Circle
  Rangareddi District 500 032
  Telangana, India
  Tel: +91 40 2311 9049
  Email: companysecretary@zaggle.in

PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment of Equity Shares pursuant to this Issue shall be made by our Company, in consultation with the Lead Managers, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue and the percentage of post-Issue capital that may be held by them is set forth below.

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (%)^#
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]

^ *Based on beneficiary position as at [●], 2024 and adjusted for Equity Shares Allocated in the Issue.*

Note: Subject to receipt of funds and Allotment in the Issue. The above table has been intentionally left blank and shall be updated in the Placement Document.

 # The post-Issue shareholding (in percentage terms) of the proposed Allottees will be disclosed on the basis of their respective PAN, except in case of Mutual Funds, insurance companies, and Eligible FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID will be considered.

FINANCIAL INFORMATION

S. No.	Financial Information	Page Number
1.	Unaudited consolidated interim financial statements of our Group as at and for the six-month period ended September 30, 2024	F-1 to F-11
2.	Audited consolidated financial statements of our Group as at and for the financial year ended March 31, 2024	F-12 to F-124
3.	Audited consolidated financial statements of our Group as at and for the financial year ended March 31, 2023	F-125 to F-206
4.	Audited financial statements of our Group as at and for the financial year ended March 31, 2022	F-207 to F-258

MSKA & Associates
Chartered Accountants

1101/B, Manjeera Trinity Corporate
JNTU-Hitech City Road, Kukatpally
Telangana, Hyderabad 500072, INDIA

Independent Auditor's Review Report on standalone unaudited financial results of Zaggle Prepaid Ocean Services Limited for the quarter and year to date pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To The Board of Directors of Zaggle Prepaid Ocean Services Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results of Zaggle Prepaid Ocean Services Limited ("the Company") for the quarter ended September 30, 2024 and the year to-date results for the period from April 01, 2024 to September 30, 2024 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Regulations").

2. This Statement, which is the responsibility of the Company's Management and has been approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder ("Ind AS 34") and other recognised accounting principles generally accepted in India and is in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 and other recognised accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. The unaudited standalone financial results of the Company for the quarter ended June 30, 2024, for the quarter & half year ended September 30, 2023, and audited standalone financial results for the year ended March 31, 2024, were reviewed /audited by us and erstwhile joint auditor and we jointly issued an unmodified conclusion / opinion on these standalone financial results / statements vide our joint reports dated July 30,2024, November 7, 2023, and May 23, 2024 respectively.

   Our conclusion on the Statement is not modified in respect of this matter.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Prakash

Prakash Chandra Bhutada
Partner
Membership No.: 404621
UDIN: 24404621BKFSMK6067
Place: Hyderabad
Date: November 13, 2024

MSKA & ASSOCIATES Hyderabad Chartered Accountants

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Zaggle Prepaid Ocean Services Limited

Regd. Office: 15th Floor – Western Block, Vamasiram – Suvarna Durga Tech Park,Nanakramguda Village, Serilingampally Mandal,Ranga Reddy District, 500032

Website: www.zaggle.in; Email ID: accounts.hyd@zaggle.in

CIN: L65999TG2011PLC074795

Statement of Unaudited Standalone Financial Results for the Quarter and Half-year ended September 30, 2024

(₹ in Million)

Sl. No	Particulars		Quarter Ended			Half-year Ended		Year ended
			30-Sep-24	30-Jun-24	30-Sep-23	30-Sep-24	30-Sep-23	31-Mar-24
			Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Revenue**							
	(a)	Revenue from operations	3,025.57	2,522.06	1,842.42	5,547.63	3,027.21	7,755.98
	(b)	Other income	37.38	45.17	6.70	82.55	21.26	112.71
	Total income		**3,062.95**	**2,567.23**	**1,849.12**	**5,630.18**	**3,048.47**	**7,868.69**
2	**Expenses**							
	(a)	Cost of point redemption / gift cards	1,619.31	1,104.60	1,140.95	2,723.91	1,719.55	3,809.44
	(b)	Employee benefits expense	179.09	140.91	179.23	320.00	318.69	512.82
	(c)	Finance costs	22.13	20.58	33.71	42.71	77.84	137.17
	(d)	Depreciation and amortisation expense	24.39	21.36	24.03	45.75	44.08	83.63
	(e)	Incentives and cash back	789.74	896.47	257.88	1,686.21	507.73	2,168.27
	(f)	Other expenses	170.37	155.75	114.08	326.12	251.40	559.55
	Total expenses		**2,805.03**	**2,339.67**	**1,749.88**	**5,144.70**	**2,919.29**	**7,270.88**
3	**Profit before tax (1-2)**		**257.92**	**227.56**	**99.24**	**485.48**	**129.18**	**597.81**
4	**Tax expense**							
	(a)	Current tax	63.02	61.36	23.39	124.38	32.47	162.11
	(b)	Deferred tax	9.31	(1.00)	-	8.31	0.31	(4.50)
	Total tax expense		**72.33**	**60.36**	**23.39**	**132.69**	**32.78**	**157.61**
5	**Net Proft after tax (3-4)**		**185.59**	**167.20**	**75.85**	**352.79**	**96.40**	**440.20**
6	**Other comprehensive income/ (loss) (net of taxes)**							
	Items that will not be reclassified subsequently to profit or loss							
	(a)	Remeasurement of the defined benefit plans	(0.52)	2.56	0.48	2.04	0.60	(0.01)
	(b)	Fair value changes in equity instruments through other comprehensive income	1.29	1.37	-	2.66	-	(2.32)
	(c)	Deferred tax relating to above items	(0.19)	(0.99)	(0.12)	(1.18)	(0.15)	(0.63)
	Total Other comprehensive income/ (loss)		0.58	2.94	0.36	3.52	0.45	(2.96)
	Total comprehensive income (5+6)		**186.17**	**170.14**	**76.21**	**356.31**	**96.85**	**437.24**
7	**Paid up equity share capital (Face Value ₹ 1 each)**		**122.61**	**122.49**	**122.10**	**122.61**	**122.10**	**122.49**
8	**Other equity**		-	-	-	-	-	**5,631.33**
9	**Earnings Per Share (Face Value of ₹ 1 per share) (for the period not annualised)**							
	Basic Earnings per share (in ₹)		1.51	1.37	0.78	2.88	1.02	4.06
	Diluted Earnings per share (in ₹)		1.51	1.36	0.77	2.86	1.00	4.03
	See accompanying notes to the financial results							

M S K A & ASSOCIATES Hyderabad Chartered Accountants

ZAGGLE PREPAID OCEAN SERVICES LIMITED HYDERABAD

Notes:

1 The above standalone unaudited financial results of Zaggle Prepaid Ocean Services Limited ("the Company") for the quarter and half year ended September 30, 2024, were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meeting held on November 13, 2024. The statutory auditors of the Company have carried out limited review of the above said results.

2 The standalone unaudited financial results of the company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").

3 During the quarter ended September 30, 2024, pursuant to the share purchase agreement September 26, 2024, the Company has acquired additional stake of 53.32% of shareholding in Span Across IT Solutions Private Limited and the acquisition was completed on September 30, 2024.

4 The details of funds raised through Initial Public Offer (IPO) by the Company during the financial year 2023-24, and utilisation of said funds as at September 30, 2024 are as follows:

(₹ in Million)

Object of the issue as per prospectus	Amount to be utilised as per prospectus	Utilisation up to September 30, 2024	Unutilised amount up to September 30, 2024*
Expenditure towards Customer acquisition and retention	3,000.00	1,824.59	1,175.41
Expenditure towards development of technology and products	400.00	138.29	261.71
Repayment/ pre-payment of certain borrowings, in full or part, availed by the Company	170.83	168.00	2.83
General corporate purposes	50.77	1.62	49.15
Total	**3,621.60**	**2,132.50**	**1,489.10**

* Net IPO Proceeds which were unutilised as at September 30, 2024 were temporarily invested in deposits with scheduled commercial banks and in monitoring agency account.

5 During the quarter ended September 30, 2024, the Company has allotted 91,764 shares having an exercise price of Rs. 1 per option/share and 32,542 shares having an exercise price of Rs. 164 per option/share , under the Employee Stock Options Scheme of the Company.

6 The Company has disclosed the segment information in the consolidated unaudited financial results and therefore no separate disclosure on segment information is given in the standalone unaudited financial results for the quarter and half year ended September 30, 2024.

By the Order of the Board
For Zaggle Prepaid Ocean Services Limited

Raj P Narayanam
Executive Chairman
DIN : 00410032

ZAGGLE PREPAID OCEAN SERVICES LIMITED * HYDERABAD

Place: Hyderabad
Date: November 13, 2024

M S K A & ASSOCIATES * Hyderabad * Chartered Accountants

Zaggle Prepaid Ocean Services Limited

Standalone Statement of Assets and liabilities (₹ in Millions)

Particulars	As at September 30, 2024	As at March 31, 2024
	Unaudited	Audited
ASSETS		
Non-current assets		
a) Property, plant and equipment	368.67	25.32
b) Right-of-use assets	92.69	119.10
c) Intangible assets	225.94	81.56
d) Intangible assets under development	445.39	498.63
e) Financial assets		
(i) Investments	590.38	259.83
(ii) Other financial assets	49.15	46.12
f) Income-tax assets (net)	19.27	11.00
g) Deferred tax assets (net)	18.11	27.60
h) Other non-current assets	27.23	27.22
Total non-current assets	**1,836.83**	**1,096.38**
Current assets		
a) Inventories	7.98	3.58
b) Financial assets		
(i) Investments	-	5.20
(ii) Trade receivables	2,014.55	1,746.21
(iii) Cash and cash equivalents	73.24	79.40
(iv) Bank balances other than (iii) above	1,754.02	2,713.67
(v) Others	46.36	30.40
c) Other current assets	1,731.63	1,286.52
Total current assets	**5,627.78**	**5,864.98**
Total assets	**7,464.61**	**6,961.36**
EQUITY AND LIABILITIES		
EQUITY		
a)Equity share capital	122.61	122.49
b)Other equity	6,052.58	5,631.33
Total equity	**6,175.19**	**5,753.82**
LIABILITIES		
Non-current liabilities		
a) Financial liabilities		
(i) Borrowings	41.36	154.73
(ia) Lease liabilities	75.08	87.57
b) Provisions	18.44	16.40
Total non-current liabilities	**134.88**	**258.70**
Current liabilities		
a) Financial liabilities		
(i) Borrowings	513.84	581.29
(ia) Lease liabilities	28.25	42.68
(ii) Trade payables		
Total outstanding dues of micro and small enterprises	4.26	6.53
Total outstanding dues of creditors other than micro and small enterprises	17.63	13.10
(iii) Other financial liabilities	26.98	21.11
b) Provisions	0.93	0.95
c) Other current liabilities	537.00	281.77
d) Current tax liabilities (net)	25.65	1.41
Total current liabilities	**1,154.54**	**948.84**
Total liabilities	**1,289.42**	**1,207.54**
Total equity and liabilities	**7,464.61**	**6,961.36**

M S K A & ASSOCIATES Hyderabad Chartered Accountants

ZAGGLE PREPAID OCEAN SERVICES LIMITED HYDERABAD

Zaggle Prepaid Ocean Services Limited
Standalone Cash Flow Statement

(₹ in Millions)

Particulars		For the Half year ended	
		September 30, 2024	September 30, 2023
		Unaudited	Unaudited
A. Cash flow from operating activities			
Profit before tax		485.48	129.18
Adjustments for :			
Depreciation and amortization expense		45.75	44.08
Interest expense		42.71	77.84
Profit on sale of property, plant and equipment		0.16	-
Provision for Credit impaired trade receivables		2.60	-
Net gain on financial assets designated on FVTPL		-	(0.65)
Net gain on termination of lease		(2.69)	(4.26)
Interest income		(78.87)	(12.02)
Employee share based compensation expenses		59.63	125.63
Operating profit before working capital changes		**554.77**	**359.80**
Change in assets and liabilities			
Adjustments for (increase)/decrease in operating assets:			
Trade receivables		(270.94)	(184.94)
Inventories		(4.40)	0.27
Other financial assets		(4.93)	(30.94)
Other assets		(445.12)	(466.58)
Adjustments for increase/(decrease) in operating liabilities:			
Trade payables		2.26	(50.54)
Provision		2.02	3.54
Other financial liabilities		5.87	-
Other liabilities		254.57	(88.49)
Cash generated / (used in) from operations		**94.10**	**(457.88)**
Income taxes (paid) / refund (net of refund / paid)		(108.41)	106.21
Net cash used in operating activities	**A**	**(14.31)**	**(351.67)**
B. Cash flows from investing activities			
Purchase of Property, plant and Equipment, intangible assets, intangibles under development including capital advance		(465.22)	(64.76)
Proceeds from sale of property, plant and equipment		1.90	-
Movement in other than cash and cash equivalents, net		959.65	(3,438.17)
Advance towards purchase of investment		-	(5.00)
Investment in Subsidiary		(320.75)	-
Investment in unquoted funds		(7.14)	-
Proceeds from sale of investment in quoted mutual funds		5.20	11.83
Interest received		64.81	0.14
Net cash flow from / (used in) investing activities	**B**	**238.45**	**(3,495.96)**
C. Cash flow from financing activities			
Proceeds from issue of equity shares including security premium		5.42	4,677.93
Share issue expenses		-	(149.49)
Repayment of long term borrowings		(113.37)	(544.10)
(Repayment of) / Proceeds from short term borrowings		(67.45)	5.78
Payment of lease liabilities		(12.82)	(5.05)
Interest on lease liabilities		(6.51)	(5.72)
Interest paid		(35.57)	(77.84)
Net cash (used in) / flow from financing activities	**C**	**(230.30)**	**3,901.51**
Net (decrease) / increase in cash and cash equivalents	**A+B+C**	**(6.16)**	53.88
Cash and cash equivalents at the beginning of the period		79.40	195.89
Cash and cash equivalents at the end of the period		**73.24**	**249.77**

MSKA & Associates Hyderabad

Zaggle Prepaid Ocean Services Limited HYDERABAD

MSKA & Associates
Chartered Accountants

1101/B, Manjeera Trinity Corporate
JNTU-Hitech City Road, Kukatpally
Telangana, Hyderabad 500072, INDIA

Independent Auditor's Review Report on consolidated unaudited financial results of Zaggle Prepaid Ocean Services Limited for the quarter and year to date pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To the Board of Directors of Zaggle Prepaid Ocean Services Limited

1. We have reviewed the accompanying Statement of consolidated unaudited financial results of Zaggle Prepaid Ocean Services Limited ("the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as the "Group") and its share of profit after tax and total comprehensive income of its associate, for the quarter ended September 30, 2024 and the year to-date results for the period from April 01, 2024 to September 30, 2024 ("the Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Regulations").

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder ("Ind AS 34") and other recognised accounting principles generally accepted in India and is in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33 (8) of the Regulations, to the extent applicable.

4. This Statement includes the results of the Holding Company and the following entity:

Name of the Entity	Relationship with the Holding Company
Span Across IT Solutions Private Limited	Associate (till September 29, 2024)
	Subsidiary (w.e.f. September 30, 2024)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of the other auditor referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 and other recognised accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

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Ahmedabad | Bengaluru | Chennai | Goa | Gurugram | Hyderabad | Kochi | Kolkata | Mumbai | Pune
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6. We did not review the interim financial results of a subsidiary included in the Statement, whose financial results reflects total assets of Rs. 63.34 Mn as at September 30, 2024, and total revenues of Rs. Nil and total net profit tax of Rs. Nil for the quarter ended September 30, 2024 and for half year ended September 30, 2024, and cash flows (net) of Rs. Nil for the half year ended September 30, 2024, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of Rs. 0.33 Mn and Rs. 0.47 Mn and total comprehensive income of Rs. 0.33 Mn and Rs. 0.47 Mn for the period ended July 1, 2024 to September 29, 2024, and for the period from April 01, 2024 to September 29, 2024, respectively, as considered in the Statement, in respect of an associate, whose interim financial results has not been reviewed by us. This interim financial result has been reviewed by other auditor whose report have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and associate, is based solely on the report of the other auditor's and the procedures performed by us as stated in paragraph 3 above.

   Our conclusion is not modified in respect of the above matter with respect to our reliance on the work done by and report of the other auditor.

7. The unaudited consolidated financial results of the Company for the quarter ended June 30, 2024, for the quarter & half year ended September 30, 2023, and audited consolidated financial results for the year ended March 31, 2024, were reviewed /audited by us and erstwhile joint auditor and we jointly issued an unmodified conclusion / opinion on these consolidated financial results / statements vide our joint reports dated July 30,2024, November 7, 2023, and May 23, 2024 respectively.

   Our conclusion on the Statement is not modified in respect of this matter.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Prakash

Prakash Chandra Bhutada
Partner
Membership No.: 404621
UDIN: 24404621BKFSML9415

& ASSOCIATES Hyderabad Chartered Accountants

Place: Hyderabad
Date: November 13, 2024

Zaggle Prepaid Ocean Services Limited

Regd. Office: 15th Floor – Western Block, Vamasiram – Suvarna Durga Tech Park,Nanakramguda Village, Serilingampally Mandal,Ranga Reddy District, 500032

Website: www.zaggle.in; Email ID: accounts.hyd@zaggle.in

CIN: L65999TG2011PLC074795

Statement of Unaudited Consolidated Financial Results for the Quarter and Half-year ended September 30, 2024

(₹ in Millic

Sl. No	Particulars	Quarter Ended			Half-year Ended		Year ende
		30-Sep-24	30-Jun-24	30-Sep-23	30-Sep-24	30-Sep-23	31-Mar-2
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Revenue**						
	(a) Revenue from operations	3,025.57	2,522.06	1,842.42	5,547.63	3,027.21	7,755
	(b) Other income (Refer Note 3)	60.13	45.17	6.70	105.30	21.26	112
	Total income	**3,085.70**	**2,567.23**	**1,849.12**	**5,652.93**	**3,048.47**	**7,868**
2	**Expenses**						
	(a) Cost of point redemption / gift cards	1,619.31	1,104.60	1,140.95	2,723.91	1,719.55	3,809
	(b) Employee benefits expense	179.09	140.91	179.23	320.00	318.69	512
	(c) Finance costs	22.13	20.58	33.71	42.71	77.84	137
	(d) Depreciation and amortisation expense	24.39	21.36	24.03	45.75	44.08	83
	(e) Incentives and cash back	789.74	896.47	257.88	1,686.21	507.73	2,168
	(f) Other expenses	170.37	155.75	114.08	326.12	251.40	559
	Total expenses	**2,805.03**	**2,339.67**	**1,749.88**	**5,144.70**	**2,919.29**	**7,270**
3	**Profit before share of profit of an associate (1-2)**	**280.67**	**227.56**	**99.24**	**508.23**	**129.18**	**597**
4	Share of profit of an associate (Refer Note 3)	**0.33**	**0.14**	**-**	**0.47**	**-**	
5	**Profit before tax (3+4)**	**281.00**	**227.70**	**99.24**	**508.70**	**129.18**	**597**
6	**Tax expense**						
	(a) Current tax	63.02	61.36	23.39	124.38	32.47	162
	(b) Deferred tax	15.04	(1.00)	-	14.04	0.31	(4
	Total tax expense	**78.06**	**60.36**	**23.39**	**138.42**	**32.78**	**157**
7	**Net Proft after tax (5-6)**	**202.94**	**167.34**	**75.85**	**370.28**	**96.40**	**440**
8	**Other comprehensive income/ (loss) (net of taxes)**						
	Items that will not be reclassified subsequently to profit or loss						
	(a) Remeasurement of the defined benefit plans	(0.52)	2.56	0.48	2.04	0.60	(0
	(b) Fair value changes in equity instruments through other comprehensive income	1.29	1.37	-	2.66	-	(2
	(c) Deferred tax relating to above items	(0.19)	(0.99)	(0.12)	(1.18)	(0.15)	(0
	Total Other comprehensive income/ (loss)	0.58	2.94	0.36	3.52	0.45	(2
	Total comprehensive income (7+8)	**203.52**	**170.28**	**76.21**	**373.80**	**96.85**	**437**
	Attributable to:						
	Shareholders of the Company	203.52	170.28	76.21	373.80	96.85	437
	Non-controlling interests	-	-	-	-	-	
9	**Paid up equity share capital (Face Value ₹ 1 each)**	**122.61**	**122.49**	**122.10**	**122.61**	**122.10**	**122**
10	**Other equity**	-	-	-	-	-	**5,631**
11	**Earnings Per Share (Face Value of ₹ 1 per share) (for the period not annualised)**						
	Basic Earnings per share (in ₹)	1.66	1.37	0.78	3.02	1.02	4
	Diluted Earnings per share (in ₹)	1.65	1.36	0.77	3.01	1.00	4
	See accompanying notes to the financial results						

M S K A & ASSOCIATES ★ Chartered Accountants ★ Hyderabad

ZAGGLE PREPAID OCEAN SERVICES LIMITED ★ HYDERABAD

Notes:

1 The above consolidated unaudited financial results of Zaggle Prepaid Ocean Services Limited ("the Company") for the quarter and half year ended September 30, 2024, were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meeting held on November 13, 2024. The statutory auditors of the Company have carried out limited review of the above said results.

2 The consolidated unaudited financial results of the company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").

3 During the quarter ended September 30, 2024, pursuant to the share purchase agreement September 26, 2024, the Company has acquired 53.32% of shareholding in Span Across IT Solutions Private Limited and the acquisition was completed on September 30, 2024. Consequence to this acquisition and the stake held in the Span Across IT solution Private Limited earlier, it has become a subsidiary of the Company w.e.f. September 30, 2024.

The transaction was accounted in accordance with Ind AS 103-Business Combination ("Ind AS 103") and the initial accounting was provisionally determined as at September 30, 2024.

The remeasurement of 45% shareholding in Span Across previously accounted using the equity method has resulted in to gain of Rs. 22.75 million and recorded as other income in the statements of profit and loss in during the quarter ended September 30, 2024.

4 The consolidated financial results include results of the following entity:

Name of the Entity	Relationship with the Holding Company
Span Across IT Solutions Private Limited	Subsidiary (w.e.f. September 30, 2024)
	Associate (till September 29, 2024)

5 The details of funds raised through Initial Public Offer (IPO) by the Holding Company during the financial year 2023-24, and utilisation of said funds as at September 30, 2024 are as follows:

(₹ in Million)

Object of the issue as per prospectus	Amount to be utilised as per prospectus	Utilisation up to September 30, 2024	Unutilised amount up to September 30, 2024*
Expenditure towards Customer acquisition and retention	3,000.00	1,824.59	1,175.41
Expenditure towards development of technology and products	400.00	138.29	261.71
Repayment/ pre-payment of certain borrowings, in full or part, availed by the Company	170.83	168.00	2.83
General corporate purposes	50.77	1.62	49.15
Total	**3,621.60**	**2,132.50**	**1,489.10**

* Net IPO Proceeds which were unutilised as at September 30, 2024 were temporarily invested in deposits with scheduled commercial banks and in monitoring agency account.

6 Segment Reporting :

(₹ in Million)

Particulars	Quarter Ended			Year Ended
	30-Sep-24	30-Jun-24	30-Sep-23	31-Mar-24
	Unaudited	Unaudited	Unaudited	Audited
Revenue from Customers				
Program fee	1,261.11	1,269.39	485.93	3,218.43
Propel platform revenue / gift cards	1,679.31	1,168.31	1,280.40	4,225.06
Platform fee / saaS fee / service fee	85.15	84.36	76.09	312.49
Total	**3,025.57**	**2,522.06**	**1,842.42**	**7,755.98**
Revenue from Customers				
b. Geographical Segment information:				
Within India	3,025.57	2,522.06	1,842.42	7,755.98
Outside India	-	-	-	-
Total	**3,025.57**	**2,522.06**	**1,842.42**	**7,755.98**

Notes:

i) Segment information is presented for the "consolidated financial results" as permitted under the Ind AS 108 - 'Operating Segments".

ii) The Company's operating business are organised and managed according to nature of Products and services provided. This assessment resulted in identification of (a) Programe Fee (b) Platform Fee/Saas Fee/Service fee; (c) Propel platform revenue / Gift Cards as separate lines of business activities at Revenue level, by the Chief Operating Decision Maker (CODM). However, since the Company does not allocate common operating costs, assets and liabilities across business activities, as per the assessment undertaken by CODM, the allocation resources and assessment of the financial performance is undertaken at the Group level.

7 During the quarter ended September 30, 2024, the Company has allotted 91,764 shares having an exercise price of Rs. 1 per option/share and 32,542 shares having an exercise price of Rs. 164 per option/share , under the Employee Stock Options Scheme of the Company.

By the Order of the Board
For Zaggle Prepaid Ocean Services Limited

Raj P Narayanam
Executive Chairman
DIN : 00410032

Place: Hyderabad
Date: November 13, 2024

ZAGGLE PREPAID OCEAN SERVICES LIMITED HYDERABAD

M S K A & ASSOCIATES Chartered Accountants Hyderabad

Zaggle Prepaid Ocean Services Limited
Consolidated Statement of Assets and liabilities

(₹ in Millions)

Particulars	As at September 30, 2024	As at March 31, 2024
	Unaudited	Audited
ASSETS		
Non-current assets		
a) Property, plant and equipment	368.89	25.32
b) Right-of-use assets	92.69	119.10
c) Goodwill (Refer Note 3)	583.07	-
d) Intangible assets	228.62	81.56
e) Intangible assets under development	497.51	498.63
f) Financial assets		
(i) Investments	22.13	259.83
(ii) Other financial assets	49.47	46.12
g) Income-tax assets (net)	21.44	11.00
h) Deferred tax assets (net)	12.94	27.60
i) Other non-current assets	27.44	27.22
Total non-current assets	**1,904.20**	**1,096.38**
Current assets		
a) Inventories	7.98	3.58
b) Financial assets		
(i) Investments	-	5.20
(ii) Trade receivables	2,019.40	1,746.21
(iii) Cash and cash equivalents	73.42	79.40
(iv) Bank balances other than (iii) above	1,754.02	2,713.67
(v) Other financial assets	46.36	30.40
c) Other current assets	1,731.63	1,286.52
Total current assets	**5,632.81**	**5,864.98**
Total assets	**7,537.01**	**6,961.36**
EQUITY AND LIABILITIES		
EQUITY		
a)Equity share capital	122.61	122.49
b)Other equity	6,070.07	5,631.33
c) Non-controlling interests	10.13	-
Total equity	**6,202.81**	**5,753.82**
LIABILITIES		
Non-current liabilities		
a) Financial liabilities		
(i) Borrowings	75.84	154.73
(ia) Lease liabilities	75.08	87.57
b) Provisions	18.44	16.40
Total non-current liabilities	**169.36**	**258.70**
Current liabilities		
a) Financial liabilities		
(i) Borrowings	513.84	581.29
(ia) Lease liabilities	28.25	42.68
(ii) Trade payables		
Total outstanding dues of micro and small enterprises	4.26	6.53
Total outstanding dues of creditors other than micro and small enterprises	23.71	13.10
(iii) Other financial liabilities	29.93	21.11
b) Provisions	0.93	0.95
c) Other current liabilities	538.27	281.77
d) Current tax liabilities (net)	25.65	1.41
Total current liabilities	**1,164.84**	**948.84**
Total liabilities	**1,334.20**	**1,207.54**
Total equity and liabilities	**7,537.01**	**6,961.36**

M S K A & ASSOCIATES Hyderabad

PREPAID OCEAN SERVICES HYDERABAD

Zaggle Prepaid Ocean Services Limited
Consolidated Cash Flow Statement

(₹ in Millions)

Particulars		For the Half year ended	
		September 30, 2024	September 30, 2023
		Unaudited	Unaudited
A. Cash flow from operating activities			
Profit before tax		508.70	129.18
Adjustments for :			
Depreciation and amortization expense		45.75	44.08
Interest expense		42.71	77.84
Profit on sale of property, plant and equipment		0.16	-
Net gain on financial assets designated on FVTPL		-	(0.65)
Provision for Credit impaired trade receivables		2.60	-
Net gain on termination of lease		(2.69)	(4.26)
Share of profit from Associate		(0.47)	-
Gain on re-measurement of investment in Associate		(22.75)	-
Interest income		(78.87)	(12.02)
Employee share based compensation expenses		59.63	125.63
Operating profit before working capital changes		**554.77**	**359.80**
Change in assets and liabilities			
Adjustments for (increase)/decrease in operating assets:			
Trade receivables		(270.94)	(184.94)
Inventories		(4.40)	0.27
Other financial assets		(4.92)	(30.94)
Other assets		(445.12)	(466.58)
Adjustments for increase/(decrease) in operating liabilities:			
Trade payables		2.26	(50.54)
Provision		2.02	3.54
Other financial liabilities		5.85	-
Other liabilities		254.56	(88.49)
Cash generated from / (used in) operations		**94.08**	**(457.88)**
Income taxes (paid) / refund (net of refund / (paid)		(108.41)	106.21
Net cash used in operating activities	A	**(14.33)**	**(351.67)**
B. Cash flows from investing activities			
Purchase of property, plant and equipment, intangible assets, intangibles under development including Capital advance		(465.22)	(64.76)
Proceeds from sale of property, plant and equipment		1.90	-
Movement in other than cash and cash equivalents, net		959.85	(3,438.17)
Advance towards purchase of investment		-	(5.00)
Investment in subsidiary		(320.75)	-
Investment in unquoted funds		(7.14)	-
Proceeds from sale of investment in quoted mutual funds		5.20	11.83
Interest received		64.81	0.14
Net cash flow from / (used in) investing activities	B	**238.65**	**(3,495.96)**
C. Cash flow from financing activities			
Proceeds from issue of equity shares including security premium		5.42	4,677.93
Share issue expenses		-	(149.49)
Repayment of long term borrowings		(113.37)	(544.10)
Proceeds from / (Repayment) of short term borrowings		(67.45)	5.78
Payment of lease liabilities		(12.82)	(5.05)
Interest on lease liabilities		(6.51)	(5.72)
Interest paid		(35.57)	(77.84)
Net cash (used in) / flow from financing activities	C	**(230.30)**	**3,901.51**
Net (decrease) / increase in cash and cash equivalents	A+B+C	**(5.98)**	53.88
Cash and cash equivalents at the beginning of the period		79.40	195.89
Cash and cash equivalents at the end of the period		**73.42**	**249.77**

M S K A & ASSOCIATES Hyderabad Chartered Accountants

ZAGGLE PREPAID OCEAN SERVICES LIMITED HYDERABAD

INDEPENDENT AUDITORS' REPORT

To the Members of

Zaggle Prepaid Ocean Services Limited (Formerly Known as Zaggle Prepaid Ocean Services Private Limited)

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited) (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report:

Revenue Recognition (Refer note 2.2 (A) of Standalone Financial Statements):

Revenue is a key performance measure for the Company. Revenue of the Company mainly comprise of program fees and sales of propel gift cards vouchers.

Revenue is recognised as per the terms of the contract with the respective customers and when it meets the recognition criteria as per Ind AS 115 on "Revenue from contracts with customers".

There exists a risk of revenue not being recognised in proportion to the service performed by the Company. Further, revenue may also be recorded in an incorrect period or on a basis which is inconsistent with the contractual terms agreed with the customers.

In view of the above factors and given that the Company and its stakeholders focus on revenue as a key performance indicator, we have determined Revenue to be a key audit matter.

How the Key Audit Matter was addressed in our audit:

1. Evaluated the appropriateness of the revenue recognition accounting policies of the Company with the principles of Indian Accounting standard 115 - ' Revenue from contracts with customer' ('Ind AS 115').
2. Evaluated the design, implementation and tested the operating effectiveness of the relevant key controls with respect to revenue recognition.
3. Performed Analytical procedures on revenue recognised during the year to identify and inquire on unusual variances, if any and getting the reasons for variances confirmed from the management of the Company.
4. Verified completeness and existence assertion by performing substantive testing on selected samples of revenue transactions recorded during the year by testing the underlying documents including contracts,

invoices, gift voucher delivery communications and customer receipts, wherever applicable and obtaining independent balance confirmation from the customers at the balance sheet date.

5. Verified cut off assertion by reviewing the Company's revenue recognition policies, testing samples of revenue transactions near the end of the reporting period and verified supporting documents to verify that the revenue is recorded in corrected accounting period.

6. Tested on a sample basis, manual journal entries relating to revenues to identify and inquire on unusual items, if any.

7. Assessed the adequacy and appropriateness of the disclosures made in the financial statements to verify they are accurate, complete, and comply with the requirements of Ind AS 115 - ' Revenue from contracts with customer'.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc. but does not include the standalone financial statements and our auditor's report thereon. The Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc. is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc., if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2 (h) (vi) below on reporting under Rule 11(g).

   (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

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

   (g) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2 (b) above on reporting under Section 143(3)(b) and paragraph 2 (h) (vi) below on reporting under Rule 11(g).

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 30 to the standalone financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. (1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (2) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in

writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

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

vi. The Company has upgraded its accounting software on August 25, 2023, to the Edit Log version software from an earlier version of the accounting software it operated for maintaining its books of account during the year ended March 31, 2024. Based on our examination, we are unable to comment whether the earlier version of the accounting software had a feature of recording audit trail (edit log) facility and whether it was enabled therein. However, the upgraded Edit Log version software has a feature of recording audit trail (edit log) facility, which was enabled in the software and the same has been operated effectively throughout the period from August 25, 2023, to March 31, 2024. Further, we did not come across any instance of the audit trail feature being tampered with during this period in the upgraded Edit Log version software.

3. In our opinion, according to information, explanations given to us, the remuneration paid / provided by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 24222068BKAVRA7010

Place: Hyderabad
Date: May 23, 2024

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Prakash Chandra Bhutada
Partner
Membership No. 404621
UDIN: 24404621BKFSKG3035

Place: Hyderabad
Date: May 23, 2024

ANNEXURE A

TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ZAGGLE PREPAID OCEAN SERVICES LIMITED (FORMERLY KNOWN AS ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2024, and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 24222068BKAVRA7010

Place: Hyderabad
Date: May 23, 2024

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Prakash Chandra Bhutada
Partner
Membership No. 404621
UDIN: 24404621BKFSKG3035

Place: Hyderabad
Date: May 23, 2024

ANNEXURE B

TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ZAGGLE PREPAID OCEAN SERVICEES LIMITED FOR THE YEAR ENDED MARCH 31, 2024

[REFERRED TO IN PARAGRAPH 1 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' IN THE INDEPENDENT AUDITORS' REPORT]

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

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

(b) Property, Plant and Equipment and right-of-use assets were physically verified by the management according to a phased programme designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of Property, plant and equipment and right-of-use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the provisions stated under clause 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including right-of-use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year the Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the standalone financial statements, quarterly returns / statements filed with such Banks are in agreement with the books of accounts of the Company.

iii. (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year. Accordingly, provisions stated under clause 3(iii)(a),(c),(d),(e) and (f) of the Order is not applicable.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made and terms and conditions in relation to investments made are not prejudicial to the interest of the Company.

iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 (the "Act"), in respect of investments made.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, the provisions stated under clause 3(v) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are deposits.

vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products/ services of the Company. Accordingly, the provisions stated under clause 3(vi) of the Order are not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in a few cases.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess, and other statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded Rs. in Million	Amount Paid Rs. Rs. in Million	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	24.73	4.32	April 01, 2014 to June 30, 2017	CESTAT
Income Tax Act, 1961	Income Tax	40.92	-	AY 2022-23	CIT(A)

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

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

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiary and associate.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary and associate companies. Accordingly, reporting under Clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanation given to us, monies raised during the year by the Company by way of initial public offer were applied for the purpose for which they were raised, though idle / surplus funds which are not required for immediate utilization have been invested in fixed deposits with scheduled commercial banks as well as maintained in current account with monitoring agency. The maximum amount of idle/surplus funds invested during the year was Rs. 3,462.55 Million of which Rs. 2,650.00 Million invested in fixed deposits and Rs. 9.70 Million maintained with monitoring agency and earmarked bank account respectively was outstanding at the end of the year.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of equity shares during the year and the requirements of Section 42 and Section 62 of the Act, have been complied with. The amount raised has been used for the purposes for which they were raised.

xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit.

(b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Act in clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions stated under clause 3 (xvi)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 3(xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 45 to the standalone financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, the Company has transferred unspent amount to a Fund specified in schedule VII of the Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of Section 135 of the Act.

(b) There are no ongoing projects and accordingly reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 24222068BKAVRA7010

Place: Hyderabad
Date: May 23, 2024

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Prakash Chandra Bhutada
Partner
Membership No. 404621
UDIN: 24404621BKFSKG3035

Place: Hyderabad
Date: May 23, 2024

ANNEXURE C

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ZAGGLE PREPAID OCEAN SERVICES LIMITED (FORMERLY KNOWN AS ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED)

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited) on the Standalone Financial Statements for the year ended March 31, 2024]

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE "ACT")

We have audited the internal financial controls with reference to standalone financial statements of Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited) (the "Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

OPINION

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

MANAGEMENTS' AND BOARD OF DIRECTOR'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 24222068BKAVRA7010

Place: Hyderabad
Date: May 23, 2024

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Prakash Chandra Bhutada
Partner
Membership No. 404621
UDIN: 24404621BKFSKG3035

Place: Hyderabad
Date: May 23, 2024

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2024

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	25.32	23.48
b) Right-of-use assets	4	119.10	196.73
c) Intangible assets	5 (a)	81.56	68.90
d) Intangible assets under development	5 (b)	498.63	108.68
e) Financial assets			
(i) Investments	6	259.83	4.85
(ii) Other financial assets	7	46.12	14.69
f) Income-tax assets (net)	8(a)	11.00	119.01
g) Deferred tax assets (net)	9	27.60	23.10
h) Other non-current assets	10	27.22	29.77
Total non-current assets		**1,096.38**	**589.21**
Current assets			
a) Inventories	11	3.58	0.97
b) Financial assets			
(i) Investments	6	5.20	12.32
(ii) Trade receivables	12	1,746.21	1,026.59
(iii) Cash and cash equivalents	13 (a)	79.40	195.89
(iv) Bank balances other than (iii) above	13 (b)	2,713.67	30.07
(v) Others financial assets	7	30.40	1.15
c) Other current assets	14	1,286.52	491.39
Total current assets		**5,864.98**	**1,758.38**
Total assets		**6,961.36**	**2,347.59**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity share capital	15	122.49	92.22
b) Other equity	16	5,631.33	395.29
Total equity		**5,753.82**	**487.51**
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	17	154.73	513.29
(ia) Lease liabilities	4	87.57	158.65
b) Provisions	21	16.40	11.43
Total non-current liabilities		**258.70**	**683.37**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	18	581.29	697.44
(ia) Lease liabilities	4	42.68	44.10
(ii) Trade payables	19		
Total outstanding dues of micro and small enterprises		6.53	9.63
Total outstanding dues of creditors other than micro and small enterprises		13.10	82.56
(iii) Other financial liabilities	20	21.11	23.66
b) Provisions	21	0.95	0.22
c) Other current liabilities	22	281.77	271.30
d) Current tax liabilities (net)	8(b)	1.41	47.80
Total current liabilities		**948.84**	**1,176.71**
Total liabilities		**1,207.54**	**1,860.08**
Total equity and liabilities		**6,961.36**	**2,347.59**

See accompanying notes forming part of the Standalone Financial Statements. 1-48

As per our report of even date attached

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Prakash Chandra Bhutada
Partner
Membership No: 404621

For **P R S V & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

For and on behalf of the Board of Directors of
Zaggle Prepaid Ocean Services Limited
(formerly known as Zaggle Prepaid Ocean Services Private Limited)

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: May 23, 2024

Place: Hyderabad
Date: May 23, 2024

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenues			
Revenue from operations	23	7,755.98	5,534.60
Other income	24	112.71	11.15
Total income		**7,868.69**	**5,545.75**
Expenses			
Cost of point redemption / gift cards		3,797.16	3,188.70
Consumption of cards	25	12.28	17.53
Employee benefits expense	26	512.82	435.83
Finance costs	27	137.17	113.77
Depreciation and amortisation expense	28	83.63	61.99
Other expenses	29	2,727.82	1,411.58
Total expenses		**7,270.88**	**5,229.40**
Profit before tax		**597.81**	**316.35**
Tax expenses			
Current tax	39	162.11	85.97
Deferred tax		(4.50)	1.37
Total tax expense		**157.61**	**87.34**
Profit after tax		**440.20**	**229.01**
Other comprehensive income			
Items that will not be reclassified subsequently to profit and loss			
Remeasurements of defined benefit liability and unquoted investments		(2.33)	0.46
Deferred tax relating to these items		(0.63)	(0.12)
Total comprehensive (loss)/income for the year		(2.96)	0.34
Total comprehensive income		**437.24**	**229.35**
Earnings per equity share (Face value of ₹ 1 each)			
- Basic (₹)	32	4.06	2.48
- Diluted (₹)		4.03	2.46

See accompanying notes forming part of the Standalone Financial Statements. 1-48

As per our report of even date attached

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Prakash Chandra Bhutada
Partner
Membership No: 404621

For **P R S V & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

For and on behalf of the Board of Directors of
Zaggle Prepaid Ocean Services Limited
(formerly known as Zaggle Prepaid Ocean Services Private Limited)

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: May 23, 2024

Place: Hyderabad
Date: May 23, 2024

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Particulars			For the year ended March 31, 2024	For the year ended March 31, 2023
A.	**Cash flow from operating activities**			
	Profit before tax		**597.81**	**316.35**
	Adjustments for :			
	Depreciation and amortisation expense		83.63	61.99
	Interest expense		123.64	102.87
	Interest expense on lease liabilities		13.53	10.90
	Liabilities no longer required written back		-	(2.26)
	Net gain on termination of lease		(4.26)	-
	Reversal of credit impaired trade receivables		-	(16.23)
	Interest income		(102.55)	(4.16)
	Employee share based compensation expenses		149.77	144.13
	Operating profit before working capital changes		**861.57**	**613.59**
	Change in assets and liabilities			
	Adjustments for (increase)/decrease in operating assets:			
	Trade receivables		(719.62)	(580.85)
	Inventories		(2.61)	0.15
	Other financial assets		(31.43)	(12.67)
	Other assets		(784.55)	(284.41)
	Adjustments for increase/(decrease) in operating liabilities:			
	Trade payables		(72.56)	(12.90)
	Provision		5.70	3.83
	Other financial liabilities		(2.56)	13.28
	Other liabilities		10.47	137.39
	Cash used in operations		**(735.59)**	**(122.59)**
	Income taxes paid (net of refund)		(91.87)	(33.59)
	Net cash used in operating activities	**A**	**(827.46)**	**(156.18)**
B.	**Cash flows from investing activities**			
	Purchase of Property, Plant and Equipment, intangible assets,Intangibles under development including capital advance		(459.44)	(161.71)
	Movement in other than cash and cash equivalents, net		(2,683.60)	(1.07)
	Investment in associate		(247.50)	-
	Investment in unquoted funds		(5.00)	(22.17)
	Proceeds from sale of investment in quoted mutual funds		11.97	-
	Interest received		64.68	3.47
	Net cash used in investing activities	**B**	**(3,318.89)**	**(181.48)**

STANDALONE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
C. Cash flow from financing activities			
Proceeds from issue of equity shares including security premium		4,872.91	149.61
Share issue expenses		(210.41)	(61.65)
Proceeds from long term borrowings		367.95	500.00
Repayment of long term borrowings		(995.37)	(130.00)
Proceeds from short term borrowings (net)		152.71	196.01
Payment of lease liabilities		(20.76)	(13.76)
Interest on lease liablities		(13.53)	(10.90)
Interest paid		(123.64)	(102.87)
Net cash flow from financing activities	**C**	**4,029.86**	**526.44**
Net (decrease) / increase in cash and cash equivalents	**A+B+C**	(116.49)	188.78
Cash and cash equivalents at the beginning of the year		195.89	7.11
Cash and cash equivalents at the end of the year [Refer Note 13 (a)]		**79.40**	**195.89**

Note:

Reconciliation of Financial Liabilities - Borrowings and lease liabilities:

Particulars	As at April 01, 2023	Cash flows	Non Cash Movements	As at March 31, 2024
Long-term borrowings (including current maturities)	1,010.05	(634.52)	7.10	382.63
Short term borrowings	200.68	152.71	-	353.39
Lease liabilities	202.75	(34.29)	(38.21)	130.25

Particulars	As at April 01, 2022	Cash flows	Non Cash Movements	As at March 31, 2023
Long-term borrowings (including current maturities)	640.05	315.44	54.56	1,010.05
Short term borrowings	4.67	196.01	-	200.68
Lease liabilities	58.39	(24.66)	169.02	202.75

See accompanying notes forming part of the Standalone Financial Statements. 1-48

As per our report of even date attached

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Prakash Chandra Bhutada
Partner
Membership No: 404621

For **P R S V & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

For and on behalf of the Board of Directors of
Zaggle Prepaid Ocean Services Limited
(formerly known as Zaggle Prepaid Ocean Services Private Limited)

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: May 23, 2024

Place: Hyderabad
Date: May 23, 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

A. Equity share capital

	No. of Shares	Amount
As at April 01, 2022	**1,80,000**	**1.80**
Addition during the year		
Add: Issued during the year	821	0.01
Before adjustment of sub-division of shares	**1,80,821**	**1.81**
Adjusted No.of shares after sub-division of equity shares	18,08,210	1.81
Issue of bonus shares	9,04,10,500	90.41
As at March 31, 2023	**9,22,18,710**	**92.22**
Addition during the year		
Add: Issued during the year	2,98,78,048	29.88
Add: Shares issued during the year - ESOP	3,85,735	0.39
As at March 31, 2024	**12,24,82,493**	**122.49**

B. Other equity

Particulars	Reserves and surplus			Other comprehensive income	Total
	Securities premium	Retained earnings	Share Based Payment Reserve	Remeasurement of defined benefit obligations and Equity instrument routed through OCI	
Balance at April 01, 2022	**115.73**	**(154.44)**	**-**	**1.33**	**(37.38)**
Profit for the year	-	229.01	-	-	229.01
Security premium from issue of equity shares	149.60	-	-	-	149.60
Other comprehensive income	-	-	-	0.34	0.34
Share-based payments	-	-	144.13	-	144.13
Issue of bonus shares	(90.41)	-	-	-	(90.41)
Balance at March 31, 2023	**174.92**	**74.57**	**144.13**	**1.67**	**395.29**
Profit for the year	-	440.20	-	-	440.20
ESOP exercised during the year	145.72	-	(133.72)	-	12.00
Security premium from issue of equity shares	4,870.12	-	-	-	4,870.12
Other comprehensive income	-	-	-	2.33	2.33
Share-based payments	-	-	149.77	-	149.77
Share issue expenses	(238.38)	-	-	-	(238.38)
Balance at March 31, 2024	**4,952.38**	**514.77**	**160.18**	**4.00**	**5,631.33**

See accompanying notes forming part of the Standalone Financial Statements. 1-48

As per our report of even date attached

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Prakash Chandra Bhutada
Partner
Membership No: 404621

For **P R S V & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

For and on behalf of the Board of Directors of
Zaggle Prepaid Ocean Services Limited
(formerly known as Zaggle Prepaid Ocean Services Private Limited)

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: May 23, 2024

Place: Hyderabad
Date: May 23, 2024

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

1 CORPORATE INFORMATION

Zaggle Prepaid Ocean Services Limited (formerly known as a Zaggle Prepaid Ocean Services Private Limited) (the “Company” / “Zaggle”) is a B2B2C Fintech SaaS Company, which is a leading player in spend management, with a differentiated value proposition and diversified user base. The Company offers a diversified portfolio of SaaS, including tax and payroll software.

The Company has converted from Private Limited Company to Public Limited Company under the provisions of Companies Act, 2013, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on September 13, 2022 and consequently the name of the Company has changed to “Zaggle Prepaid Ocean Services Limited” pursuant to a fresh certificate of incorporation by the Registrar of Companies on June 02, 2011. Pursuant to Initial Public offer (‘IPO’), the Company shares got listed on two recognized stock exchanges in India i.e. BSE and NSE on September 22, 2023.

The registered office of the Parent Company is located at 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Telangana -500081.

2.1 Basis of preparation and measurement

(i) Statement of compliance & Basis for preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the ‘Act’), the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act.

The standalone financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the standalone financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

(ii) Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (₹), which is also the Company’s functional currency. All financial information presented in Indian rupees have been rounded-off to two decimal places to the nearest Million except for share and per share data and where otherwise stated.

(iii) Basis of measurement

The financial information have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities : Measured at fair value
- Borrowings-Long term borrowings : Amortised cost using effective interest rate method
- Net defined benefit (asset)/ liability : Present value of defined benefit obligations less fair value of plan assets
- Share based payment expenses : Measured at grant date fair value

(iv) Use of estimates and judgements

The preparation of the standalone financial statements is in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application policies and reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities at the date of standalone financial statements and reported amounts of revenue and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the standalone financial statements in the year in which the changes are made and, if material, such effects are disclosed in the notes to standalone financial statements.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 3, 4 and 5 - determining an asset’s expected useful life and the expected residual value at the end of its life.
- Note 12 – impairment of financial assets;

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

- Notes 30 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 36 – measurement of defined benefit obligations: key actuarial assumptions;

(v) Measurement of fair values

Accounting polices and disclosures require measurement of fair value for financial assets and financial liabilities.

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 37 - Financial instruments

(vi) Current and non-current classification:

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as a current when it is:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is expected to be realized within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non current.

Liabilities

A liability is classified as a current when:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is due to be settled within twelve months from the reporting date;
- it is held primarily for the purposes of being traded;
- the Company does not have an unconditional right to defer settlement of liability for at least twelve months from the reporting date.

All other liabilities are classified as non-current.

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

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and realization in cash or cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

2.2 Summary of Material accounting policies

A. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer net of variable consideration (e.g. discounts), taxes and amount collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to a customer. The amount of revenue recognized is at an amount that reflects the consideration to which the Company expect to be entitled to in exchange for the product or service. Revenue is only recognized to the extent that is highly probable that a significant reversal will not occur.

i) Program fees:

Revenue From Prepaid Card Instruments

The Company acts as Program Manager and Business Correspondent to the Partner Banks for the Co-branded Prepaid Card Instruments. The Co-branded Cards are operated under various schemes (Such as Kuber, Zinger etc.). Program fees mainly includes revenue from Interchange (including residual income) earned from partner banks and excludes amounts collected on behalf of partner banks. Interchange revenue is recognized as per the terms of the arrangement with partner banks, at the point in time, basis the information shared by the banks to the Company post settlement with network partners. The incentives / cash back, as an when incurred by the Company towards the co-branded prepaid card instruments has been considered as a distinct goods or services and accordingly recorded as an expense.

Revenue From Credit Card Instruments

The Company acts as a Program Manager and Business Correspondent to the Partner Banks for the issue of Credit Card Instruments to our customers/users. We run the programs with various customers/users and arrange to process their transactions through various platforms. Program Fees includes revenue from interchange earned from partner banks and excludes amounts collected on behalf of partner banks. Revenue from interchange income is recognized when related transaction occurs, or service is rendered as per the terms of the arrangement with partner banks. The Incentives / Cash back, as and when incurred by the Company towards the credit card instruments has been considered as a distinct goods or services and accordingly recorded as an expense.

Banks and corporates are considered as customers of the Company. Any amounts receivable from the customers on account of normal course of business is classified as trade receivable. Further advance received from customers against which cards are yet to be activated is disclosed as liability under advances from customers.

ii) Propel platform revenue / Gift cards:

Propel platform revenue from monetisation of platform is recognized on the basis of terms of the agreement with the respective customers.

The Company recognizes revenue on completion of the Company performance obligation being met on redemption of propel points against catalogue of gift cards / vouchers.

The Company acts as a principal and accordingly consideration for the supplies is recognized on gross basis with corresponding cost of supplies being recorded as an expense. Revenue on sale of gift cards / vouchers is recognized only to the extent the Company's performance obligation is met, at the point in time on transfer of the control of the respective gift cards / vouchers to the customers.

iii) Fees income/SaaS income:

The Company earns fees income/SaaS income/ service fees income from various activities including user fees, platform fees, customization fees etc. The fee income is recognized when the control in services have been transferred by the Company i.e., as and when services have been provided by the Company and the Company's performance obligation is met. This fee is recognized as income in accordance with the terms of the arrangement with the respective customers.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

iv) Interest income:

Interest income is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head 'other income' in the statement of profit and loss.

C. Financial instruments

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

i) Initial Recognition and measurement

Financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii) Classification and subsequent measurement

Financial assets

All financial assets except Trade receivables are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement: For the purpose of subsequent measurement, financial assets are categorised as under:

- Amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

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

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Financial liabilities:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss.

iii) Derecognition

Financial assets

A Financial asset is primarily derecognized when the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

iv) Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently and legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

D. Property, plant and equipment

i) Recognition and measurement

Property, Plant and Equipment ('PPE') are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized 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 derecognized when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred. If an item of property, plant and equipment is purchased with deferred credit period from supplier, such asset is recorded at its cash price equivalent value.

ii) Depreciation

Depreciation is provided using the Straight-line Method over the useful lives of the assets as estimated by the Management. Depreciation on additions and deletions are restricted to the period of use. Depreciation is charged to statement of profit and loss.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

The Company, based on technical assessment and management estimate, depreciates property, plant and equipment over estimated useful life prescribed in Schedule II to the Act. The Management believes that these estimated useful lives are realiztic and reflect fair approximation of the period over which the assets are likely to be used. The Company has estimated the following useful lives to provide depreciation on its property, plant and equipment:

Asset category	Management estimate of useful life & Useful life as per Schedule II
Furniture and fixures	10 years
Office equipment	5 years
Computers	3 years
Vehicles	8 years

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 or losses arising from disposal of property, plant and equipment which are carried at cost are recognized in the statement of profit and loss.

Depreciation method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

E. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally developed intangibles are capitalized to the extent of direct cost related to the development of the respective intangible assets which mainly includes manpower cost. Intangible assets are amortized over the useful economic life assessed which ranges from 3-5 years and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Asset category	Management estimate of useful life
R & R Software	3-4 years
Mobile Application	3 years
Software	3-5 years
Trademarks	5 years
Expense Management	3-5 years
Zoyer	3-5 years

F. Investment in Subsidiaries/Associates

Investment in Subsidiaries/Associates are valued at Cost. Dividend Income from subsidiaries/Associates is recognized when its right to receive the dividend is established.

G. Impairment of assets

i) Impairment of financial instruments

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortised cost and trade receivables. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

The Company applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables

ii. Financial assets measured at amortised cost (other than trade receivables)

iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate.

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

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realiztic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

In respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognized.

H. Employee benefits

(a) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme and other funds. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

(ii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability or asset recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by a qualified actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(iii) Compensated Absences: The Company has no policy of accumulation of compensated absences.

I. LEASES

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

Company as a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The Company used the following practical expedients when applying Ind AS 116 :

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term and leases of low value.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Right of use asset: The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

Lease Liability: The Company measures the lease liability at present value of the future lease payments at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate as at the commencement of lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

fixed lease payments. The Company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

J. Income-tax

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

(i) Current tax

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

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

(ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and
- temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

K. Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognized, together with a corresponding increase in Employee Stock Option Plan (ESOP) reserves in equity, over the period in which the performance and/ or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Performance conditions which are market conditions are taken into account when determining the grant date fair value of the awards. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

L. Provision, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized under finance costs. Expected future operating losses are not provided for.

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

Contingent liabilities and contingent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognized in the standalone financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise.

M. 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.

N. Events after reporting date

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

O. Recent accounting pronouncements:

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

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

3 PROPERTY, PLANT AND EQUIPMENT

Description	Office Equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost as at April 01, 2022	**0.51**	**0.92**	**13.94**	**9.03**	**24.40**
Additions	1.16	0.39	9.12	-	10.67
Disposals	-	-	-	-	-
Cost as at March 31, 2023	**1.67**	**1.31**	**23.06**	**9.03**	**35.07**
Additions	1.30	2.53	7.43	-	11.26
Disposals	-	-	-	-	-
Cost as at March 31, 2024	**2.97**	**3.84**	**30.49**	**9.03**	**46.33**
Accumulated depreciation as at April 01, 2022	**0.19**	**0.07**	**3.51**	**0.86**	**4.63**
Depreciation for the year	0.10	0.11	5.57	1.18	6.96
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2023	**0.29**	**0.18**	**9.08**	**2.04**	**11.59**
Depreciation for the year	0.46	0.19	7.59	1.18	9.42
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2024	**0.75**	**0.37**	**16.67**	**3.22**	**21.01**
Net carrying amount as at March 31, 2023	**1.38**	**1.13**	**13.98**	**6.99**	**23.48**
Net carrying amount as at March 31, 2024	**2.22**	**3.47**	**13.82**	**5.81**	**25.32**

Note: Refer Note 17 & 18 for details of property, plant and equipment subject to charge on secured borrowings.

4 RIGHT OF USE ASSETS AND LEASE LIABILITIES

Right of Use Assets

Description	Right of use assets (Buildings)
Cost as at April 01, 2022	**73.26**
Additions	163.86
Deletions	-
Cost as at March 31, 2023	**237.12**
Additions	9.41
Deletions	65.81
Cost as at March 31, 2024	**180.72**
Accumulated depreciation as at April 01, 2022	**18.11**
Depreciation for the year	22.28
Deletions	-
Accumulated depreciation as at March 31, 2023	**40.39**
Depreciation for the year	30.16
Deletions	8.93
Accumulated depreciation as at March 31, 2024	**61.62**
Net carrying amount as at March 31, 2023	**196.73**
Net carrying amount as at March 31, 2024	**119.10**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Lease Liabilities:

(i) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	**202.75**	**58.39**
Additions during the year	9.41	158.12
Deletion during the year	(61.15)	
Accrual of interest	13.53	10.90
Payment of lease liabilities	(34.29)	(24.66)
Closing balance	**130.25**	**202.75**
Less: Current lease liabilities	42.68	44.10
Non Current lease liabilities	**87.57**	**158.65**

(ii) Payments recognized as expenses and income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short term leases and low value assets (Refer Note 29)	3.06	2.17
	3.06	**2.17**

(iii) Contractual maturities of lease liabilities on undiscounted basis as at:

Particulars	March 31, 2024	March 31, 2023
Less than one year	57.50	50.12
One to five years	165.58	203.48
More than five years	-	5.34
	223.08	**258.94**

5a. INTANGIBLE ASSETS

Description	R&R software	Mobile application	Software	Trade Mark	Expense Management	Zoyer	Total
Cost as at April 01, 2022	**19.93**	**18.12**	**3.90**	**1.75**	**46.70**	**-**	**90.40**
Additions	-	-	-	-	57.36	-	**57.36**
Disposals	-	-	-	-	-	-	-
Cost as at March 31, 2023	**19.93**	**18.12**	**3.90**	**1.75**	**104.06**		**147.76**
Additions	-	-	1.00	-	12.24	43.47	**56.71**
Disposals	-	-	-	-	-		-
Cost as at March 31, 2024	**19.93**	**18.12**	**4.90**	**1.75**	**116.30**	**43.47**	**204.47**
Accumulated amortisation as at April 01, 2022	**10.14**	**18.12**	**1.60**	**0.21**	**16.04**	**-**	**46.11**
Amortisation for the year	3.35	-	2.30	0.64	26.46	-	**32.75**
Disposals	-	-	-	-	-	-	-
Accumulated amortisation as at March 31, 2023	**13.49**	**18.12**	**3.90**	**0.85**	**42.50**	**-**	**78.86**
Amortisation for the year	3.36	-	0.51	0.63	26.12	13.43	**44.05**
Disposals	-	-	-	-	-	-	-
Accumulated amortisation as at March 31, 2024	**16.85**	**18.12**	**4.41**	**1.48**	**68.62**	**13.43**	**122.91**
Net carrying amount as at March 31, 2023	**6.44**	**-**	**-**	**0.90**	**61.56**	**-**	**68.90**
Net carrying amount as at March 31, 2024	**3.08**	**-**	**0.49**	**0.27**	**47.68**	**30.04**	**81.56**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

5b. INTANGIBLE ASSET UNDER DEVELOPMENT

Particulars	March 31, 2024	March 31, 2023
Zoyer Application under development*	178.63	108.68
Zatix Application under development *	320.00	-
Total	**498.63**	**108.68**

* Project execution plans are reviewed periodically on the basis of Management judgement and estimates w.r.t future business, technological development/economy/ industry and the project is assessed as per periodic plans.

Ageing - Intangible Asset under development

Project in progress	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2024	433.42	65.21	-	-	498.63
As at March 31, 2023	93.68	15.00	-	-	108.68

6. INVESTMENTS

Particulars	March 31, 2024		March 31, 2023	
	Number	Amount	Number	Amount
Non-current				
Investments in unquoted equity shares (fully paid up)				
i) In subsidiary (carried at cost)				
Zaggle Technologies Limited - 1 equity share of GBP 1	1	-	1	-
ii) Associates (at cost)				
Span Across IT solutions Private Limited - Equity Shares having face value of ₹ 10 each (Refer Note 47)	9,00,000	247.50	-	-
Investment in quoted mutual funds (carried at fair value through profit and loss) [Refer Note (c) below]				
ICICI Prudential Liquid Fund - Growth	-	-	6,947.59	2.30
ICICI Prudential Money Market Fund - Growth	-	-	3,183.43	1.02
Kotak Liquid Regular Growth	-	-	339.03	1.53
Investment in Unquoted funds (carried at fair value through OCI)				
Paragon Partners Equity Trust	94,677.39	12.33	-	-
Total non-current investments		**259.83**		**4.85**
Current				
Investment in quoted mutual funds (carried at fair value through profit and loss) [Refer Note (c) below]				
ICICI Prudential Money Market Fund - Growth	-	-	35,186.11	11.30
HDFC Money Market Fund - Regular Plan - Growth	-	-	210.993	1.02
ICICI Prudential Liquid Fund - Growth	6,947.59	2.46	-	-
ICICI Prudential Money Market Fund - Growth	3,183.43	1.10	-	-
Kotak Liquid Regular Growth	339.03	1.64	-	-
Total current investments		**5.20**		**12.32**
Notes:				
(a) Aggregate value of unquoted investments		259.83		-
(b) Aggregate value of quoted investments		5.20		17.17
(c) Change in fair value of the investments during the year		0.35		0.12
(d) Refer Note 17 for details of investments subject to charge on secured borrowings.				

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

7 OTHER FINANCIAL ASSETS (AT AMORTISED COST)

	March 31, 2024	March 31, 2023
(Unsecured considered good)		
Non-current		
Security deposits	43.78	13.36
Other deposits	2.34	1.33
	46.12	**14.69**
Current		
Interest accrued on fixed deposits with banks	30.40	1.15
	30.40	**1.15**

8(a) NON-CURRENT: INCOME-TAX ASSETS (NET)

	March 31, 2024	March 31, 2023
A. Income-tax Asset [Net of Provision for Tax ₹ 8.57 Mn (March 31, 2023 ₹ 10.80 Mn)]	11.00	119.01
	11.00	**119.01**

8(b) CURRENT: INCOME-TAX LIABILITY (NET)

	March 31, 2024	March 31, 2023
Net Current Tax Liability [(Net of TDS/Advance Tax ₹ 165.25 Mn (March 31, 2023 ₹ 38.17 Mn)]	1.41	47.80
	1.41	**47.80**

9 DEFERRED TAX ASSETS (NET)

	March 31, 2024	March 31, 2023
Depreciation / amortisation	6.24	2.76
Provision for employee benefits	4.37	2.93
Provision for credit impaired balances	14.18	14.49
Right of use assets (net of lease liability)	2.81	1.52
Others	-	1.40
	27.60	**23.10**

10 OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

	March 31, 2024	March 31, 2023
a. Capital advance	22.90	21.38
b. Balance with government authorities	4.32	3.39
c. Advance towards purchase of investments	-	5.00
	27.22	**29.77**

Note : Capital contract remaining to be executed as at March 31, 2024 is Nil (March 31, 2023 is Nil)

11 INVENTORIES

	March 31, 2024	March 31, 2023
(Valued at lower of cost or net realizable value)		
Card inventory	3.58	0.97
	3.58	**0.97**

Note: Refer Note 17 & 18 for details of inventory subject to charge on secured borrowings.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

12 TRADE RECEIVABLES

	March 31, 2024	March 31, 2023
Trade receivables		
Unsecured		
-Considered good	1,746.21	1,026.59
-Credit Impaired	57.56	57.56
	1,803.77	**1,084.15**
Less-Allowance for credit impaired trade receivables [Refer Note (f) below]	(57.56)	(57.56)
	1,746.21	**1,026.59**

Notes:

a. No trade or other receivable are due from directors or other officers of the Company.

b. Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

c. Trade receivables amounting to ₹ 1,457.26 Mn [as at March 31, 2023: 835.62 Mn] is due from customers who represents more than 5% of the total balance of the trade receivables.

d. Refer Note 17 & 18 for details of trade receivables subject to charge on secured borrowings.

e. Trade Receivables ageing schedule:

As at March 31, 2024

Particulars	Not Due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,441.99	288.09	15.28	0.85	-	-	1,746.21
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	57.56	57.56
Sub Total	**1,441.99**	**288.09**	**15.28**	**0.85**	**-**	**57.56**	**1,803.77**
Less: Impairment loss on credit impaired trade receivables	-	-	-	-	-	(57.56)	(57.56)
Total	**1,441.99**	**288.09**	**15.28**	**0.85**	**-**	**-**	**1,746.21**

As at March 31, 2023

Particulars	Not Due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	688.48	259.82	77.45	0.84	-		1,026.59
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-		-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	57.56	57.56
Sub Total	**688.48**	**259.82**	**77.45**	**0.84**	**-**	**57.56**	**1,084.15**
Less: Impairment loss on credit impaired trade receivables	-	-	-	-	-	(57.56)	(57.56)
Total	**688.48**	**259.82**	**77.45**	**0.84**	**-**	**-**	**1,026.59**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

f. Movement in the impairment loss on credit impaired trade receivables

	March 31, 2024	March 31, 2023
Opening balance	57.56	73.79
Reversal during the year	-	(16.23)
Closing balance	**57.56**	**57.56**

13 CASH AND BANK BALANCES

(a) Cash and cash equivalents

	March 31, 2024	March 31, 2023
Cash on hand	0.18	-
Balances with banks		
- in current accounts (Refer Note below)	79.22	195.89
	79.40	**195.89**

Note:

The Company is a program manager for various programs of the banks for its prepaid cards and accordingly banks maintain the pool accounts for these prepaid card program where funds are held. These accounts are opened primarily for settlement and collection activities with respect to operations facilitated by the Company.

Accordingly, the balance in the aforesaid bank accounts are not included in 'Balance with Banks' above as these are not owned or contractually available for use by the Company and set aside for settlement of usage by the Company's pre-paid card customers.

(b) Bank balances other than Cash and Cash equivalents :

	March 31, 2024	March 31, 2023
- Deposits with remaining maturity less than 12 months:		
- Margin money deposits (Refer Note (a) below)	28.17	9.00
- Deposits under lien (Refer Note (a) below)	35.50	21.07
- Deposits with original maturity of more than 3 months but less than 12 months (Refer Note (b) below)	2,650.00	-
	2,713.67	**30.07**

Notes:

a. Represents deposits held as margin money/commitment and deposits and lien under the banks

b. Fixed deposits amounting to ₹ 2,650 Mn (March 31, 2023: Nil) included 13(b) will be utilized as stated in the prospectus for IPO. (Refer Note. 34).

14 OTHER CURRENT ASSETS

	March 31, 2024	March 31, 2023
Advance to suppliers	46.36	81.98
Advances to employees	3.75	3.00
Prepaid cards with loading	1,129.06	344.76
Balance with government authorities	67.87	-
Share issue expenses*	-	61.65
IPO Receivables	39.48	-
	1,286.52	**491.39**

*Represents expenses incurred by the Company in connection with Initial Public Offering (IPO) of equity shares. In accordance with the Act and also as per the offer agreement entered between the Company and the selling shareholders, the selling shareholders have reimbursed the share issue expenses in proportion to the respective shares offered for sale. Accordingly, the Company has partly recovered the expenses incurred in connection with the issue on completion of IPO. The Company's share of expenses has been adjusted against securities premium under Section 52 of the Act on completion of IPO in the current year and the amount receivable from selling shareholders has been recovered from them.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

15 EQUITY SHARE CAPITAL

	March 31, 2024	March 31, 2023
Authorized share capital		
15,00,00,000 (March 31, 2023: 12,00,00,000) Equity Shares of ₹ 1 Each	150.00	120.00
Issued, subscribed and paid up		
12,24,82,493 (March 31, 2023: 92,218,710) Equity Shares of ₹ 1 Each	122.49	92.22
	122.49	**92.22**

Notes:

i) Reconciliation of Authorized share capital at the beginning and at the end of the reporting year:

Particulars	March 31, 2024		March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	12,00,00,000	120.00	51,03,785	51.04
Add: Increase in Authorized Capital [Refer Note (a) & b(i) below]	3,00,00,000	30.00	68,96,215	68.96
Before adjustment of sub-division of shares	15,00,00,000	150.00	1,20,00,000	120.00
Adjusted No.of shares on Account of sub-division of equity shares [Refer Note b(iii) below]			12,00,00,000	120.00

ii) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	March 31, 2024		March 31, 2023	
	No. of Shares	Amount in ₹ Million	No. of Shares	Amount in ₹ Million
Outstanding at the beginning of the year	9,22,18,710	92.22	1,80,000	1.80
Add: Issue during the year	-	-	821	0.01
Before adjustment of sub-division of shares	9,22,18,710	92.22	1,80,821	1.81
Adjusted No.of shares on account of sub-division (Refer Note b(ii))	9,22,18,710	92.22	18,08,210	1.81
Add: Issue of bonus share during the year (Refer Note b(iv))	-	-	9,04,10,500	90.41
Add: shares issued during the year	2,98,78,048	29.88	-	-
Add: shares issued on exercise of employee stock options	3,85,735	0.39	-	-
Outstanding at the end of the year	12,24,82,493	122.49	9,22,18,710	92.22

iii) Shareholders vide the Extra-ordinary general meeting dated have approved the following :

a. In current year, Increase in Authorized Share Capital of the Company from ₹ 120.00 Mn divided into 12,00,00,000 Equity Shares of ₹ 1/- each to ₹ 150.00 Mn divided into 15,00,00,000 Equity Shares of ₹ 1/- each vide dated August 11, 2023.

b. During previous year

i) Authorized Share Capital of the Company increased from ₹ 51.04 Mn divided into 51,03,785 Equity Shares of ₹ 10/- each to ₹ 120.00 Mn divided into 1,20,00,000 Equity Shares of ₹ 10/- each, by creation of 68,96,215 Equity Shares of ₹ 10/- each, ranking pari passu with the existing Equity Shares of the Company vide dated July 27, 2022

ii) Sub-division of the Authorized Share Capital consisting of 1,20,00,000 equity shares of the Company having face value of ₹ 10 each into 12,00,00,000 equity shares of face value of ₹ 1 each w.e.f., July 27, 2022, without altering the aggregate amount of the same.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

iii) Further, the issued, subscribed and paid-up share capital consisting of 1,80,821 equity shares of the Company having face value of ₹ 10 each shall stand sub-divided into 18,08,210 equity shares having face value of ₹ 1 each w.e.f., July 27, 2022 without altering the aggregate amount of such capital and shall rank pari passu in all respects and carry the same rights as to the existing fully paid-up equity shares of ₹ 10 each of the Company.

iv) Issue of fully paid bonus shares of ₹1 each in proportion of 50 equity shares for every 1 existing equity share by capitalizing a sum of ₹ 90.41 Million from the Securities Premium account available with the Company.

iv) Rights, preferences and restrictions attached to equity shares of ₹ 1 each (March 23 - ₹1 each), fully paid up:

The Company has only one class of equity shares having par value of ₹ 1 (March 23 - ₹ 1) per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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.

v) Shares held by shareholders holding more than 5% in the Company as at

Name of Shareholder	March 31, 2024		March 31, 2023	
	No. of Shares	% Holding	No. of Shares	% Holding
Raj P Narayanam	4,61,55,323	37.68%	4,76,85,000	51.71%
Zuzu Software Services Pvt Ltd	1,57,11,452	12.83%	1,74,76,992	18.95%
Avinash Ramesh Godkhindi	76,50,323	6.24%	91,80,000	9.95%
Ventureast Proactive Fund LLC	-	-	58,70,100	6.37%

vi) Shareholding of promoters

Name of promoter	March 31, 2024		March 31, 2023		% of change of during the year
	No. of Shares	% Holding	No. of Shares	% Holding	
Raj P Narayanam	4,61,55,323	37.68%	4,76,85,000	51.71%	(3.21%)
Avinash Ramesh Godkhindi	76,50,323	6.24%	91,80,000	9.95%	(16.66%)

Name of promoter	March 31, 2023		March 31, 2022		% of change of during the year
	No. of Shares	% Holding	No. of Shares	% Holding	
Raj P Narayanam	4,76,85,000	51.71%	93,500	51.94%	(0.24%)
Avinash Ramesh Godkhindi	91,80,000	9.95%	18,000	10.00%	(0.05%)

vii) For details of shares reserved for issue under the employee stock options plan (ESOP) of the Company. (Refer Note No .44)

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

16 OTHER EQUITY

	March 31, 2024	March 31, 2023
Securities premium [Refer Note (i) below]	4,952.38	174.92
Retained earnings [Refer Note (ii) below]	514.77	74.57
Other comprehensive income [Refer Note (iii) below]	4.00	1.67
Employee stock options outstanding reserve [Refer Note (iv) below]	160.18	144.13
Total other equity	**5,631.33**	**395.29**

Notes:

(i) Securities premium

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	174.92	115.73
Add : Scheme of Arrangement		
- Security premium on issue of equity shares	4,870.12	149.60
- Security premium on exercise of ESOP	145.72	-
Less: Issue of bonus equity shares [Refer Note 15 - sub note (iii)]	-	(90.41)
Less: Share issue expenses (Refer Note 14)	(238.38)	-
Balance at the end of the year	**4,952.38**	**174.92**

Note: Security premium represent the amount received in excess of the face value of the equity shares. The utilization of the security premium reserve is governed by the section 52 of the Act.

(ii) Retained earnings

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	74.57	(154.44)
Add: Net Profit for the year	440.20	229.01
Balance at the end of the year	**514.77**	**74.57**

Note: Retained earnings represent the cumulative undistributed profits of the Company and can be utilized in accordance with the provisions of the Act.

(iii) Other comprehensive income (OCI)

Other items of OCI

	March 31, 2024	March 31, 2023
Remeasurement of defined benefit obligations & unquoted investments (liability net of tax)		
Balance at the beginning of the year	1.67	1.33
Add: Changes during the year	2.33	0.34
Balance at the end of the year	**4.00**	**1.67**

Note: The reserve represent the actuarial gain/(loss) recognized on the defined benefit plan and fair value gain on unquoted investments will not be transferred to retained earnings.

(iv) Employee stock options outstanding reserve (Share Based Payment Reserve)

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	144.13	-
Add: Changes during the year	149.77	144.13
Less: Transfer to security premium on account of exercise of ESOP	(133.72)	-
Balance at the end of the year	**160.18**	**144.13**

Note: Employee stock option reserve related to share option granted by the Company under its employee share option plan. These will be utilized on exercise of the under lying option.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

17 LONG TERM BORROWINGS (AT AMORTISED COST)

	March 31, 2024	March 31, 2023
Secured		
Non-cumulative redeemable non-convertible debentures [Refer Note (i) below]	-	495.84
Term loans		
- from banks [Refer Note (ii) below]	367.95	187.50
- from vehicle loans [Refer Note (iv) below]	2.69	4.18
Property loan		
- from bank [Refer Note (iii) below]	11.99	12.13
Unsecured		
Deferred payables [Refer Note below (v) below]	-	310.40
Less : Current maturities of long term borrowings [Refer Note: 18]	(227.90)	(496.76)
Total	**154.73**	**513.29**

Details of terms and security in respect of the long-term borrowings:

(i) Non-Cumulative Redeemable Non-Convertible Debentures:

Non-Cumulative Redeemable Non- Convertible Debentures (NCDs) amounting to ₹ Nil (March 31, 2023: 500 Mn) represents 500 N0's with a face value of ₹ 10,00,000/- each carrying interest of 13.5% p.a and are redeemable in 3 years in 11 instalments of ₹ 4.5 Mn each beginning from September 2023. These NCDs are secured by First and exclusive charge on present and future fixed, current, tangible and intangible assets, certain mutual funds investments of the Company. During the current year the Company has taken the term loan from bank to prepay the NCDs and same were fully prepaid in February, 2024.

(ii) Term Loan from bank:

a. Term loan from bank amounting to ₹ 367.95 Mn (March 31, 2023: Nil) was availed during the year for prepaying NCDs carries interest of MCLR + 1.4% (presently 9.6% p.a.) and is repayable in 7 quarterly instalments of ₹ 56.20 Mn each and last instalment of ₹ 30.40 Mn excluding interest beginning from March 2024. The Term loan along with Overdraft facility as below are jointly secured by way of exclusive charge on the current assets of the Company including trade receivables and inventories. The loans are collaterally secured by way of exclusive charge on the immovable properties being commercial property and Residential property, both, belonging to other body corporate. The loans are further secured by way of Corporate Guarantee extended by the said body corporate.

b. Term loan from bank amounting to ₹ Nil (March 31, 2023: 187.50) was repaid during the year from IPO proceeds.

(iii) Property Loan:

Property loan taken from bank amounting to ₹ 11.99 Mn(March 31, 2023: ₹ 12.13 Mn) carries interest at Repo rate + spread of 2.9% (Presently 9.4% p.a) and is repayable in 195 equated monthly instalments of ₹ 0.12 Mn each beginning from August 2021. The loan is secured by way of mortgage of property. Advance given for purchase of property is grouped under non current assets (Refer Note 10).

(iv) Vehicle Loans

Vehicle loans from bank amounting to ₹ 2.69 Mn (March 31, 2023: ₹ 5.24 Mn) carry interest rate of 7.8% to 8.25% p.a and are repayable in 60 equated monthly instalments. The said loans are secured by way of hypothecation of vehicles purchased.

(v) Deferred payables:

Deferred payables amounting to ₹ Nil (March 31, 2023: ₹ 310.40 Mn) are repayable in five instalments starting with March 2022 and ending in December 2023 and carries interest rate of 11% p.a. which is payable along with last instalment. In September 2023 the Company has repaid fully.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

vi. The Company has utilized the loans borrowed during the year for the purpose for which it is obtained as mentioned in the borrowing agreements.

vii. The Company is not declared as a wilful defaulter by any bank and financial institution or any other lender the during the year.

18 SHORT-TERM BORROWINGS

	March 31, 2024	March 31, 2023
Secured		
Overdraft from bank (Refer Note below)	353.39	200.68
Current maturities of long term borrowings (Refer Note: 17)	227.90	496.76
	581.29	**697.44**

Details of terms and security in respect of the short-term borrowings:

Overdraft Facility availed from ICICI bank amounting to ₹ 353.39 Mn (March 31, 2023: ₹ 200.68 Mn) carries interest of MCLR rate + 1% (presently 9.5% p.a.) and is repayable on demand. The Overdraft facility along with term loan as above are jointly secured by way of exclusive charge on the current assets of the Company including trade receivables and inventories. The loans are collaterally secured by way of exclusive charge on the immovable properties being commercial property and Residential property, both, belonging to other body corporate. The loans are further secured by way of Corporate Guarantee extended by the said body corporate.

19 TRADE PAYABLES

	March 31, 2024	March 31, 2023
Trade payables		
- Total outstanding dues of micro and small enterprises (Refer Note: 35)	6.53	9.63
- Total outstanding dues of creditors other than micro and small enterprises	13.10	82.56
	19.63	**92.19**

Trade payables are non-interest bearing and are normally settled in 30-90 days terms.

Trade payables ageing schedule

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	6.53	-	-	-	6.53
(ii) Others	11.47	1.63	-	-	13.10
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-
	18.00	**1.63**	**-**	**-**	**19.63**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Trade payables ageing schedule
As at March 31, 2023

Particulars		Outstanding for following period from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	9.63	-	-	-	9.63
(ii)	Others	82.30	0.26	-	-	82.56
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-
(v)	Unbilled dues	-	-	-	-	-
		91.93	**0.26**	**-**	**-**	**92.19**

20 OTHERS FINANCIAL LIABILITIES

	March 31, 2024	March 31, 2023
Others- Accrued expenses	21.11	23.66
	21.11	**23.66**

21 PROVISIONS

	March 31, 2024	March 31, 2023
Provision for employee benefits		
Provision for gratuity (Refer Note 36)		
Non-current	16.40	11.43
Current	0.95	0.22
	17.35	**11.65**

22 OTHER CURRENT LIABILITIES

	March 31, 2024	March 31, 2023
Advances from customers	260.37	127.92
Client redemption liability	8.01	17.65
Statutory liabilities	13.39	125.73
	281.77	**271.30**

23 REVENUE FROM OPERATIONS

	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contracts with customers (Refer Note 40)		
Program fee	3,218.43	1,694.53
Propel platform revenue / gift cards	4,225.06	3,597.75
Platform fee / SaaS fee / service fee	312.49	242.32
	7,755.98	**5,534.60**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

24 OTHER INCOME

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income on deposit with banks	93.93	3.70
Interest on income-tax refund	8.62	-
Liabilities no longer required written back	-	2.26
Net gain on financial assets designated on FVTPL	0.65	0.46
Net gain on termination of lease	4.26	-
Miscellaneous income	5.25	4.73
	112.71	**11.15**

25 CONSUMPTION OF CARDS

	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock of cards	0.97	1.12
Purchase of cards	14.89	17.38
Less: Closing stock of cards	(3.58)	(0.97)
	12.28	**17.53**

26 EMPLOYEE BENEFITS EXPENSE

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	348.44	277.50
Contribution to provident fund	6.09	5.71
Staff welfare	2.66	3.74
Gratuity (Refer Note 36)	5.86	4.75
Employee stock option plan (Refer Note 44)	149.77	144.13
	512.82	**435.83**

27 FINANCE COSTS

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on term loans	38.57	31.75
Interest on debentures	70.64	23.40
Amortised cost on deferred payables	9.50	31.16
Interest on lease liability	13.53	10.90
Interest on statutory dues i.e. income tax, GST	3.68	15.31
Fair value of corporate guarantee	1.25	1.25
	137.17	**113.77**

28 DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of tangible assets (Refer Note 3)	9.42	6.96
Amortisation of intangible assets (Refer Note 5a)	44.05	32.75
Depreciation of right-to-use assets (Refer Note 4)	30.16	22.28
	83.63	**61.99**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

29 OTHER EXPENSES

	For the year ended March 31, 2024	For the year ended March 31, 2023
Call center & software support charges	125.53	121.61
Office rent	3.06	2.17
Electricity expenses	2.51	3.68
Repairs & maintenance	5.79	2.87
Reversal of credit impaired trade receivables	-	(16.23)
Office maintenance	13.46	7.10
CSR expense [Refer Note (ii) below]	6.77	4.64
Rates & taxes	1.92	0.55
Network charges	21.99	23.30
Legal & professional consultancy charges	26.83	31.55
Advertisement & business promotion	313.92	200.64
Incentive / cash back	2,168.27	1,002.01
Courier charges	6.84	6.40
Advances written off	0.90	3.53
Telephone expenses	1.33	1.36
Traveling expenses	17.44	8.38
Auditors remuneration [Refer Note (i) below]	3.89	2.35
Bank charges	0.58	0.47
Miscellaneous expenses	6.79	5.20
	2,727.82	**1,411.58**

Note (i) Auditors remuneration:

The following is the breakup of Auditors remuneration (exclusive of indirect taxes)*

	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditor		
- Statutory audit	2.75	2.25
- Limited Review	1.00	
In other capacity		
- Tax audit	0.10	0.10
- Out of Pocket expenses	0.04	-
	3.89	**2.35**

*Excluding IPO services related fee which has been debited to share issue expenses amounting to ₹ 11.53 Mn (March 31, 2023 - ₹ 1.30 Mn) [refer Note 14].

Note (ii) Details of Corporate social responsibility (CSR) expenditure:

As per Section 135 of the Companies Act, 2013 ('Act), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The focus areas of Company's CSR activities are Education, Health & Wellness and Community Engagement. The CSR activities of the Company are in line with the Schedule VII of the Companies Act, 2013. A CSR committee has been formed by the Company as per the Act.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Particulars	March 31, 2024	March 31, 2023
1. Gross amount required to be spent by the Company during the year	6.77	4.64
2. Amount spent during the year on		
i) construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	5.97	-
3. (Shortfall) / Excess at the end of the year	(0.80)	(4.64)
4. Total of previous years shortfall	-	-
5. Details of related party transactions	-	-
6. Reason for shortfall:	Refer below note	
7. Nature of CSR activities	Education, Health, Employment and Medical	
8. Details of related party transactions, e.g. contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	Not Applicable	
9. Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	-	-

Notes:

a. Subsequent to year end, the Company has contributed shortfall expenditure as at March 31, 2024 to Prime Minister National Relief Fund as per Schedule VII.

b. The Company has spent shortfall of CSR expenditure as at March 31, 2023 in an ongoing project before April 30, 2023.

30 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contingent Liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Company not acknowledged as debt		
i) Services Tax	24.73	24.73
ii) Income tax matters	40.92	-

Notes:

i). During FY 2019-20, the Company had received a show cause notice towards service tax demand amounting to ₹ 272.04 Mn charged on the face value of sale of its prepaid cards/ Gift vouchers etc. The Company has filed appeals before the Commissioner of Central tax, Hyderabad against the aforesaid demand. In the month October 2022, the Company received an order dated March 30, 2022 from Commissioner of Central tax, Hyderabad dropping demand amounting to ₹ 259.75 Mn and upheld the demand amounting to ₹ 12.29 Mn and further imposed a penalty and late fee for ₹ 12.44 Mn. The Company has further filed a appeal against the said demand before CESTAT and amount paid under protest ₹ 4.32 Mn.

ii). During FY 2023-24 Company received a Demand notice under section 156 of Income Tax 1956 pertaining to FY 2021-22 demanding ₹ 40.92 Mn by not allowing the deduction on account of carry forward losses, bad debts written off and Ind AS adjustments. The Company has filed an appeal against the said demand before Commissioner of Income Tax -Appeals.

The Company, based on its legal assessment does not believe that any of the pending claims require a provision as at the balance sheet date, as the likelihood of the probability of an outflow of resources at this point of time is low.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

(b) Capital commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Unexecuted capital orders to the extent not provided for	-	-
Investment commitment	-	5.00

31 RELATED PARTY DISCLOSURES

(a) Names of related parties and related party relationship

Name of the Related Party	Nature of Relationship
Key Managerial Persons:	
Raj P Narayanam	Executive Chairman
Avinash Ramesh Godkhindi	Managing Director & Chief Executive Officer
Hari Priya	Company Secretary
Venkata Aditya Kumar Grandhi	Chief Financial Officer [w.e.f. August 25, 2022]
Abhay Deshpande Raosaheb	Independent Director
Aravamudan Krishna Kumar	Independent Director
Arun Vijaykumar Gupta	Non Executive Director
Prerna Tandon	Independent Director
Vidya Niwas Khetawat	a. Chief Strategy Officer [w.e.f. August 25, 2022, upto August 24, 2023] b. Chief Financial Officer [w.e.f. December 10, 2021, upto August 24, 2022]
Other Related Parties	
Zaggle Technologies Limited	Subsidiary [w.e.f. January 12, 2023] (Refer Note 45)
Prismberry Technologies Private Limited	Companies in which KMP's relative has significant influence [w.e.f. August 23, 2023]
Span Across IT Solutions Private Limited	Associate company [w.e.f. March 30, 2024]

(b) Transactions with related parties

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) KMPs Remuneration:	**31.26**	**28.03**
Raj P Narayanam	10.20	10.20
Avinash Ramesh Godkhindi	6.87	8.20
Vidya Niwas Khetawat	2.19	2.44
Hari Priya	4.56	3.70
Venkata Aditya Kumar Grandhi	7.44	3.49
(ii) Employee share based payment	20.98	-
(iii) Issue of Equity Share (including premium)	1.33	
(iv) Professional charges	-	
Prismberry Technologies Private Limited	7.33	-

(c) Amounts due from / due to related parties

Particulars	As at March 31, 2024	As at March 31, 2023
Due to related parties	-	-
Due from related parties	-	-

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

32 EARNINGS PER SHARE (EPS)

Basic earnings per share amounts is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share amounts is calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Earnings		
Profit after tax for the year attributable to equity shareholders	440.20	229.01
Shares		
Original Number of Equity Shares (post sub-division) (Refer note 15)	9,22,18,710	18,08,210
Add: Impact of Bonus Issue (Refer note 15)	-	9,04,10,500
Add: Issued during the Year	3,02,63,783	-
Number of Shares outstanding at the end of the year	12,24,82,493	9,22,18,710
Weighted Average Number of Equity Shares		
For calculating Basic EPS	10,85,33,672	9,22,18,710
Effect of dilution:		
- On account of - ESOP	6,19,419	7,32,696
Weighted average number of equity shares for Diluted EPS	10,91,53,091	9,29,51,406
Earnings Per Share		
(Face Value ₹ 1 per share)		
Basic (₹)	4.06	2.48
Diluted (₹)	4.03	2.46

The Company is having potential equity shares options granted to employees under the ZAGGLE ESOP 2022 are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. Details relating to the options are set out in note 44.

33 SEGMENT REPORTING

The Company's operating business are organized and managed according to nature of Products and services provided. This assessment resulted in identification of (a) Program Fee (b) Platform Fee/Saas Fee/Service fee; (c) Propel platform revenue / Gift Cards as separate lines of business activities at Revenue level, by the Chief Operating Decision Maker (CODM). However, since the Company does not allocate common operating costs, assets and liabilities across business activities, as per the assessment undertaken by CODM, the allocation resources and assessment of the financial performance is undertaken at the Company level.

a. Segment wise revenue information:

Revenue from Customers	For the year ended March 31, 2024	For the year ended March 31, 2023
Program fee	3,218.43	1,694.53
Platform fee / SaaS fee / service fee	312.49	242.32
Propel platform revenue / gift cards	4,225.06	3,597.75
Total	**7,755.98**	**5,534.60**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

b. Geographical Segment information:

The Company has whole revenues from customers domiciled in India.

Revenue from Customers	For the year ended March 31, 2024	For the year ended March 31, 2023
With in India	7,755.98	5,502.67
Outside India	-	31.93
Total	**7,755.98**	**5,534.60**

c. Information about major customers (from external customers)

During the year the Company has derived revenue from 4 customers (March 31, 2023: 3) totalling to ₹ 3,464.19 Mn (March 31, 2023: ₹ 2,878.89 Mn) which amounts to 10% or more of its total revenue.

34 The Company's equity shares have been listed on National Stock Exchange of India Limited ("NSE") and on BSE Limited ("BSE") on September 22, 2023, by completing the Initial Public Offering (IPO) of 3,43,52,255 equity shares of face value of ₹ 1 each at an issue price of ₹ 164 per equity share, consisting of fresh issue of 2,39,02,439 equity shares and an offer for sale of 1,04,49,816 equity shares by the selling shareholders. The Company had received an amount of ₹ 3,621.60 Mn (net off estimated offer expenses ₹ 298.40 Mn, including pre- IPO related estimated expenses) from proceeds of fresh issue of equity shares. Further, the fund raised from Offer for sale were remitted to the selling shareholders (net off estimated offer expenses borne by the selling shareholders).The utilization of the net proceeds is summarised as below:

Object of the issue as per prospectus	Amount to be utilized as per prospectus	Utilized amount up to March 31, 2024	Unutilized amount as at March 31, 2024*
Expenditure towards Customer acquisition and retention	3,000.00	**852.67**	**2,147.33**
Expenditure towards development of technology and products	400.00	**6.13**	**393.87**
Repayment/ pre-payment of certain borrowings, in full or part, availed by the Company	170.83	**168.00**	**2.83**
General corporate purposes*	50.77	**1.62**	**49.15**
Total	**3,621.60**	**1,028.42**	**2,593.18**

* Cost revised from ₹ 50.99 Mn to ₹ 50.77 Mn.

* Net IPO Proceeds which were unutilized as at March 31, 2024 were temporarily invested in deposits with scheduled commercial banks and in monitoring agency account.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

35 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006: The amount due to Micro and Small Enterprises as defined in the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro, Small and Medium Enterprises are as under:

Particulars		As at March 31, 2024	As at March 31, 2023
(i)	Principal amount remaining unpaid to supplier at the end of the year	6.53	9.63
(ii)	Interest due thereon remaining unpaid to supplier at the end of the year	-	-
(iii)	Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv)	Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v)	Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi)	Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
(vii)	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

36 EMPLOYEE BENEFITS

a) Defined Contribution Plan

Provident Fund:

Contributions were made to provident fund and Employee State Insurance in India for the employees of the Company as per the regulations. These contributions are made to registered funds administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any other constructive obligation.

b) Defined Benefit Plan

Gratuity:

The Company provides Gratuity for employees in India as per the Payment of Gratuity Act, 1972. All employees are entitled to gratuity benefits on exit from service due to retirement, resignation or death. There is a vesting period of 5 years on exits due to retirement or resignation. There is a limit of ₹ 2 Mn on the gratuity payable to an employee. This defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The present value of the defined benefit obligation and the relevant current service cost are measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance sheet date.

c) Amounts Recognized as Expense:

i) Defined Contribution Plan

Employer's Contribution to Provident Fund amounting to ₹ 6.09 Mn (March 31, 2023: ₹ 5.71 Mn) has been included in Note 26 under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 5.86 Mn (March 31, 2023: ₹ 4.75 Mn) has been included in Note 26 under gratuity. The Company's gratuity plan is unfunded.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

d) Amounts recognized in the Financial statements as at year end for Gratuity provision are as under:

		As at March 31, 2024	As at March 31, 2023
i)	**Change in Present Value of Obligation**		
	Present value of the obligation at the beginning of the year	11.64	7.36
	Current service cost	5.03	4.20
	Interest cost	0.83	0.54
	Actuarial (Gain)/Loss on Obligation- Due to Change in Financial Assumptions	0.09	(0.74)
	Actuarial (Gain) / Loss on Obligation- Due to Experience Adjustments	(0.24)	0.28
	Present value of the obligation at the end of the year	**17.35**	**11.64**
ii)	**Bifurcation of present value of Benefit obligation**		
	Current- Amount due within one year	0.95	0.22
	Non-current- Amount due after one year	16.40	11.42
	Total	**17.35**	**11.64**
iii)	**Expected benefit payments in future years**		
	Year 1	0.95	0.22
	Year 2	24.94	0.51
	Year 3	2.20	0.50
	Year 4	5.12	0.48
	Year 5	1.35	3.64
	Year 6 to Year 10	6.95	1.13
iv)	**Sensitivity Analysis**		
	Discount Rate - 1 % increase	16.33	10.57
	Discount Rate - 1 % decrease	18.50	12.92
	Salary Escalation Rate - 1 % increase	18.51	12.93
	Salary Escalation Rate - 1 % decrease	16.30	10.53
	Withdrawal Rate - 1 % decrease	17.20	11.38
	Withdrawal Rate - 1 % increase	17.49	11.89
v)	**Amounts Recognized in the Balance sheet:**		
	Present value of Obligation at the end of the year	17.35	11.64
	Fair value of Plan Assets at the end of the year	-	-
	Net Liability recognized in the Balance Sheet	**17.35**	**11.64**
vi)	**Amounts Recognized in the Statement of Profit and Loss:**		
	Current service cost	5.03	4.20
	Net interest on net defined Liability	0.83	0.55
	Expenses recognized in Statement of Profit and Loss	**5.86**	**4.75**
vii)	**Recognized in other comprehensive income for the year**		
	Actuarial (Gains) / Losses on Liability	(0.15)	(0.46)
	Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above	-	-
	Recognized in other comprehensive income	**(0.15)**	**(0.46)**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

		As at March 31, 2024	As at March 31, 2023
viii)	**Actuarial Assumptions**		
i)	Discount Rate	7.10%	7.40%
	Based on yields (as on valuation date) of Government Bonds with a tenure similar to the expected working lifetime of the employees.		
ii)	Salary Escalation Rate	5.00%	5.00%
	based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market. This assumption has been determined in consultation with the Company.		
iii)	Retirement Age	58	58
iv)	Attrition Rate	10%	5%
v)	Mortality Rate	Indian Assured Lives Mortality	

37 FINANCIAL INSTRUMENTS

A. Financial instruments by category

	Note No.	Fair value level	March 31, 2024	March 31, 2023
Financial assets				
Measured at amortised cost				
Non current				
(i) Investments in unquoted equity shares (fully paid up)	6	Level 1	247.50	-
(ii) Other financial assets	7	Level 2	46.12	14.69
Current				
(i) Trade receivables	12	Level 2	1,746.21	1,026.59
(ii) Cash and cash equivalents	13 (a)	Level 2	79.40	195.89
(ii) Bank balances other than (iii) above	13 (b)	Level 2	2,713.67	30.07
(iv) Other financial assets	7	Level 2	30.40	1.15
Measured at Fair value through OCI				
Non current				
Investment in Unquoted funds (carried at fair value through OCI)	6	Level 2	12.33	-
Measured at Fair value through Profit or Loss				
Investment in quoted mutual funds-Non current	6	Level 1	-	4.85
Investment in quoted mutual funds-Current	6	Level 1	5.20	12.32
Total financial assets			**4,880.83**	**1,285.56**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

	Note No.	Fair value level	March 31, 2024	March 31, 2023
Financial liabilities				
Measured at amortised cost				
Non current				
(i) Borrowings	17	Level 2	154.73	513.29
(ii) Lease liabilities	4	Level 2	87.57	158.65
Current				
(i) Borrowings	18	Level 2	581.29	697.44
(ii) Current lease liabilities	4	Level 2	42.68	44.10
(iii) Trade payables	19	Level 2	19.63	92.19
(iii) Other financial liabilities	20	Level 2	21.11	23.66
Total financial liabilities			**907.01**	**1,529.33**

Note: The Company has not disclosed the fair values for financial instruments such as short-term trade receivables or short-term trade payables because their carrying amounts are a reasonable approximation of fair values.

Note 1: For the purpose of above abbreviations, FVTOCI - Fair value through other comprehensive income; amortised cost - fair value through amortized cost.

Note 2: Other financial assets and liabilities relate to level 3 financial instruments where the carrying value reasonably approximates to their fair value.

B. Financial risk management

The Company activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, security deposits and bank deposits.	Ageing analysis. Credit score of customers/ entities.	Monitoring the credit limits of customers and obtaining security deposits
Liquidity risk	Borrowings	Cash flow forecasts managed by finance team under the overview of Senior Management.	Working capital management by Senior Management. The excess liquidity is channelised through bank deposits.

The Company risk management is carried out by the Senior Management under policies approved by the Board of Directors. The Board of Directors provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

Risk management framework

The board of directors have overall responsibility for the risk management framework. The board of directors are responsible for developing and monitoring the risk management policies. The board of directors monitors the compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The risk management policies are to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

A. Credit risk

i. Credit risk management

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments. The carrying amounts of financial assets represent the maximum credit risk exposure.

ii. Provision for Expected credit loss

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to ₹ 57.56 Mn (March 31, 2023: ₹ 57.56 Mn). The movement in allowance for credit loss in respect of trade receivables during the year was as follows:

Allowance for credit losses	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	57.56	73.79
Reversal during the year	-	(16.23)
Closing balance	**57.56**	**57.56**

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

B. 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.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities:

As at March 31, 2024

Particulars	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Long-term borrowings (excluding current maturities)	154.73	-	154.73	-	154.73
Lease liabilities	130.25	57.50	165.58	-	223.08
Short-term borrowings	581.29	581.29	-	-	581.29
Trade payables	19.63	19.63	-	-	19.63
Total	**885.90**	**658.42**	**320.31**	**-**	**978.73**

As at March 31, 2023

Particulars	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Long-term borrowings (excluding current maturities)	513.29	-	566.87	10.22	577.09
Lease liabilities	202.75	50.12	203.48	5.34	258.94
Short-term borrowings	697.44	697.44	-	-	697.44
Trade payables	92.19	91.93	0.26	-	92.19
Total	**1,505.67**	**839.49**	**770.61**	**15.56**	**1,625.66**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

The Company has secured loans from bank that contain loan covenants. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table.

The Company has access to financing facilities of which ₹ 96.61 Mn (March 31, 2023 : ₹ 49.32 Mn) were unused at the end of the reporting period. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

(i) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Particulars	March 31, 2024	March 31, 2023
Variable rate borrowings	367.95	187.50
Fixed rate borrowings	14.68	326.71

(ii) Sensitivity

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sensitivity		
1% increase in variable rate	(3.68)	(1.88)
1% decrease in variable rate	3.68	1.88

D. Currency risk

The Company does not have material revenues/assets denominated in foreign exchange and hence Company is not subject to foreign currency fluctuation.

38 CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to equity shareholders.

The debt to adjusted capital ratio at the end of the reporting period was as follows:

	March 31, 2024	March 31, 2023
Total Debt (Refer Note 17 and 18)	736.02	1,210.73
Less : cash and cash equivalents and bank balances *	143.07	225.96
Adjusted net debt	592.95	984.77
Total equity	**5,753.82**	**487.51**
Adjusted net debt to adjusted equity ratio	**0.10**	**2.02**

* For bank balances, IPO Proceeds which were unutilized as at March 31, 2024 were temporarily invested in deposits are not considered.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

39 INCOME TAXES

Components of income-rax expense

Tax expense recognized in the Statement of Profit and Loss

		For the year ended March 31, 2024	For the year ended March 31, 2023
A.	**Current tax**		
	Current year	162.11	85.97
	Total	**162.11**	**85.97**
B.	**Deferred tax**		
	Origination and reversal of temporary differences	(4.50)	1.37
	Total	**(4.50)**	**1.37**
	Total	**157.61**	**87.34**
C.	**Tax on Other Comprehensive Income**		
	Deferred tax		
	Origination and reversal of temporary differences - OCI	(0.63)	(0.12)
	Total	**(0.63)**	**(0.12)**

Tax assets / liabilities (net)

		March 31, 2024	March 31, 2023
D.	Advance tax (net of provision for tax)	11.00	119.01
E.	Provision for tax (net of advance payment of taxes)	(1.41)	(47.80)
		9.59	**71.21**

Deferred tax assets (net)

		March 31, 2024	March 31, 2023
F.	Deferred tax asset	27.60	23.10
G.	Deferred tax liability	-	-
	Deferred tax asset (net)	**27.60**	**23.10**

H. Reconciliation of tax expense and the Accounting Profit

The Income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before income taxes	**597.81**	**316.35**
Indian statutory income tax rate	25.17%	25.17%
Expected Income Tax Expense	**150.46**	**80.00**
Tax effect of expenditure disallowed under income tax	2.15	10.43
Others	5.00	(3.09)
Total income tax expense	**157.61**	**87.34**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Movement during the year ended March 31, 2024	As at April 01, 2023	Credit/ (charge) in the Statement of Profit and Loss	Credit/ (charge) in OCI	As at March 31, 2024
Deferred tax assets/(liabilities)				
Depreciation/amortisation of Property, plant and equipment	2.76	3.48	-	6.24
Provision for employee benefits	2.93	1.44	-	4.37
Provision for doubtful receivables	14.49	(0.31)	-	14.18
Right of use assets (net of lease liability)	1.52	1.29	-	2.81
Others	1.40	(1.40)	-	-
Total	**23.10**	**4.50**	**-**	**27.60**

Movement during the year ended March 31, 2023	As at April 01, 2022	Credit/ (charge) in the Statement of Profit and Loss	Credit/ (charge) in OCI	As at March 31, 2023
Deferred tax assets/(liabilities)				
Depreciation/amortisation of Property, plant and equipment	1.19	1.57	-	2.76
Provision for employee benefits	1.50	1.55	(0.12)	2.93
Provision for doubtful receivables	18.57	(4.08)	-	14.49
Right of use assets (net of lease liability)	0.75	0.77	-	1.52
Others	2.58	(1.18)	-	1.40
Total	**24.59**	**(1.37)**	**(0.12)**	**23.10**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

40 REVENUE FROM CONTRACT WITH CUSTOMERS

Disaggregation revenue information

Set out below is the disaggregation of the Company's revenue from contract with customers:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Income from Platform and gift card	4,225.06	3,597.75
Income from Program fee and SaaS fee	3,530.92	1,936.85
	7,755.98	**5,534.60**
Within India	7,755.98	5,502.67
Outside India	-	31.93
	7,755.98	**5,534.60**
Timing of revenue recognition		
Services transferred over time	3,530.92	1,936.85
Goods transferred at a point of time	4,225.06	3,597.75
Total revenue from contracts with customers	**7,755.98**	**5,534.60**
Reconciliation of revenue recognized with the contracted price is as follows:		
Contract price	7,755.98	5,534.60
Less: Discounts and disallowances	-	-
Total revenue from contracts with customers	**7,755.98**	**5,534.60**

Contract balances

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	1,746.21	1,026.59
Contract assets	-	-
Contract liabilities	-	-

41 The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses. The Company does not have any unhedged foreign currency exposure as at reporting date.

42 SUBSEQUENT EVENTS

No Significant Subsequent events have been observed which may require an adjustment / disclosure to the financial statements.

43 a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d. The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

e. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

f. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

h. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the certain provisions of the Code will come into effect and the rules thereunder has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

i. The stock statements filed by the Company with the banks are in agreement with the books of accounts of the Company

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

k. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

44 EMPLOYEE STOCK BASED COMPENSATION:

Employee Stock Option Plan (ESOP) :

The Company instituted the Zaggle Employee Stock Option Scheme 2022, in which 46,10,936 stock options were approved by the Shareholders in Extra Ordinary General Meeting held on November 21, 2022 for the benefit of employees.

ZAGGLE ESOP 2022 Plan :

During Previous year, the Company has granted 24,23,369 equity shares of face value ₹ 1/- each under Employee Stock Option Scheme to Eligible Employees. The grant made during FY 2022-23 includes grant of 12,48,511 options at exercise price of ₹ 1 each and 11,74,858 options at exercise price of ₹ 271 each. The fair value of share option grant for exercise price of ₹ 1 amounting to 360.52 and exercise price of ₹ 271.00 amounting to ₹ 236.59 is estimated at the date of the grant using Black-Scholes method, taking into account the terms and conditions upon which the share option where granted.

In case of Type II options, The Exercise price at which options are granted to certain option grantees is higher than the prices at which the shares of the Company got listed on stock exchanges. To keep the scheme attractive to the employees, the Company has decided to reprice the options from ₹ 271 to ₹ 164 (the highest price from the price band for IPO) vide Share holders approval dated December 11, 2023. Accordingly, resulting incremental fair value of ₹ 51.31 were considered for recognition of ESOP expenditure during the current year as per Ind AS - 102.

Disclosures as per IND AS 102 for outstanding options:

(i) Details of options granted under ZAGGLE ESOP 2022 Plan are as below:

Grant	Grant Date	Number of options granted	Number of options outstanding (as at March 31, 2024)	Exercise Price (in ₹)	Fair value at grant date (in ₹)
Type I	September 29, 2022	12,48,511	3,85,802	1.00	360.52
Type II	September 29, 2022	11,74,858	3,75,122	164.00	287.90*

*refer above note

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

(i) Details of options granted under ZAGGLE ESOP 2022 Plan are as below:

Grant	Grant Date	Number of options granted	Number of options outstanding (as at March 31, 2023)	Exercise Price (in ₹)	Fair value at grant date (in ₹)
Type I	September 29, 2022	12,48,511	12,48,511	1.00	360.52
Type II	September 29, 2022	11,74,858	7,11,220	271.00	236.59

*refer above note

(ii) Exercise price and other details

Particulars	Type I	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Weighted average exercise price for outstanding options at year end (in ₹)	1.00	1.00
Weighted average remaining contractual life for outstanding options at year end	2.5 Years	3.5 years
Range of exercise prices for outstanding options at year end (in ₹)	1.00	1.00

Particulars	Type II	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Weighted average exercise price for outstanding options at year end (in ₹)	164.00	271.00
Weighted average remaining contractual life for outstanding options at year end	2.5 years	3.5 years
Range of exercise prices for outstanding options at year end (in ₹)	164.00	271.00

Details of the grant/issue as at March 31, 2024 are given below:

Particulars	Type I			
	March 31, 2024		March 31, 2023	
	No. of share options	Weighted average exercise price in ₹	No. of share options	Weighted average exercise price in ₹
Options outstanding at the beginning of the year	12,48,511	1.00	-	-
Granted during the year	-	-	12,48,511	1.00
Vested during the year	4,03,891	1.00	-	-
Exercised during the year	3,12,127	1.00	-	-
Lapsed during the year	4,58,818	1.00	-	-
Forfeited during the year	-	-	-	-
Options outstanding at the end of the year	3,85,802	1.00	12,48,511	1.00
Options vested and exercisable at the end of the year	91,764	1.00	-	-

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Particulars	Type II			
	March 31, 2024		March 31, 2023	
	No. of share options	Weighted average exercise price in ₹	No. of share options	Weighted average exercise price in ₹
Options outstanding at the beginning of the year	7,11,220	271	-	-
Granted during the year	-	-	11,74,858	271
Vested during the year	1,32,255	164	-	-
Exercised during the year	73,608	164	-	-
Lapsed during the year	2,03,844	164	3,82,272	271
Forfeited during the year	-	-	81,366	271
Options outstanding at the end of the year	3,75,122	164	7,11,220	271
Options vested and exercisable at the end of the year	58,647	164	-	-

Break-up of employee stock compensation expense

Particulars	ZAGGLE ESOP 2022 Plan	
	March 31, 2024	March 31, 2023
KMP	20.98	73.09
Employees other than KMP	128.79	71.04
Total	149.77	144.13

Note: The Nomination and Remuneration Committee authorized the granting of 566,252 options to grantees in the meeting held on April 30, 2024.

45 FINANCIAL RATIO

S. No.	Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance	Variation	Reason for change more than 25%
1	Current Ratio (in times)	Current assets	Current liabilities	6.18	1.49	4.69	313.65%	Unutilized IPO proceeds are deployed in temporary fixed deposits with banks. This resulted in improvement of current ratio
2	Debt-Equity Ratio (in times)	Total Debt	Total equity	0.13	2.48	(2.36)	(94.85%)	Variance on account of Increase in equity, due to fresh issue of shares and foreclosure of loans during current period
3	Debt Coverage Ratio	Earnings available for debt service	Total Interest and principal repayments	0.73	2.66	(1.93)	(72.48%)	Reduction of debt on account of foreclosure of loans during current period.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

S. No.	Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance	Variation	Reason for change more than 25%
4	Return on Equity (ROE) (in %)	Net Profits after taxes	Total equity	7.65	46.98	(39.32)	(83.71%)	Average equity in current period has increase due to fresh issue of shares in IPO.
5	Trade Receivables turnover ratio (in times)	Credit Sales	Average Trade Receivables	5.59	5.39	0.20	3.75%	Not a major Variance
6	Trade payables turnover ratio (in times)	Credit Purchases	Average Trade Payables	67.92	34.59	33.33	96.35%	Increased on account timely payment of trade payables.
7	Net capital turnover ratio (in times)	Net Sales	Working Capital	1.58	9.52	(7.94)	(83.43%)	Unutilized IPO proceeds are deployed in temporary fixed deposits with banks. This resulted in improvement in working capital.
8	Net profit ratio (in %)	Net Sales	Sales	5.68	4.14	1.54	37.17%	Improvement is on account of a new line of business added and increase in margin in line with increase in volume.
9	Return on Capital employed (in %)	Earnings before interest and taxes	Capital Employed	22.87	45.00	(22.13)	(49.19%)	During current year average equity has increased on account of fresh issue of share capital.

46 The Company has incorporated a wholly owned subsidiary named as Zaggle Technologies Limited ("ZTL"), a private Company in the United Kingdom on January 12, 2023, as a subscriber to the memorandum. ZTL had allotted 1 equity share of GBP 1 to the Company upon incorporation, such shares remained unpaid as of March 31, 2023. ZTL had not commenced any business, operations or activities since its incorporation and there were no transactions during the period January 12, 2023, to March 31, 2023. Considering above the Company has prepared its first consolidated financial statement for the year ended March 31, 2023. The Company's Board of Directors on its meeting held on August 26, 2023 has decided to request ZTL to apply to the registrar of companies through its director, to strike off its name off the register in compliance with applicable provisions of the UK laws. Accordingly, the strike-off application was made by ZTL on August 26, 2023 and the Company has received dissolution notification dated November 21, 2023.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

47 During the year, pursuant to Share Purchase Agreement dated March 27, 2024, the Company has acquired 45% of shareholding in Span Across IT Solutions Private Limited and acquisition was completed on March 30, 2024.

48 The standalone financial statements were approved by the Board of Directors and authorized for issue on May 23, 2024

As per our report of even date attached

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Prakash Chandra Bhutada
Partner
Membership No: 404621

For **P R S V & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

Place: Hyderabad
Date: May 23, 2024

For and on behalf of the Board of Directors of
Zaggle Prepaid Ocean Services Limited
(formerly known as Zaggle Prepaid Ocean Services Private Limited)

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: May 23, 2024

INDEPENDENT AUDITORS' REPORT

To the Members of

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited) (the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as the "Group"), and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of report on separate financial statements of an associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its associate as at March 31, 2024 of consolidated profit including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit report of other auditor referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Revenue Recognition (Refer note 2.2 (A) of Consolidated Financial Statements):

Revenue is a key performance measure for the Holding Company. Revenue of the Holding Company mainly comprise of program fees and sales of propel gift cards vouchers.

Revenue is recognised as per the terms of the contract with the respective customers and when it meets the recognition criteria as per Ind AS 115 on "Revenue from contracts with customers".

There exists a risk of revenue not being recognised in proportion to the service performed by the Company. Further, revenue may also be recorded in an incorrect period or on a basis which is inconsistent with the contractual terms agreed with the customers.

In view of the above factors and given that the Company and its stakeholders focus on revenue as a key performance indicator, we have determined Revenue to be a key audit matter.

How the Key Audit Matter was addressed in our audit:

1. Evaluated the appropriateness of the revenue recognition accounting policies of the Company with the principles of Indian Accounting standard 115 - ' Revenue from contracts with customer' ('Ind AS 115').
2. Evaluated the design, implementation and tested the operating effectiveness of the relevant key controls with respect to revenue recognition.
3. Performed Analytical procedures on revenue recognised during the year to identify and inquire

on unusual variances, if any and getting the reasons for variances confirmed from the management of the Company.

4. Verified completeness and existence assertion by performing substantive testing on selected samples of revenue transactions recorded during the year by testing the underlying documents including contracts, invoices, gift voucher delivery communications and customer receipts, wherever applicable and obtaining independent balance confirmation from the customers at the balance sheet date.

5. Verified cut off assertion by reviewing the Company's revenue recognition policies, testing samples of revenue transactions near the end of the reporting period and verified supporting documents to verify that the revenue is recorded in corrected accounting period.

6. Tested on a sample basis, manual journal entries relating to revenues to identify and inquire on unusual items, if any.

7. Assessed the adequacy and appropriateness of the disclosures made in the financial statements to verify they are accurate, complete, and comply with the requirements of Ind AS 115 - ' Revenue from contracts with customer'.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc. but does not include the consolidated financial statements and our auditor's report thereon. The Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc. is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc., if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associate for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("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 consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

OTHER MATTERS

(a) The consolidated financial statements include the Group's share of net profit including total other comprehensive income) of Rs. Nil, as considered in the consolidated financial statements, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the reports of the other auditors.

(b) We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of Rs. Nil as at March 31, 2024, total revenues of Rs. Nil and net cash flows amounting to Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, this financial statement is not material to the Group.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditor on the separate financial statements of the associate referred to in the Other Matters section above we report, to the extent applicable, that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor except for the matters stated in the paragraph 1 (h) (vi) below on reporting under Rule 11(g).

    c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate incorporated in India, none of the directors of the Group companies incorporated in

India are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

g. The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 1 (b) above on reporting under Section 143(3)(b) and paragraph 1 (h) (vi) below on reporting under Rule 11(g).

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate – Refer Note 30 to the consolidated financial statements.

   ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associate incorporated in India.

   iv. (1) The respective Managements of the Holding Company and its associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associate respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company, associate to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or such associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (2) The respective Managements of the Holding Company and its associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associate respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or such associate from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or such associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the associate which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Holding Company and its associate which is company incorporated in India, whose financial statements have been audited under the Act, have not declared nor paid any dividend during the year and have not proposed final dividend for the year.

vi. (a) The Holding Company has upgraded its accounting software on August 25, 2023, to the Edit Log version software from an earlier version of the accounting software it operated for maintaining its books of account during the year ended March 31, 2024. Based on our examination, we are unable to comment whether the earlier version of the accounting software had a feature of recording audit trail (edit log) facility and whether it was enabled therein. However, the upgraded Edit Log version software has a feature of recording audit trail (edit log) facility, which was enabled in the software and the same has been operated effectively throughout the period from August 25, 2023, to March 31, 2024. Further, we did not come across any instance of the audit trail feature being tampered with during this period in the upgraded Edit Log version software.

(b) In respect of an associate, the accounting software used by the associate for maintaining its books of account for the year ended March 31, 2024, did not have a feature of recording audit trail (edit log) facility, as reported by the other auditor.

2. In our opinion, according to information, explanations given to us, the remuneration paid / provided by the Group and its associate to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company and on consideration of CARO reports issued by the statutory auditors of associate included in the consolidated financial statements of the Group to which reporting under CARO is applicable, we report that there are no Qualifications/adverse remarks.

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 24222068BKAVRB5616

Place: Hyderabad
Date: May 23, 2024

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Prakash Chandra Bhutada
Partner
Membership No. 404621
UDIN: 24404621BKFSKH6143

Place: Hyderabad
Date: May 23, 2024

ANNEXURE A

TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ZAGGLE PREPAID OCEAN SERVICES LIMITED (FORMERLY KNOWN AS ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.

- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2024, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 24222068BKAVRB5616

Place: Hyderabad
Date: May 23, 2024

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Prakash Chandra Bhutada
Partner
Membership No. 404621
UDIN: 24404621BKFSKH6143

Place: Hyderabad
Date: May 23, 2024

ANNEXURE B

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ZAGGLE PREPAID OCEAN SERVICES LIMITED (FORMERLY KNOWN AS ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED)

[Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited) on the consolidated Financial Statements for the year ended March 31, 2024]

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE "ACT")

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls reference to consolidated financial statements of Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited) (hereinafter referred to as the "Holding Company"), as of that date.

Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to an associate company incorporated in India namely Span Across IT Solutions Private Limited, pursuant to MCA notification GSR 583(E) dated 13 June 2017.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal financial controls with reference to consolidated financial statements criteria established by the Holding company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI").

Management and Board of Director's Responsibility for Internal Financial Controls

The respective Management and the Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 24222068BKAVRB5616

Place: Hyderabad
Date: May 23, 2024

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Prakash Chandra Bhutada
Partner
Membership No. 404621
UDIN: 24404621BKFSKH6143

Place: Hyderabad
Date: May 23, 2024

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2024

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	25.32	23.48
b) Right-of-use assets	4	119.10	196.73
c) Intangible assets	5 (a)	81.56	68.90
d) Intangible assets under development	5 (b)	498.63	108.68
e) Financial assets			
(i) Investments	6	259.83	4.85
(ii) Other financial assets	7	46.12	14.69
f) Income-tax assets (net)	8(a)	11.00	119.01
g) Deferred tax assets (net)	9	27.60	23.10
h) Other non-current assets	10	27.22	29.77
Total non-current assets		**1,096.38**	**589.21**
Current assets			
a) Inventories	11	3.58	0.97
b) Financial assets			
(i) Investments	6	5.20	12.32
(ii) Trade receivables	12	1,746.21	1,026.59
(iii) Cash and cash equivalents	13 (a)	79.40	195.89
(iv) Bank balances other than (iii) above	13 (b)	2,713.67	30.07
(v) Other financial assets	7	30.40	1.15
c) Other current assets	14	1,286.52	491.39
Total current assets		**5,864.98**	**1,758.38**
Total assets		**6,961.36**	**2,347.59**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity share capital	15	122.49	92.22
b) Other equity	16	5,631.33	395.29
Total equity		**5,753.82**	**487.51**
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	17	154.73	513.29
(ia) Lease liabilities	4	87.57	158.65
b) Provisions	21	16.40	11.43
Total non-current liabilities		**258.70**	**683.37**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	18	581.29	697.44
(ia) Lease liabilities	4	42.68	44.10
(ii) Trade payables	19		
Total outstanding dues of micro and small enterprises		6.53	9.63
Total outstanding dues of creditors other than micro and small enterprises		13.10	82.56
(iii) Other financial liabilities	20	21.11	23.66
b) Provisions	21	0.95	0.22
c) Other current liabilities	22	281.77	271.30
d) Current tax liabilities (net)	8(b)	1.41	47.80
Total current liabilities		**948.84**	**1,176.71**
Total liabilities		**1,207.54**	**1,860.08**
Total equity and liabilities		**6,961.36**	**2,347.59**

See accompanying notes forming part of the Consolidated Financial Statements. 1-46

As per our report of even date attached

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

For **P R S V & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of Directors of
Zaggle Prepaid Ocean Services Limited
(formerly known as Zaggle Prepaid Ocean Services Private Limited)

Prakash Chandra Bhutada
Partner
Membership No: 404621

Y. Venkateswarlu
Partner
Membership No: 222068

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: May 23, 2024

Place: Hyderabad
Date: May 23, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenues			
Revenue from operations	23	7,755.98	5,534.60
Other income	24	112.71	11.15
Total income		**7,868.69**	**5,545.75**
Expenses			
Cost of point redemption / gift cards		3,797.16	3,188.70
Consumption of cards	25	12.28	17.53
Employee benefits expense	26	512.82	435.83
Finance costs	27	137.17	113.77
Depreciation and amortization expense	28	83.63	61.99
Other expenses	29	2,727.82	1,411.58
Total expenses		**7,270.88**	**5,229.40**
Profit before tax		**597.81**	**316.35**
Tax expenses			
Current tax	38	162.11	85.97
Deferred tax		(4.50)	1.37
Total tax expense		**157.61**	**87.34**
Profit after tax		**440.20**	**229.01**
Other comprehensive income			
Items that will not be reclassified subsequently to profit and loss			
Remeasurements of defined benefit liability and unquoted investments		(2.33)	0.46
Deferred tax relating to these items		(0.63)	(0.12)
Total comprehensive (loss)/income for the year		(2.96)	0.34
Total comprehensive income		**437.24**	**229.35**
Earnings per equity share (Face value of ₹1 each)			
- Basic (₹)	32	4.06	2.48
- Diluted (₹)		4.03	2.46

See accompanying notes forming part of the Consolidated Financial Statements. 1-46

As per our report of even date attached

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

For **P R S V & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of Directors of
Zaggle Prepaid Ocean Services Limited
(formerly known as Zaggle Prepaid Ocean Services Private Limited)

Prakash Chandra Bhutada
Partner
Membership No: 404621

Y. Venkateswarlu
Partner
Membership No: 222068

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: May 23, 2024

Place: Hyderabad
Date: May 23, 2024

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Particulars			For the year ended March 31, 2024	For the year ended March 31, 2023
A.	**Cash flow from operating activities**			
	Profit before tax		**597.81**	**316.35**
	Adjustments for :			
	Depreciation and amortization expense		83.63	61.99
	Interest expense		123.64	102.87
	Interest expense on lease liabilities		13.53	10.90
	Liabilities no longer required written back		-	(2.26)
	Net gain on termination of lease		(4.26)	-
	Reversal of credit impaired trade receivables		-	(16.23)
	Interest income		(102.55)	(4.16)
	Employee share based compensation expenses		149.77	144.13
	Operating profit before working capital changes		**861.57**	**613.59**
	Change in assets and liabilities			
	Adjustments for (increase)/decrease in operating assets:			
	Trade receivables		(719.62)	(580.85)
	Inventories		(2.61)	0.15
	Other financial assets		(31.43)	(12.67)
	Other assets		(784.55)	(284.41)
	Adjustments for increase/(decrease) in operating liabilities:			
	Trade payables		(72.56)	(12.90)
	Provision		5.70	3.83
	Other financial liabilities		(2.56)	13.28
	Other liabilities		10.47	137.39
	Cash used in operations		**(735.59)**	**(122.59)**
	Income taxes paid (net of refund)		(91.87)	(33.59)
	Net cash used in operating activities	**A**	**(827.46)**	**(156.18)**
B.	**Cash flows from investing activities**			
	Purchase of Property, Plant and Equipment, intangible assets, Intangibles under development including capital advance		(459.44)	(161.71)
	Movement in other than cash and cash equivalents, net		(2,683.60)	(1.07)
	Investment in associate		(247.50)	-
	Investment in unquoted funds		(5.00)	(22.17)
	Proceeds from sale of investment in quoted mutual funds		11.97	-
	Interest received		64.68	3.47
	Net cash used in investing activities	**B**	**(3,318.89)**	**(181.48)**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
C. Cash flow from financing activities			
Proceeds from issue of equity shares including security premium		4,872.91	149.61
Share issue expenses		(210.41)	(61.65)
Proceeds from long term borrowings		367.95	500.00
Repayment of long term borrowings		(995.37)	(130.00)
Proceeds from short term borrowings (net)		152.71	196.01
Payment of lease liabilities		(20.76)	(13.76)
Interest on lease liabilities		(13.53)	(10.90)
Interest paid		(123.64)	(102.87)
Net cash flow from financing activities	**C**	**4,029.86**	**526.44**
Net (decrease)/ increase in cash and cash equivalents	**A+B+C**	(116.49)	188.78
Cash and cash equivalents at the beginning of the year		195.89	7.11
Cash and cash equivalents at the end of the year [Refer Note 13 (a)]		**79.40**	**195.89**

Note:

Reconciliation of Financial Liabilities - Borrowings and lease liabilities:

Particulars	As at April 01, 2023	Cash flows	Non Cash Movements	As at March 31, 2024
Long-term borrowings (including current maturities)	1,010.05	(634.52)	7.10	382.63
Short term borrowings	200.68	152.71	-	353.39
Lease liabilities	202.75	(34.29)	(38.21)	130.25

Particulars	As at April 01, 2022	Cash flows	Non Cash Movements	As at March 31, 2023
Long-term borrowings (including current maturities)	640.05	315.44	54.56	1,010.05
Short term borrowings	4.67	196.01	-	200.68
Lease liabilities	58.39	(24.66)	169.02	202.75

See accompanying notes forming part of the Consolidated Financial Statements. 1-46

As per our report of even date attached

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Prakash Chandra Bhutada
Partner
Membership No: 404621

For **P R S V & Co. LLP**
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Y. Venkateswarlu
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For and on behalf of the Board of Directors of
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DIN: 00410032

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Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: May 23, 2024

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Date: May 23, 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

A. Equity share capital

	No. of Shares	Amount
As at April 01, 2022	**1,80,000**	**1.80**
Addition during the year		
Add: Issued during the year	821	0.01
Before adjustment of sub-division of shares	**1,80,821**	**1.81**
Adjusted No.of shares after sub-division of equity shares	18,08,210	1.81
Issue of bonus shares	9,04,10,500	90.41
As at March 31, 2023	**9,22,18,710**	**92.22**
Addition during the year		
Add: Issued during the year	2,98,78,048	29.88
Add: Shares issued during the year - ESOP	3,85,735	0.39
As at March 31, 2024	**12,24,82,493**	**122.49**

B. Other equity

Particulars	Reserves and surplus			Other comprehensive income	Total
	Securities premium	Retained earnings	Share Based Payment Reserve	Remeasurement of defined benefit obligations and Equity instrument routed through OCI	
Balance at April 01, 2022	**115.73**	**(154.44)**	**-**	**1.33**	**(37.38)**
Profit for the year	-	229.01	-	-	229.01
Security premium from issue of equity shares	149.60	-	-	-	149.60
Other comprehensive income	-	-	-	0.34	0.34
Share-based payments	-	-	144.13	-	144.13
Issue of bonus shares	(90.41)	-	-	-	(90.41)
Balance at March 31, 2023	**174.92**	**74.57**	**144.13**	**1.67**	**395.29**
Profit for the year	-	440.20	-	-	440.20
ESOP exercised during the year	145.72	-	(133.72)	-	12.00
Security premium from issue of equity shares	4,870.12	-	-	-	4,870.12
Other comprehensive income	-	-	-	2.33	2.33
Share-based payments	-	-	149.77	-	149.77
Share issue expenses	(238.38)	-	-	-	(238.38)
Balance at March 31, 2024	**4,952.38**	**514.77**	**160.18**	**4.00**	**5,631.33**

See accompanying notes forming part of the Consolidated Financial Statements. 1-46

As per our report of even date attached

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For and on behalf of the Board of Directors of
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(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

1 CORPORATE INFORMATION

Zaggle Prepaid Ocean Services Limited (formerly known as a Zaggle Prepaid Ocean Services Private Limited) (hereinafter referred to as the "Parent Company" or "Zaggle"), was incorporated as Zaggle Prepaid Ocean Services Private Limited on June 02, 2011 under the provisions of the Companies Act, 1956.

The Company has converted from Private Limited Company to Public Limited Company under the provisions of Companies Act, 2013, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on September 13, 2022 and consequently the name of the Company has changed to "Zaggle Prepaid Ocean Services Limited" pursuant to a fresh certificate of incorporation by the Registrar of Companies on Month 12, 2011. Pursuant to Initial Public offer ('IPO'), the Company shares got listed on two recognized stock exchanges in India i.e. BSE and NSE on September 22, 2023.

The Parent Company is a B2B2C Fintech SaaS Company, which is a leading player in spend management, with a differentiated value proposition and diversified user base. The Parent Company offers a diversified portfolio of SaaS, including tax and payroll software.

The Parent Company together with its subsidiary and its associate, hereinafter, collectively referred to as the 'Group' and it has one associate entity as of Reporting date March 31, 2024

2.1 Basis of preparation and measurement

(i) Statement of compliance & Basis for preparation

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the 'Act'), the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act.

The consolidated financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

(ii) Principles of Consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company, subsidiary and its associate (from the date control is gained), being the entity that it controls. Control is evidenced where the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity's returns. The financial statement of subsidiary is prepared for the same reporting year as the parent company.

Subsidiary has been consolidated by combining like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. Intragroup balances and transactions, and any unrealized income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. When the Parent loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in profit or loss.

The consolidated financial information of the Parent Company includes financial information of its subsidiary and its associate, consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'.

a. On January 12, 2023, the Parent Company has incorporated a wholly owned subsidiary with Company Number 14589213 in the name of – Zaggle Technologies Limited ('the Subsidiary Company), domiciled in United Kingdom.

b. On March 30, 2024, the Parent Company has acquired 45% of shareholding in Span Across IT Solutions Private Limited (the "associate") which is incorporated on February 02, 2007 with company number U72900DL2007PTC158677. The associate deals in online income tax return preparation services and development of software. The associate's registered office is situated at 404 C.A. Chamber, 18/12 W.E.A., Arya Samaj Road, Karol Bagh, New Delhi – 110005.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

(iii) Investment in Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The Group's investments in its associates are accounted for using the equity method. Under the equity method, the investment in associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associates since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually. The Consolidated statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the associates, the Group recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and associate are eliminated to the extent of the interest in the associate. If an entity's share of losses of a an associate equals or exceeds its interest in the associate (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues r recognising is share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognized. The aggregate of the Group's share of profit and loss of an associate is shown on the face of the Consolidated statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss as 'Share of profit of an associate' in the Consolidated statement of profit and loss. Upon loss of significant influence over associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in the Consolidated statement of profit and loss.

(iv) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹), which is also the Group's functional currency. All financial information presented in Indian rupees have been rounded-off to two decimal places to the nearest million except share data or as otherwise stated.

(v) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities : Measured at fair value
- Borrowings-Long term borrowings : Amortized cost using effective interest rate method
- Net defined benefit (asset)/ liability : Present value of defined benefit obligations less fair value of plan assets
- Share based payment expenses : Measured at grant date fair value

(vi) Use of estimates and judgements

The preparation of the consolidated financial statements is in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application policies and reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the consolidated financial

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

statements in the year in which the changes are made and, if material, such effects are disclosed in the notes to consolidated financial statements.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 3, 4 and 5 - determining an asset's expected useful life and the expected residual value at the end of its life.
- Note 12 – impairment of financial assets;
- Notes 30 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 35 – measurement of defined benefit obligations: key actuarial assumptions;

(vi) Measurement of fair values

Accounting polices and disclosures require measurement of fair value for financial assets and financial liabilities.

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 36 - Financial instruments

(vii) Current and non-current classification:

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as a current when it is:

- it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle;
- it is expected to be realized within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non current.

Liabilities

A liability is classified as a current when:

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

- it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle;
- it is due to be settled within twelve months from the reporting date;
- it is held primarily for the purposes of being traded;
- the Group does not have an unconditional right to defer settlement of liability for at least twelve months from the reporting date.

All other liabilities are classified as non-current.

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

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and realization in cash or cash equivalents. The Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.2 Summary of Material accounting policies

A. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer net of variable consideration (e.g. discounts), taxes and amount collected on behalf of third parties. The Group recognizes revenue when it transfers control over a product or service to a customer. The amount of revenue recognized is at an amount that reflects the consideration to which the Group expect to be entitled to in exchange for the product or service. Revenue is only recognized to the extent that is highly probable that a significant reversal will not occur.

i) Program fees:

Revenue From Prepaid Card Instruments

The Company acts as Program Manager and Business Correspondent to the Partner Banks for the Co-branded Prepaid Card Instruments. The Co-branded Cards are operated under various schemes (Such as Kuber, Zinger etc.). Program fees mainly includes revenue from Interchange (including residual income) earned from partner banks and excludes amounts collected on behalf of partner banks. Interchange revenue is recognized as per the terms of the arrangement with partner banks, at the point in time, basis the information shared by the banks to the Company post settlement with network partners. The incentives / cash back, as an when incurred by the Company towards the co-branded prepaid card instruments has been considered as a distinct goods or services and accordingly recorded as an expense.

Revenue From Credit Card Instruments

The Company acts as a Program Manager and Business Correspondent to the Partner Banks for the issue of Credit Card Instruments to our customers/users. We run the programs with various customers/users and arrange to process their transactions through various platforms. Program Fees includes revenue from interchange earned from partner banks and excludes amounts collected on behalf of partner banks. Revenue from interchange income is recognized when related transaction occurs, or service is rendered as per the terms of the arrangement with partner banks. The Incentives / Cash back, as and when incurred by the Company towards the credit card instruments has been considered as a distinct goods or services and accordingly recorded as an expense.

Banks and corporates are considered as customers of the Group. Any amounts receivable from the customers on account of normal course of business is classified as trade receivable. Further advance received from customers against which cards are yet to be activated is disclosed as liability under advances from customers.

ii) Propel platform revenue / Gift cards:

Propel platform revenue from monetization of platform is recognized on the basis of terms of the agreement with the respective customers.

The Group recognizes revenue on completion of the Group performance obligation being met on redemption of propel points against catalogue of gift cards / vouchers.

The Group acts as a principal and accordingly consideration for the supplies is recognized on gross basis with corresponding cost of supplies being recorded as an expense. Revenue on sale of gift cards / vouchers is recognized only to the extent the Group's performance obligation is met,

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at the point in time on transfer of the control of the respective gift cards / vouchers to the customers.

iii) Fees income / SaaS income:

The Group earns fees income/SaaS income/ service fees income from various activities including user fees, platform fees, customization fees etc. The fee income is recognized when the control in services have been transferred by the Group i.e., as and when services have been provided by the Group and the Group's performance obligation is met. This fee is recognized as income in accordance with the terms of the arrangement with the respective customers.

iv) Interest income:

Interest income is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head 'other income' in the statement of profit and loss.

B. Financial instruments

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

i) Initial Recognition and measurement

Financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii) Classification and subsequent measurement

Financial assets

All financial assets except Trade receivables are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement: For the purpose of subsequent measurement, financial assets are categorized as under:

- Amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

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

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest

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income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial liabilities:

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss.

iii) Derecognition

Financial assets

A Financial asset is primarily derecognized when the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Group also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

iv) Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently and legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

C. Property, plant and equipment

i) Recognition and measurement

Property, Plant and Equipment ('PPE') are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred. If an item of property, plant and equipment is purchased with deferred credit period from supplier, such asset is recorded at its cash price equivalent value.

ii) Depreciation

Depreciation is provided using the Straight-line Method over the useful lives of the assets as

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estimated by the Management. Depreciation on additions and deletions are restricted to the period of use. Depreciation is charged to statement of profit and loss.

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

The Group, based on technical assessment and management estimate, depreciates property, plant and equipment over estimated useful lives which are prescribed in Schedule II to the Act. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Group has estimated the following useful lives to provide depreciation on its property, plant and equipment:

Asset category	Management estimate of useful life & Useful life as per Schedule II
Furniture and fixures	10 years
Office equipment	5 years
Computers	3 years
Vehicles	8 years

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 or losses arising from disposal of property, plant and equipment which are carried at cost are recognized in the statement of profit and loss.

Depreciation method, useful lives and residual values are reviewed at each reporting period end and adjusted if appropriate.

D. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally developed intangibles are capitalized to the extent of direct cost related to the development of the respective intangible assets which mainly includes manpower cost. Intangible assets are amortized over the useful economic life assessed which ranges from 3-5 years and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Asset category	Management estimate of useful life
R & R Software	3-4 years
Mobile Application	3 years
Software	3-5 years
Trademarks	5 years
Expense Management	3-5 years
Zoyer	3-5 years

E Impairment of assets

i) Impairment of financial instruments

The Group recognizes loss allowances for expected credit losses on financial assets measured at amortized cost and trade receivables. At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

The Group applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables

ii. Financial assets measured at amortized cost (other than trade receivables)

iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate.

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

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could

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still be subject to enforcement activities in order to comply with the Group procedures for recovery of amounts due.

ii) Impairment of non-financial assets

The Group non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Group corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

In respect of assets for which impairment loss has been recognized in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss has been recognized.

F. Employee benefits

(a) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme and other funds. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

(ii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability or asset recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by a qualified actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(iii) Compensated Absences: The Group has no policy of accumulation of compensated absences.

G. Leases

Lease contracts entered by the Group majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

Group as a Lessee:

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The Group used the following practical expedients when applying Ind AS 116 :

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term and leases of low value.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Right of use asset: The Group recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

Lease Liability: The Group measures the lease liability at present value of the future lease payments at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate as at the commencement of lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring

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the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in statement of profit and loss.

H. Income-tax

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

(i) Current tax

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

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

(ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and

- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

I. Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognized, together with a corresponding increase in Employee Stock Option Plan (ESOP) reserves in equity, over the period in which the performance and/ or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.The statement of profit and loss expense or credit for a period represents the movement in cumulative

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expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Performance conditions which are market conditions are taken into account when determining the grant date fair value of the awards. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

J. Provision, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized under finance costs. Expected future operating losses are not provided for.

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

Contingent liabilities and contingent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognized in the consolidated financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise.

K. 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.

L. Events after reporting date

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

M. Recent accounting pronouncements:

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

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

3 PROPERTY, PLANT AND EQUIPMENT

Description	Office Equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost as at April 01, 2022	**0.51**	**0.92**	**13.94**	**9.03**	**24.40**
Additions	1.16	0.39	9.12	-	10.67
Disposals	-	-	-	-	-
Cost as at March 31, 2023	**1.67**	**1.31**	**23.06**	**9.03**	**35.07**
Additions	1.30	2.53	7.43	-	11.26
Disposals	-	-	-	-	-
Cost as at March 31, 2024	**2.97**	**3.84**	**30.49**	**9.03**	**46.33**
Accumulated depreciation as at April 01, 2022	**0.19**	**0.07**	**3.51**	**0.86**	**4.63**
Depreciation for the year	0.10	0.11	5.57	1.18	6.96
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2023	**0.29**	**0.18**	**9.08**	**2.04**	**11.59**
Depreciation for the year	0.46	0.19	7.59	1.18	9.42
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2024	**0.75**	**0.37**	**16.67**	**3.22**	**21.01**
Net carrying amount as at March 31, 2023	**1.38**	**1.13**	**13.98**	**6.99**	**23.48**
Net carrying amount as at March 31, 2024	**2.22**	**3.47**	**13.82**	**5.81**	**25.32**

Note: Refer Note 17 & 18 for details of property, plant and equipment subject to charge on secured borrowings.

4 RIGHT OF USE ASSETS AND LEASE LIABILITIES

Right of Use Assets

Description	Right of use assets (Buildings)
Cost as at April 01, 2022	**73.26**
Additions	163.86
Deletion	-
Cost as at March 31, 2023	**237.12**
Additions	9.41
Deletion	65.81
Cost as at March 31, 2024	**180.72**
Accumulated depreciation as at April 01, 2022	**18.11**
Depreciation for the year	22.28
Deletion	-
Accumulated depreciation as at March 31, 2023	**40.39**
Depreciation for the year	30.16
Deletion	8.93
Accumulated depreciation as at March 31, 2024	**61.62**
Net carrying amount as at March 31, 2023	**196.73**
Net carrying amount as at March 31, 2024	**119.10**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Lease Liabilities:

(i) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	**202.75**	**58.39**
Additions during the year	9.41	158.12
Deletion during the year	(61.15)	-
Accrual of interest	13.53	10.90
Payment of lease liabilities	(34.29)	(24.66)
Closing balance	**130.25**	**202.75**
Less: Current lease liabilities	42.68	44.10
Non Current lease liabilities	**87.57**	**158.65**

(ii) Payments recognized as expenses and income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short term leases and low value assets (Refer Note 29)	3.06	2.17
	3.06	**2.17**

(iii) Contractual maturities of lease liabilities on undiscounted basis as at:

Particulars	March 31, 2024	March 31, 2023
Less than one year	57.50	50.12
One to five years	165.58	203.48
More than five years	-	5.34
	223.08	**258.94**

5a. INTANGIBLE ASSETS

Description	R&R software	Mobile application	Software	Trade Mark	Expense Management	Zoyer	Total
Cost as at April 01, 2022	**19.93**	**18.12**	**3.90**	**1.75**	**46.70**	**-**	**90.40**
Additions	-	-	-	-	57.36	-	**57.36**
Disposals	-	-	-	-	-	-	-
Cost as at March 31, 2023	**19.93**	**18.12**	**3.90**	**1.75**	**104.06**		**147.76**
Additions	-	-	1.00	-	12.24	43.47	**56.71**
Disposals	-	-	-	-	-		-
Cost as at March 31, 2024	**19.93**	**18.12**	**4.90**	**1.75**	**116.30**	**43.47**	**204.47**
Accumulated amortization as at April 01, 2022	**10.14**	**18.12**	**1.60**	**0.21**	**16.04**	**-**	**46.11**
Amortization for the year	3.35	-	2.30	0.64	26.46	-	**32.75**
Disposals	-	-	-	-	-	-	-
Accumulated amortization as at March 31, 2023	**13.49**	**18.12**	**3.90**	**0.85**	**42.50**	**-**	**78.86**
Amortization for the year	3.36	-	0.51	0.63	26.12	13.43	**44.05**
Disposals	-	-	-	-	-	-	-
Accumulated amortization as at March 31, 2024	**16.85**	**18.12**	**4.41**	**1.48**	**68.62**	**13.43**	**122.91**
Net carrying amount as at March 31, 2023	**6.44**	**-**	**-**	**0.90**	**61.56**	**-**	**68.90**
Net carrying amount as at March 31, 2024	**3.08**	**-**	**0.49**	**0.27**	**47.68**	**30.04**	**81.56**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

5b. INTANGIBLE ASSET UNDER DEVELOPMENT

Particulars	March 31, 2024	March 31, 2023
Zoyer Application under development*	178.63	108.68
Zatix Application under development *	320.00	
Total	**498.63**	**108.68**

* Project execution plans are reviewed periodically on the basis of Management judgement and estimates w.r.t future business, technological development/economy/ industry and the project is assessed as per periodic plans.

Ageing - Intangible Asset under development

Project in progress	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2024	433.42	65.21	-	-	498.63
As at March 31, 2023	93.68	15.00	-	-	108.68

6. INVESTMENTS

Particulars	March 31, 2024		March 31, 2023	
	Number	Amount	Number	Amount
Non-current				
Associates (at cost)				
Span Across IT Solutions Private Limited - Equity Shares having face value of ₹ 10 each	9,00,000	247.50	-	
Carrying amount of Investment		247.50		
Investment in quoted mutual funds (carried at fair value through profit and loss) [Refer Note (c) below]				
ICICI Prudential Liquid Fund - Growth	-	-	6947.59	2.30
ICICI Prudential Money Market Fund - Growth	-	-	3183.43	1.02
Kotak Liquid Regular Growth	-	-	339.03	1.53
Investment in Unquoted funds (carried at fair value through OCI)				
Paragon Partners Equity Trust	94,677.39	12.33	-	-
Total non-current investments		**259.83**		**4.85**
Current				
Investment in quoted mutual funds (carried at fair value through profit and loss) [Refer Note (c) below]				
ICICI Prudential Money Market Fund - Growth	-	-	35,186.11	11.30
HDFC Money Market Fund - Regular Plan - Growth	-	-	210.993	1.02
ICICI Prudential Liquid Fund - Growth	6,947.59	2.46	-	-
ICICI Prudential Money Market Fund - Growth	3,183.43	1.10		
Kotak Liquid Regular Growth	339.03	1.64	-	-
Total current investments		**5.20**		**12.32**
Notes:				
(a) Aggregate value of unquoted investments		259.83		-
(b) Aggregate value of quoted investments		5.20		17.17
(c) Change in fair value of the investments during the year		0.35		0.12
(d) Refer Note 17 for details of investments subject to charge on secured borrowings.				

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

7 OTHER FINANCIAL ASSETS (AT AMORTIZED COST)

	March 31, 2024	March 31, 2023
(Unsecured considered good)		
Non-current		
Security deposits	43.78	13.36
Other deposits	2.34	1.33
	46.12	**14.69**
Current		
Interest accrued on fixed deposits with banks	30.40	1.15
	30.40	**1.15**

8(a) NON-CURRENT: INCOME-TAX ASSETS (NET)

	March 31, 2024	March 31, 2023
Income-tax Asset [Net of Provision for Tax ₹ 8.57 Mn (March 31, 2023 ₹ 10.80 Mn)]	11.00	119.01
	11.00	**119.01**

8(b) CURRENT: INCOME-TAX LIABILITY (NET)

	March 31, 2024	March 31, 2023
Net Current Tax Liability [Net of TDS/Advance Tax ₹ 165.25 Mn (March 31, 2023 ₹ 38.17 Mn)]	1.41	47.80
	1.41	**47.80**

9 DEFERRED TAX ASSETS (NET)

	March 31, 2024	March 31, 2023
Depreciation / amortization	6.24	2.76
Provision for employee benefits	4.37	2.93
Provision for credit impaired balances	14.18	14.49
Right of use assets (net of lease liability)	2.81	1.52
Others	-	1.40
	27.60	**23.10**

10 OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

	March 31, 2024	March 31, 2023
a. Capital advance	22.90	21.38
b. Balance with government authorities	4.32	3.39
c. Advance towards purchase of investments	-	5.00
	27.22	**29.77**

11 INVENTORIES

	March 31, 2024	March 31, 2023
(Valued at lower of cost or net realizable value)		
Card inventory	3.58	0.97
	3.58	**0.97**

Note: Refer Note 17 & 18 for details of inventory subject to charge on secured borrowings.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

12 TRADE RECEIVABLES

	March 31, 2024	March 31, 2023
Trade receivables		
Unsecured		
-Considered good	1,746.21	1,026.59
-Credit Impaired	57.56	57.56
	1,803.77	**1,084.15**
Less-Allowance for credit impaired trade receivables [Refer Note (f) below]	(57.56)	(57.56)
	1,746.21	**1,026.59**

Notes:

a) No trade or other receivable are due from directors or other officers of the Company.

b) Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

c) Trade receivables amounting to ₹ 1,457.26 Mn [March 31, 2023: 835.62 Mn] is due from customers who represents more than 5% of the total balance of the trade receivables.

(d) Refer Note 17 & 18 for details of trade receivables subject to charge on secured borrowings.

e. Trade Receivables ageing schedule:

As at March 31, 2024

Particulars	Not Due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,441.99	288.09	15.28	0.85	-	-	1,746.21
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	57.56	57.56
Sub Total	**1,441.99**	**288.09**	**15.28**	**0.85**	**-**	**57.56**	**1,803.77**
Less: Impairment loss on credit impaired trade receivables	-	-	-	-	-	(57.56)	(57.56)
Total	**1,441.99**	**288.09**	**15.28**	**0.85**	**-**	**-**	**1,746.21**

As at March 31, 2023

Particulars	Not Due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	688.48	259.82	77.45	0.84	-		1,026.59
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-		-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	57.56	57.56
Sub Total	**688.48**	**259.82**	**77.45**	**0.84**	**-**	**57.56**	**1,084.15**
Less: Impairment loss on credit impaired trade receivables	-	-	-	-	-	(57.56)	(57.56)
Total	**688.48**	**259.82**	**77.45**	**0.84**	**-**	**-**	**1,026.59**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

f. Movement in the impairment loss on credit impaired trade receivables

	March 31, 2024	March 31, 2023
Opening balance	57.56	73.79
Reversal during the year	-	(16.23)
Closing balance	**57.56**	**57.56**

13 CASH AND BANK BALANCES

(a) Cash and cash equivalents

	March 31, 2024	March 31, 2023
Cash on hand	0.18	-
Balances with banks		
- in current accounts (Refer Note below)	79.22	195.89
	79.40	**195.89**

Note:

The Company is a program manager for various programs of the banks for its prepaid cards and accordingly banks maintain the pool accounts for these prepaid card program where funds are held. These accounts are opened primarily for settlement and collection activities with respect to operations facilitated by the Company.

Accordingly, the balance in the aforesaid bank accounts are not included in 'Balance with Banks' above as these are not owned or contractually available for use by the Company and set aside for settlement of usage by the Company's pre-paid card customers.

(b) Bank balances other than Cash and Cash equivalents :

	March 31, 2024	March 31, 2023
- Deposits with remaining maturity less than 12 months:		
- Margin money deposits (Refer Note (a) below)	28.17	9.00
- Deposits under lien (Refer Note (a) below)	35.50	21.07
- Deposits with original maturity of more than 3 months but less than 12 months (Refer Note (b) below)	2,650.00	-
	2,713.67	**30.07**

Notes:

a. Represents deposits held as margin money/commitment and deposits and lien under the banks

b. Fixed deposits amounting to ₹2,650 Mn (March 31, 2023: Nil) included 13(b) will be utilized as stated in the prospectus for IPO.(Refer Note. 34)

14 OTHER CURRENT ASSETS

	March 31, 2024	March 31, 2023
Advance to suppliers	46.36	81.98
Advances to employees	3.75	3.00
Prepaid cards with loading	1,129.06	344.76
Balance with government authorities	67.87	-
Share issue expenses*	-	61.65
IPO Receivables	39.48	-
	1,286.52	**491.39**

* Represents expenses incurred by the Company in connection with Initial Public Offering (IPO) of equity shares. In accordance with the Act and also as per the offer agreement entered between the Company and the selling shareholders, the selling shareholders have reimbursed the share issue expenses in proportion to the respective shares offered for sale. Accordingly, the Company has partly recovered the expenses incurred in connection with the issue on completion of IPO. The Company's share of expenses has been adjusted against securities premium under Section 52 of the Act on completion of IPO in the current year and the amount receivable from selling shareholders has been recovered from them.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

15 EQUITY SHARE CAPITAL

	March 31, 2024	March 31, 2023
Authorized share capital		
15,00,00,000 (March 31, 2023: 12,00,00,000) Equity Shares of ₹ 1 Each	150.00	120.00
Issued, subscribed and paid up		
12,24,82,493 (March 31, 2023: 92,218,710) Equity Shares of ₹ 1 Each	122.49	92.22
	122.49	**92.22**

Notes:

i) Reconciliation of Authorized share capital at the beginning and at the end of the reporting year:

Particulars	March 31, 2024		March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	12,00,00,000	120.00	51,03,785	51.04
Add: Increase in Authorized Capital [Refer Note (a) & b(i) below]	3,00,00,000	30.00	68,96,215	68.96
Before adjustment of sub-division of shares	15,00,00,000	150.00	1,20,00,000	120.00
Adjusted No.of shares on Account of sub-division of equity shares [Refer Note b(iii) below]	-	-	12,00,00,000	120.00

ii) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	March 31, 2024		March 31, 2023	
	No. of Shares	Amount in ₹ Million	No. of Shares	Amount in ₹ Million
Outstanding at the beginning of the year	9,22,18,710	92.22	1,80,000	1.80
Add: Issue during the year	-	-	821	0.01
Before adjustment of sub-division of shares	9,22,18,710	92.22	1,80,821	1.81
Adjusted No.of shares on account of sub-division(Refer Note b(ii))	9,22,18,710	92.22	18,08,210	1.81
Add: Issue of bonus share during the year (Refer Note b(iv))	-	-	9,04,10,500	90.41
Add: shares issued during the year	2,98,78,048	29.88	-	-
Add: shares issued on exercise of employee stock options	3,85,735	0.39	-	-
Outstanding at the end of the year	12,24,82,493	122.49	9,22,18,710	92.22

iii) Shareholders vide the Extra-ordinary general meeting dated have approved the following :

a. In current year, Increase in Authorized Share Capital of the Company from ₹ 120.00 Mn divided into 12,00,00,000 Equity Shares of ₹ 1/- each to ₹ 150.00 Mn divided into 15,00,00,000 Equity Shares of ₹ 1/- each vide dated August 11, 2023.

b. During previous year

i) Authorized Share Capital of the Company increased from ₹ 51.04 Mn divided into 51,03,785 Equity Shares of ₹ 10/- each to ₹ 120.00 Mn divided into 1,20,00,000 Equity Shares of ₹ 10/- each, by creation of 68,96,215 Equity Shares of ₹ 10/- each, ranking pari passu with the existing Equity Shares of the Company vide dated July 27,2022

ii) Sub-division of the Authorized Share Capital consisting of 1,20,00,000 equity shares of the Company having face value of ₹ 10 each into 12,00,00,000 equity shares of face value of ₹ 1 each w.e.f., July 27, 2022, without altering the aggregate amount of the same.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

iii) Further, the issued, subscribed and paid-up share capital consisting of 1,80,821 equity shares of the Company having face value of ₹ 10 each shall stand sub-divided into 18,08,210 equity shares having face value of ₹ 1 each w.e.f., July 27, 2022 without altering the aggregate amount of such capital and shall rank pari passu in all respects and carry the same rights as to the existing fully paid-up equity shares of ₹ 10 each of the Company.

iv) Issue of fully paid bonus shares of ₹ 1 each in proportion of 50 equity shares for every 1 existing equity share by capitalizing a sum of ₹ 90.41 Mn from the Securities Premium account available with the Company.

iv) Rights, preferences and restrictions attached to equity shares of ₹ 1 each (Mar'23 - ₹1 each), fully paid up:

The Company has only one class of equity shares having par value of ₹ 1 (Mar'23 - ₹ 1) per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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.

v) Shares held by shareholders holding more than 5% in the Company as at

Name of Shareholder	March 31, 2024		March 31, 2023	
	No. of Shares	% Holding	No. of Shares	% Holding
Raj P Narayanam	4,61,55,323	37.68%	4,76,85,000	51.71%
Zuzu Software Services Pvt Ltd	1,57,11,452	12.83%	1,74,76,992	18.95%
Avinash Ramesh Godkhindi	76,50,323	6.24%	91,80,000	9.95%
Ventureast Proactive Fund LLC	-	-	58,70,100	6.37%

vi) Shareholding of promoters

Name of promoter	March 31, 2024		March 31, 2023		% of change of during the year
	No. of Shares	% Holding	No. of Shares	% Holding	
Raj P Narayanam	4,61,55,323	37.68%	4,76,85,000	51.71%	-3.21%
Avinash Ramesh Godkhindi	76,50,323	6.24%	91,80,000	9.95%	-16.66%

Name of promoter	March 31, 2023		March 31, 2022		% of change of during the year
	No. of Shares	% Holding	No. of Shares	% Holding	
Raj P Narayanam	4,76,85,000	51.71%	93,500	51.94%	-0.24%
Avinash Ramesh Godkhindi	91,80,000	9.95%	18,000	10.00%	-0.05%

vii) For details of shares reserved for issue under the employee stock options plan (ESOP) of the Company. (Refer Note No .44)

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

16 OTHER EQUITY

	March 31, 2024	March 31, 2023
Securities premium [Refer Note (i) below]	4,952.38	174.92
Retained earnings [Refer Note (ii) below]	514.77	74.57
Other comprehensive income [Refer Note (iii) below]	4.00	
Employee stock options outstanding reserve [Refer Note (iv) below]	160.18	144.13
Total other equity	**5,631.33**	**395.29**

Notes:

(i) Securities premium

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	174.92	115.73
Add : Scheme of Arrangement		
- Security premium on issue of equity shares	4,870.12	149.60
- Security premium on exercise of ESOP	145.72	
Less: Issue of bonus equity shares [Refer Note 15 - sub note (iii)]	-	(90.41)
Less: Share issue Expenses (Refer Note 14)	(238.38)	
Balance at the end of the year	**4,952.38**	**174.92**

Note: Security premium represent the amount received in excess of the face value of the equity shares. The utilization of the security premium reserve is governed by the section 52 of the Act.

(ii) Retained earnings

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	74.57	(154.44)
Add: Net Profit for the year	440.20	229.01
Balance at the end of the year	**514.77**	**74.57**

Note: Retained earnings represent the cumulative undistributed profits of the Company and can be utilized in accordance with the provisions of the Act.

(iii) Other comprehensive income (OCI)

Other items of OCI

	March 31, 2024	March 31, 2023
Remeasurement of defined benefit obligations & unquoted investments (liability net of tax)		
Balance at the beginning of the year	1.67	1.33
Add: Changes during the year	2.33	0.34
Balance at the end of the year	**4.00**	**1.67**

Note: The reserve represent the actuarial gain/(loss) recognized on the defined benefit plan and fair value gain on unquoted investments will not be transferred to retained earnings.

(iv) Employee stock options outstanding reserve (Share Based Payment Reserve)

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	144.13	-
Add: Changes during the year	149.77	144.13
Less: Transfer to security premium on account of exercise of ESOP	(133.72)	-
Balance at the end of the year	**160.18**	**144.13**

Note: Employee stock option reserve related to share option granted by the Company under its employee share option plan. These will be utilized on exercise of the under lying option.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

17 LONG TERM BORROWINGS (AT AMORTIZED COST)

	March 31, 2024	March 31, 2023
Secured		
Non-cumulative redeemable non-convertible debentures [Refer Note (i) below]	-	495.84
Term loans		
- from banks [Refer Note (ii) below]	367.95	187.50
- from vehicle loans [Refer Note (iv) below]	2.69	4.18
Property loan		
- from bank [Refer Note (iii) below]	11.99	12.13
Unsecured		
Deferred payables [Refer Note below (v) below]	-	310.40
Less : Current maturities of long term borrowings [Refer Note: 18]	(227.90)	(496.76)
Total	**154.73**	**513.29**

Details of terms and security in respect of the long-term borrowings:

(i) Non-Cumulative Redeemable Non-Convertible Debentures:

Non-Cumulative Redeemable Non- Convertible Debentures (NCDs) amounting to ₹ Nil (March 31, 2023: 500 Million) represents 500 N0's with a face value of ₹ 10,00,000/- each carrying interest of 13.5% p.a and are redeemable in 3 years in 11 instalments of ₹ 4.5 Mn each beginning from September 2023. These NCDs are secured by First and exclusive charge on present and future fixed, current, tangible and intangible assets, certain mutual funds investments of the Company. During the current year the Company has taken the term loan from bank to prepay the NCDs and same were fully prepaid in February, 2024.

(ii) Term Loan from bank:

a. Term loan from bank amounting to ₹ 367.95 Mn (March 31, 2023: Nil) was availed during the year for prepaying NCDs carries interest of MCLR + 1.4% (presently 9.6% p.a.) and is repayable in 7 quarterly instalments of ₹ 56.20 Mn each and last instalment of ₹ 30.40 Mn excluding interest beginning from March 2024. The Term loan along with Overdraft facility as below are jointly secured by way of exclusive charge on the current assets of the Company including trade receivables and inventories. The loans are collaterally secured by way of exclusive charge on the immovable properties being commercial property and Residential property, both, belonging to other body corporate. The loans are further secured by way of Corporate Guarantee extended by the said body corporate.

b. Term loan from bank amounting to ₹ Nil (March 31, 2023: 187.50) was repaid during the year from IPO proceeds..

(iii) Property Loan:

Property loan taken from bank amounting to ₹ 11.99 Mn (March 31, 2023: ₹ 12.13 Mn) carries interest at Repo rate + spread of 2.9% (Presently 9.4% p.a) and is repayable in 195 equated monthly instalments of ₹ 0.12 Mn each beginning from August 2021. The loan is secured by way of mortgage of property. Advance given for purchase of property is grouped under non current assets (Refer Note 10).

(iv) Vehicle Loans

Vehicle loans from bank amounting to ₹ 2.69 Mn (March 31, 2023: ₹ 5.24 Mn) carry interest rate of 7.8% to 8.25% p.a and are repayable in 60 equated monthly instalments. The said loans are secured by way of hypothecation of vehicles purchased.

(v) Deferred payables:

Deferred payables amounting to ₹ Nil (March 31, 2023: ₹ 310.40 Mn) are repayable in five instalments starting with March 2022 and ending in December 2023 and carries interest rate of 11% p.a. which is payable along with last instalment. In September 2023 the Company has repaid fully.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

vi. The Company has utilized the loans borrowed during the year for the purpose for which it is obtained as mentioned in the borrowing agreements.

vii. The Company is not declared as a wilful defaulter by any bank and financial institution or any other lender the during the year.

18 SHORT-TERM BORROWINGS

	March 31, 2024	March 31, 2023
Secured		
Overdraft from bank (Refer Note below)	353.39	200.68
Current maturities of long term borrowings (Refer Note: 17)	227.90	496.76
	581.29	**697.44**

Details of terms and security in respect of the short-term borrowings:

Overdraft Facility availed from ICICI bank amounting to ₹ 353.39 Mn (March 31, 2023: ₹ 200.68 Mn) carries interest of MCLR rate + 1% (presently 9.5% p.a.) and is repayable on demand. The Overdraft facility along with term loan as above are jointly secured by way of exclusive charge on the current assets of the Company including trade receivables and inventories. The loans are collaterally secured by way of exclusive charge on the immovable properties being commercial property and Residential property, both, belonging to other body corporate. The loans are further secured by way of Corporate Guarantee extended by the said body corporate.

19 TRADE PAYABLES

	March 31, 2024	March 31, 2023
Trade payables		
- Total outstanding dues of micro and small enterprises	6.53	9.63
- Total outstanding dues of creditors other than micro and small enterprises	13.10	82.56
	19.63	**92.19**

Trade payables are non-interest bearing and are normally settled in 30-90 days terms.

Trade payables ageing schedule

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	6.53	-	-	-	6.53
(ii) Others	11.47	1.63	-	-	13.10
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-
	18.00	**1.63**	**-**	**-**	**19.63**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Trade payables ageing schedule
As at March 31, 2023

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	9.63	-	-	-	9.63
(ii) Others	82.30	0.26	-	-	82.56
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-
	91.93	**0.26**	**-**	**-**	**92.19**

20 OTHERS FINANCIAL LIABILITIES

	March 31, 2024	March 31, 2023
Others- Accrued expenses	21.11	23.66
	21.11	**23.66**

21 PROVISIONS

	March 31, 2024	March 31, 2023
Provision for employee benefits		
Provision for gratuity (Refer Note 35)		
Non-current	16.40	11.43
Current	0.95	0.22
	17.35	**11.65**

22 OTHER CURRENT LIABILITIES

	March 31, 2024	March 31, 2023
Advances from customers	260.37	127.92
Client redemption liability	8.01	17.65
Statutory liabilities	13.39	125.73
	281.77	**271.30**

23 REVENUE FROM OPERATIONS

	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contracts with customers (Refer Note 39)		
Program fee	3,218.43	1,694.53
Propel platform revenue / gift cards	4,225.06	3,597.75
Platform fee / saaS fee / service fee	312.49	242.32
	7,755.98	**5,534.60**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

24 OTHER INCOME

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income on deposit with banks	93.93	3.70
Interest on income-tax refund	8.62	
Liabilities no longer required written back	-	2.26
Net gain on financial assets designated on FVTPL	0.65	0.46
Net gain on termination of lease	4.26	
Miscellaneous income	5.25	4.73
	112.71	**11.15**

25 CONSUMPTION OF CARDS

	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock of cards	0.97	
Purchase of cards	14.89	17.38
Less: Closing stock of cards	(3.58)	(0.97)
	12.28	**17.53**

26 EMPLOYEE BENEFITS EXPENSE

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	348.44	277.50
Contribution to provident fund	6.09	5.71
Staff welfare	2.66	3.74
Gratuity (Refer note 35)	5.86	4.75
Employee stock option plan (Refer note 43)	149.77	144.13
	512.82	**435.83**

27 FINANCE COSTS

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on term loans	38.57	31.75
Interest on debentures	70.64	23.40
Amortized cost on deferred payables	9.50	31.16
Interest on lease liability	13.53	10.90
Interest on statutory dues i.e. income tax, GST	3.68	15.31
Fair value of corporate guarantee	1.25	1.25
	137.17	**113.77**

28 DEPRECIATION AND AMORTIZATION EXPENSE

	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of tangible assets (Refer Note 3)	9.42	6.96
Amortization of intangible assets (Refer Note 5a)	44.05	32.75
Depreciation of right-to-use assets (Refer Note 4)	30.16	22.28
	83.63	**61.99**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

29 OTHER EXPENSES

	For the year ended March 31, 2024	For the year ended March 31, 2023
Call centre & software support charges	125.53	121.61
Office rent	3.06	2.17
Electricity expenses	2.51	3.68
Repairs & maintenance	5.79	2.87
Reversal of credit impaired trade receivables	-	(16.23)
Office maintenance	13.46	7.10
CSR expense	6.77	4.64
Rates & taxes	1.92	0.55
Network charges	21.99	23.30
Legal & professional consultancy charges	26.83	31.55
Advertisement & business promotion	313.92	200.64
Incentive / cash back	2,168.27	1,002.01
Courier charges	6.84	6.40
Advances written off	0.90	3.53
Telephone expenses	1.33	1.36
Traveling expenses	17.44	8.38
Auditors remuneration	3.89	2.35
Bank charges	0.58	0.47
Miscellaneous expenses	6.79	5.20
	2,727.82	**1,411.58**

30 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contingent Liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Company not acknowledged as debt		
i) Services Tax	24.73	24.73
ii) Income tax matters	40.92	-

Notes:

i). During FY 2019-20, the Company had received a show cause notice towards service tax demand amounting to ₹ 272.04 Mn charged on the face value of sale of its prepaid cards/ Gift vouchers etc. The Company has filed appeals before the Commissioner of Central tax, Hyderabad against the aforesaid demand. In the month October 2022, the Company received an order dated March 30, 2022 from Commissioner of Central tax, Hyderabad dropping demand amounting to ₹ 259.75 Mn and upheld the demand amounting to ₹ 12.29 Mn and further imposed a penalty and late fee for ₹ 12.44 Mn The Company has further filed a appeal against the said demand before CESTAT and amount paid under protest ₹ 4.32 Mn

ii). During FY 2023-24 Company received a Demand notice under section 156 of Income Tax 1956 pertaining to FY 2021-22 demanding ₹ 40.92 Mn by not allowing the deduction on account of carry forward losses, bad debts written off and IndAS adjustments. The Company filed a appeal against the said demand before Commissioner of Income Tax -Appeals

The Company, based on its legal assessment does not believe that any of the pending claims require a provision as at the balance sheet date, as the likelihood of the probability of an outflow of resources at this point of time is low.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

(b) Capital commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Unexecuted capital orders to the extent not provided for	-	-
Investment commitment	-	5.00

31 RELATED PARTY DISCLOSURES

(a) Names of related parties and related party relationship

Name of the Related Party	Nature of Relationship
Key Managerial Persons:	
Raj P Narayanam	Executive Chairman
Avinash Ramesh Godkhindi	Managing Director & Chief Executive Officer
Hari Priya	Company Secretary
Venkata Aditya Kumar Grandhi	Chief Financial Officer [w.e.f. August 25, 2022]
Abhay Deshpande Raosaheb	Independent Director
Aravamudan Krishna Kumar	Independent Director
Arun Vijaykumar Gupta	Non Executive Director
Prerna Tandon	Independent Director
Vidya Niwas Khetawat	a. Chief Strategy Officer [w.e.f. August 25, 2022, upto August 24, 2023] b. Chief Financial Officer [w.e.f. December 10, 2021, upto August 24, 2022]
Other Related Parties	
Zaggle Technologies Limited	Subsidiary [w.e.f. January 12, 2023] (Refer Note 45)
Prismberry Technologies Private Limited	Companies in which KMP's relative has significant influence [w.e.f. August 23, 2023]
Span Across IT Solutions Private Limited	Associate company [w.e.f. March 30, 2024]

(b) Transactions with related parties

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) KMPs Remuneration:	**31.26**	**28.03**
Raj P Narayanam	10.20	10.20
Avinash Ramesh Godkhindi	6.87	8.20
Vidya Niwas Khetawat	2.19	2.44
Hari Priya	4.56	3.70
Venkata Aditya Kumar Grandhi	7.44	3.49
(ii) Employee stock option plan (Refer Note 44)	20.98	73.09
(iii) Issue of equity shares (including premium)	1.33	
(iv) Professional charges		
Prismberry Technologies Private Limited	7.33	-

(c) Amounts due from / due to related parties

Particulars	As at March 31, 2024	As at March 31, 2023
Due to related parties	-	-
Due from related parties	-	-

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

32 EARNINGS PER SHARE (EPS)

Basic earnings per share amounts is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share amounts is calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Earnings		
Profit after tax for the year attributable to equity shareholders	440.20	229.01
Shares		
Original Number of Equity Shares (post sub-division) (Refer note 15)	9,22,18,710	18,08,210
Add: Impact of Bonus Issue (Refer note 15)	-	9,04,10,500
Add: Issued during the Year	3,02,63,783	-
Number of Shares outstanding at the end of the year	12,24,82,493	9,22,18,710
Weighted Average Number of Equity Shares		
For calculating Basic EPS	10,85,33,672	9,22,18,710
Effect of dilution:		
- On account of - ESOP	6,19,419	7,32,696
Weighted average number of equity shares for Diluted EPS	10,91,53,091	9,29,51,406
Earnings Per Share		
(Face Value ₹ 1 per share)		
Basic (₹)	4.06	2.48
Diluted (₹)	4.03	2.46

The Company is having potential equity shares options granted to employees under the ZAGGLE ESOP 2022 are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. Details relating to the options are set out in note 43.

33 SEGMENT REPORTING

The Company's operating business are organized and managed according to nature of Products and services provided. This assessment resulted in identification of (a) Program Fee (b) Platform Fee/Saas Fee/Service fee; (c) Propel platform revenue / Gift Cards as separate lines of business activities at Revenue level, by the Chief Operating Decision Maker (CODM). However, since the Company does not allocate common operating costs, assets and liabilities across business activities, as per the assessment undertaken by CODM, the allocation resources and assessment of the financial performance is undertaken at the Company level.

a. Segment wise revenue information:

Revenue from Customers	For the year ended March 31, 2024	For the year ended March 31, 2023
Program fee	3,218.43	1,694.53
Platform fee / saaS fee / service fee	312.49	242.32
Propel platform revenue / gift cards	4,225.06	3,597.75
Total	**7,755.98**	**5,534.60**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

b. Geographical Segment information:

The Company has whole revenues from customers domiciled in India.

Revenue from Customers	For the year ended March 31, 2024	For the year ended March 31, 2023
With in India	7,755.98	5,502.67
Outside India	-	31.93
Total	**7,755.98**	**5,534.60**

c. Information about major customers (from external customers)

During the year the Company has derived revenue from 4 customers (March 31, 2023: 3) totalling to ₹ 3,464.19 Mn (March 31, 2023: ₹ 2,878.89 Million) which amounts to 10% or more of its total revenue.

34 The Company's equity shares have been listed on National Stock Exchange of India Limited ("NSE") and on BSE Limited ("BSE") on September 22, 2023, by completing the Initial Public Offering (IPO) of 3,43,52,255 equity shares of face value of ₹ 1 each at an issue price of ₹ 164 per equity share, consisting of fresh issue of 2,39,02,439 equity shares and an offer for sale of 1,04,49,816 equity shares by the selling shareholders. The Company had received an amount of ₹ 3,621.60 Mn (net off estimated offer expenses ₹ 298.40 Mn, including pre- IPO related estimated expenses) from proceeds of fresh issue of equity shares. Further, the fund raised from Offer for sale were remitted to the selling shareholders (net off estimated offer expenses borne by the selling shareholders).The utilization of the net proceeds is summarized as below:

Object of the issue as per prospectus	Amount to be utilized as per prospectus	Utilized amount up to March 31, 2024	Unutilized amount as at March 31, 2024*
Expenditure towards Customer acquisition and retention	3,000.00	**852.67**	**2,147.33**
Expenditure towards development of technology and products	400.00	**6.13**	**393.87**
Repayment/ pre-payment of certain borrowings, in full or part, availed by the Company	170.83	**168.00**	**2.83**
General corporate purposes*	50.77	**1.62**	**49.15**
Total	**3,621.60**	**1,028.42**	**2,593.18**

* Cost revised from ₹ 50.99 Million to ₹ 50.77 Million

* Net IPO Proceeds which were unutilized as at March 31, 2024 were temporarily invested in deposits with scheduled commercial banks and in monitoring agency account.

35 EMPLOYEE BENEFITS

a) Defined Contribution Plan

Provident Fund:

Contributions were made to provident fund and Employee State Insurance in India for the employees of the Company as per the regulations. These contributions are made to registered funds administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any other constructive obligation.

b) Defined Benefit Plan

Gratuity:

The Company provides Gratuity for employees in India as per the Payment of Gratuity Act, 1972. All employees are entitled to gratuity benefits on exit from service due to retirement, resignation or death. There is a vesting period of 5 years on exits due to retirement or resignation. There is a limit of ₹ 2 Mn on the gratuity payable to an employee. This defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

The present value of the defined benefit obligation and the relevant current service cost are measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance sheet date.

c) Amounts Recognized as Expense:

i) Defined Contribution Plan

Employer's Contribution to Provident Fund amounting to ₹ 6.09 Mn (March 31, 2023: ₹ 5.71 Mn) has been included in Note 26 under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 5.86 (March 31, 2023: ₹ 4.75 Mn) has been included in Note 26 under gratuity. The Company's gratuity plan is unfunded.

d) Amounts recognized in the Financial statements as at year end for Gratuity provision are as under:

		As at March 31, 2024	As at March 31, 2023
i)	**Change in Present Value of Obligation**		
	Present value of the obligation at the beginning of the year	11.64	7.36
	Current service cost	5.03	4.20
	Interest cost	0.83	0.54
	Actuarial (Gain)/Loss on Obligation- Due to Change in Financial Assumptions	0.09	(0.74)
	Actuarial (Gain) / Loss on Obligation- Due to Experience Adjustments	(0.24)	0.28
	Present value of the obligation at the end of the year	**17.35**	**11.64**
ii)	**Bifurcation of present value of Benefit obligation**		
	Current- Amount due within one year	0.95	0.22
	Non-current- Amount due after one year	16.40	11.42
	Total	**17.35**	**11.64**
iii)	**Expected benefit payments in future years**		
	Year 1	0.95	0.22
	Year 2	24.94	0.51
	Year 3	2.20	0.50
	Year 4	5.12	0.48
	Year 5	1.35	3.64
	Year 6 to Year 10	6.95	1.13
iv)	**Sensitivity Analysis**		
	Discount Rate - 1% increase	16.33	10.57
	Discount Rate - 1% decrease	18.50	12.92
	Salary Escalation Rate - 1% increase	18.51	12.93
	Salary Escalation Rate - 1% decrease	16.30	10.53
	Withdrawal Rate - 1% decrease	17.20	11.38
	Withdrawal Rate - 1% increase	17.49	11.89
v)	**Amounts Recognized in the Balance sheet:**		
	Present value of Obligation at the end of the year	17.35	11.64
	Fair value of Plan Assets at the end of the year	-	-
	Net Liability recognized in the Balance Sheet	**17.35**	**11.64**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

			As at March 31, 2024	As at March 31, 2023
vi)	**Amounts Recognized in the Statement of Profit and Loss:**			
	Current service cost		5.03	4.20
	Net interest on net defined Liability		0.83	0.55
	Expenses recognized in Statement of Profit and Loss		**5.86**	**4.75**
vii)	**Recognized in other comprehensive income for the year**			
	Actuarial (Gains) / Losses on Liability		(0.15)	(0.46)
	Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above		-	-
	Recognized in other comprehensive income		**(0.15)**	**(0.46)**
viii)	**Actuarial Assumptions**			
	i)	Discount Rate	7.10%	7.40%
		Based on yields (as on valuation date) of Government Bonds with a tenure similar to the expected working lifetime of the employees.		
	ii)	Salary Escalation Rate	5.00%	5.00%
		based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market. This assumption has been determined in consultation with the Company.		
	iii)	Retirement Age	58	58
	iv)	Attrition Rate	10%	5%
	v)	Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.	

36 FINANCIAL INSTRUMENTS

A. Financial instruments by category

		Note No.	Fair value level	March 31, 2024	March 31, 2023
Financial assets					
Measured at amortized cost					
Non current					
(i)	Investments in unquoted equity shares (fully paid up)	6	Level 1	247.50	-
(ii)	Other financial assets	7	Level 2	46.12	14.69
Current					
(i)	Trade receivables	12	Level 2	1,746.21	1,026.59
(ii)	Cash and cash equivalents	13 (a)	Level 2	79.40	195.89
(ii)	Bank balances other than (iii) above	13 (b)	Level 2	2,713.67	30.07
(iv)	Other financial assets	7	Level 2	30.40	1.15
Measured at Fair value through OCI					
Non current					
Investment in Unquoted funds (carried at fair value through OCI)		6	Level 2	12.33	-
Measured at Fair value through Profit or Loss					
Investment in quoted mutual funds-Non current		6	Level 1	-	4.85

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

	Note No.	Fair value level	March 31, 2024	March 31, 2023
Investment in quoted mutual funds-Current	6	Level 1	5.20	12.32
Total financial assets			**4,880.83**	**1,285.56**
Financial liabilities				
Measured at amortized cost				
Non current				
(i) Borrowings	17	Level 2	154.73	513.29
(ii) Lease liabilities	4	Level 2	87.57	158.65
Current				
(i) Borrowings	18	Level 2	581.29	697.44
(ii) Current lease liabilities	4	Level 2	42.68	44.10
(iii) Trade payables	19	Level 2	19.63	92.19
(iii) Other financial liabilities	20	Level 2	21.11	23.66
Total financial liabilities			**907.01**	**1,529.33**

Note: The Company has not disclosed the fair values for financial instruments such as short-term trade receivables or short-term trade payables because their carrying amounts are a reasonable approximation of fair values.

Note 1: For the purpose of above abbreviations, FVTOCI - Fair value through other comprehensive income; amortized cost - fair value through amortized cost.

Note 2: Other financial assets and liabilities relate to level 3 financial instruments where the carrying value reasonably approximates to their fair value.

B. Financial risk management

The Company activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, security deposits and bank deposits.	Ageing analysis. Credit score of customers/ entities.	Monitoring the credit limits of customers and obtaining security deposits
Liquidity risk	Borrowings	Cash flow forecasts managed by finance team under the overview of Senior Management.	Working capital management by Senior Management. The excess liquidity is channelized through bank deposits.

The Company risk management is carried out by the Senior Management under policies approved by the Board of Directors. The Board of Directors provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

Risk management framework

The board of directors have overall responsibility for the risk management framework. The board of directors are responsible for developing and monitoring the risk management policies. The board of directors monitors the compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The risk management policies are to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

A. Credit risk

i. Credit risk management

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments. The carrying amounts of financial assets represent the maximum credit risk exposure.

ii. Provision for Expected credit loss

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to ₹ 57.56 Mn (March 31, 2023: ₹ 57.56 Mn). The movement in allowance for credit loss in respect of trade receivables during the year was as follows:

Allowance for credit losses	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	57.56	73.79
Reversal during the year	-	(16.23)
Closing balance	**57.56**	**57.56**

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

B. 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.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities:

As at March 31, 2024

Particulars	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Long-term borrowings (excluding current maturities)	154.73	-	154.73	-	154.73
Lease liabilities	130.25	57.50	165.58	-	223.08
Short-term borrowings	581.29	581.29	-	-	581.29
Trade payables	19.63	19.63	-	-	19.63
Total	**885.90**	**658.42**	**320.31**	**-**	**978.73**

As at March 31, 2023

Particulars	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Long-term borrowings (excluding current maturities)	513.29	-	566.87	10.22	577.09
Lease liabilities	202.75	50.12	203.48	5.34	258.94
Short-term borrowings	697.44	697.44	-	-	697.44
Trade payables	92.19	91.93	0.26	-	92.19
Total	**1,505.67**	**839.49**	**770.61**	**15.56**	**1,625.66**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

The Company has secured loans from bank that contain loan covenants. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table.

The Company has access to financing facilities of which ₹ 96.61 Mn (March 31, 2023 : ₹ 49.32 Mn) were unused at the end of the reporting period. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

C. Market risk

(i) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Particulars	March 31, 2024	March 31, 2023
Variable rate borrowings	367.95	187.50
Fixed rate borrowings	14.68	326.71

(ii) Sensitivity

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sensitivity		
1% increase in variable rate	(3.68)	(1.88)
1% decrease in variable rate	3.68	1.88

D. Currency risk

The Company does not have material revenues/assets denominated in foreign exchange and hence Company is not subject to foreign currency fluctuation.

37 CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to equity shareholders.

The debt to adjusted capital ratio at the end of the reporting period was as follows:

	March 31, 2024	March 31, 2023
Total Debt (Refer Note 17 and 18)	736.02	1,210.73
Less : cash and cash equivalents and bank balances *	143.07	225.96
Adjusted net debt	592.95	984.77
Total equity	**5,753.82**	**487.51**
Adjusted net debt to adjusted equity ratio	**0.10**	**2.02**

* For bank balances, IPO Proceeds which were unutilized as at March 31, 2024 were temporarily invested in deposits are not considered

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

38 INCOME TAXES

Components of income-rax expense

Tax expense recognized in the Statement of Profit and Loss

		For the year ended March 31, 2024	For the year ended March 31, 2023
A.	**Current tax**		
	Current year	162.11	85.97
	Total	**162.11**	**85.97**
B.	**Deferred tax**		
	Origination and reversal of temporary differences	(4.50)	1.37
	Total	**(4.50)**	**1.37**
	Total	**157.61**	**87.34**
C.	**Tax on Other Comprehensive Income**		
	Deferred tax		
	Origination and reversal of temporary differences - OCI	(0.63)	(0.12)
	Total	**(0.63)**	**(0.12)**

Tax assets / liabilities (net)

		March 31, 2024	March 31, 2023
D.	Advance tax (net of provision for tax)	11.00	119.01
E.	Provision for tax (net of advance payment of taxes)	1.41	47.80
		12.41	**166.81**

Deferred tax assets (net)

		March 31, 2024	March 31, 2023
F.	Deferred tax asset	27.60	23.10
G.	Deferred tax liability	-	-
	Deferred tax asset (net)	**27.60**	**23.10**

H. Reconciliation of tax expense and the Accounting Profit

The Income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before income taxes	**597.81**	**316.35**
Indian statutory income tax rate	25.17%	25.17%
Expected Income Tax Expense	**150.46**	**80.00**
Tax effect of expenditure disallowed under income tax	2.15	10.43
Others	5.00	(3.09)
Total income tax expense	**157.61**	**87.34**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Movement during the year ended March 31, 2024	**As at April 01, 2023**	**Credit/ (charge) in the Statement of Profit and Loss**	**Credit/ (charge) in OCI**	**As at March 31, 2024**
Deferred tax assets/(liabilities)				
Depreciation/amortization of Property, plant and equipment	2.76	3.48		6.24
Provision for employee benefits	2.93	1.44		4.37
Provision for doubtful receivables	14.49	(0.31)		14.18
Right of use assets (net of lease liability)	1.52	1.29		2.81
Unabsorbed depreciation and business losses*	-	-		-
Others	1.40	(1.40)		-
Total	**23.10**	**4.50**	**-**	**27.60**

Movement during the year ended March 31, 2023	**As at April 01, 2022**	**Credit/ (charge) in the Statement of Profit and Loss**	**Credit/ (charge) in OCI**	**As at March 31, 2023**
Deferred tax assets/(liabilities)				
Depreciation/amortization of Property, plant and equipment	1.19	1.57	-	2.76
Provision for employee benefits	1.50	1.55	(0.12)	2.93
Provision for doubtful receivables	18.57	(4.08)	-	14.49
Right of use assets (net of lease liability)	0.75	0.77	-	1.52
Others	2.58	(1.18)	-	1.40
Total	**24.59**	**(1.37)**	**(0.12)**	**23.10**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

39 REVENUE FROM CONTRACT WITH CUSTOMERS

Disaggregation revenue information

Set out below is the disagreegation of the Company's revenue from contract with customers:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Income from Platform and gift card	4,225.06	3,597.75
Income from Program fee and SaaS fee	3,530.92	1,936.85
	7,755.98	**5,534.60**
Within India	7,755.98	5,502.67
Outside India	-	31.93
	7,755.98	**5,534.60**
Timing of revenue recognition		
Services transferred over time	3,530.92	1,936.85
Goods transferred at a point of time	4,225.06	3,597.75
Total revenue from contracts with customers	**7,755.98**	**5,534.60**
Reconciliation of revenue recognized with the contracted price is as follows:		
Contract price	7,755.98	5,534.60
Less: Discounts and disallowances	-	-
Total revenue from contracts with customers	**7,755.98**	**5,534.60**

Contract balances

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	1,746.21	1,026.59
Contract assets	-	-
Contract liabilities	-	-

40 The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses. The Company does not have any unhedged foreign currency exposure as at reporting date.

41 SUBSEQUENT EVENTS

No Significant Subsequent events have been observed which may require an adjustment / disclosure to the financial statements

42 a. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c. The Group have not traded or invested in Crypto currency or Virtual currency during the financial year.

d. The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

e. The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

 (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

f. The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

g. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the certain provisions of the Code will come into effect and the rules thereunder has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

43 EMPLOYEE STOCK BASED COMPENSATION:

Employee Stock Option Plan (ESOP) :

The Company instituted the Zaggle Employee Stock Option Scheme 2022, in which 46,10,936 stock options were approved by the Shareholders in Extra Ordinary General Meeting held on November 21, 2022 for the benefit of employees.

ZAGGLE ESOP 2022 Plan :

During Previous year, the Company has granted 24,23,369 equity shares of face value ₹ 1/- each under Employee Stock Option Scheme to Eligible Employees. The grant made during FY 2022-23 includes grant of 12,48,511 options at exercise price of ₹ 1 each and 11,74,858 options at exercise price of ₹ 271 each. The fair value of share option grant for exercise price of ₹ 1 amounting to 360.52 and exercise price of ₹ 271.00 amounting to ₹ 236.59 is estimated at the date of the grant using Black-Scholes method, taking into account the terms and conditions upon which the share option where granted.

In case of Type II options, The Exercise price at which options are granted to certain option grantees is higher than the prices at which the shares of the Company got listed on stock exchanges. To keep the scheme attractive to the employees, the Company has decided to reprice the options from ₹ 271 to ₹ 164 (the highest price from the price band for IPO) vide Share holders approval dated December 11,2023. Accordingly, resulting incremental fair value of ₹ 51.31 were considered for recognition of ESOP expenditure as per Ind AS - 102.

Disclosures as per IND AS 102 for outstanding options:

(i) Details of options granted under ZAGGLE ESOP 2022 Plan are as below:

Grant	Grant Date	Number of options granted	Number of options outstanding (as at March 31, 2024)	Exercise Price (in ₹)	Fair value at grant date (in ₹)
Type I	September 29, 2022	12,48,511	3,85,802	1.00	360.52
Type II	September 29, 2022	11,74,858	3,75,122	164.00	287.90*

*refer above note

(i) Details of options granted under ZAGGLE ESOP 2022 Plan are as below:

Grant	Grant Date	Number of options granted	Number of options outstanding (as at March 31, 2023)	Exercise Price (in ₹)	Fair value at grant date (in ₹)
Type I	September 29, 2022	12,48,511	12,48,511	1.00	360.52
Type II	September 29, 2022	11,74,858	7,11,220	271.00	236.59

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

(ii) Exercise price and other details

Particulars	Type I	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Weighted average exercise price for outstanding options at year end (in ₹)	1.00	1.00
Weighted average remaining contractual life for outstanding options at year end	2.5 Years	3.5 years
Range of exercise prices for outstanding options at year end (in ₹)	1.00	1.00

Particulars	Type II	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Weighted average exercise price for outstanding options at year end (in ₹)	164.00	271.00
Weighted average remaining contractual life for outstanding options at year end	2.5 years	3.5 years
Range of exercise prices for outstanding options at year end (in ₹)	164.00	271.00

Details of the grant/issue as at March 31, 2024 are given below:

Particulars	Type I			
	March 31, 2024		March 31, 2023	
	No. of share options	Weighted average exercise price in ₹	No. of share options	Weighted average exercise price in ₹
Options outstanding at the beginning of the year	12,48,511	1.00	-	-
Granted during the year	-	-	12,48,511	1.00
Vested during the year	4,03,891	1.00	-	-
Exercised during the year	3,12,127	1.00	-	-
Lapsed during the year	4,58,818	1.00	-	-
Forfeited during the year	-	-	-	-
Options outstanding at the end of the year	3,85,802	1.00	12,48,511	1.00
Options vested and exercisable at the end of the year	91,764	1.00	-	-

Particulars	Type II			
	March 31, 2024		March 31, 2023	
	No. of share options	Weighted average exercise price in ₹	No. of share options	Weighted average exercise price in ₹
Options outstanding at the beginning of the year	7,11,220	271	-	-
Granted during the year	-	-	11,74,858	271
Vested during the year	1,32,255	164	-	-
Exercised during the year	73,608	164	-	-
Lapsed during the year	2,03,844	164	3,82,272	271
Forfeited during the year	-	-	81,366	271
Options outstanding at the end of the year	3,75,122	164	7,11,220	271
Options vested and exercisable at the end of the year	58,647	164	-	-

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

Break-up of employee stock compensation expense

Particulars	ZAGGLE ESOP 2022 Plan	
	March 31, 2024	March 31, 2023
KMP	20.98	73.09
Employees other than KMP	128.79	71.04
Total	**149.77**	**144.13**

Note: The Nomination and Remuneration Committee authorized the granting of 566,252 options to grantees in the meeting held on April 30, 2024

44 ADDITIONAL DISCLOSURE AS REQUIRED UNDER PARAGRAPH 2 OF 'GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS' OF THE SCHEDULE III TO THE ACT

As at March 31, 2024

Name of the entity	Net assets *		Share in profit / (loss)		Share in other comprehensive income ("OCI")		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Parent	100.00%	5,753.82	100.00%	440.20	100.00%	(2.96)	100.00%	437.24
Subsidiary incorporated outside India								
Zaggle Technologies Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Associates (Investment as per the equity method)								
Indian								
Tax spanacross IT solutions private limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	**100.00%**	**5,753.82**	**100.00%**	**440.20**	**100.00%**	**(2.96)**	**100.00%**	**437.24**
Consolidation adjustments	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Net amount	**100.00%**	**5,753.82**	**100.00%**	**440.20**	**100.00%**	**(2.96)**	**100.00%**	**437.24**

(All amounts are ₹ in Million, except for share and per share data and where otherwise stated)

As at March 31, 2023

Name of the entity	Net assets *		Share in profit / (loss)		Share in other comprehensive income ("OCI")		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehen-sive income	Amount
Parent	100.00%	487.51	100.00%	229.01	100.00%	0.34	100.00%	229.35
Subsidiary incorporated outside India								
Zaggle Technologies Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	**100.00%**	**487.51**	**100.00%**	**229.01**	**100.00%**	**0.34**	**100.00%**	**229.35**
Consolidation adjustments	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Net amount	**100.00%**	**487.51**	**100.00%**	**229.01**	**100.00%**	**0.34**	**100.00%**	**229.35**

* Net assets means total assets minus total liabilities excluding shareholders funds.

Note: The disclosure as above represents separate information for each of the consolidated entities before elimination of inter-company transactions. The net impact on elimination of inter-company transactions / profits / consolidation adjustments have been disclosed separately. Based on the group structure, the management is of the view that the above disclosure is appropriate under the requirements of the Act.

45 The Parent Company has incorporated a wholly owned subsidiary named as Zaggle Technologies Limited ("ZTL"), a private Company in the United Kingdom on January 12, 2023, as a subscriber to the memorandum. ZTL had allotted 1 equity share of GBP 1 to the Company upon incorporation, such shares remained unpaid as of March 31, 2023. ZTL had not commenced any business, operations or activities since its incorporation and there were no transactions during the period January 12, 2023, to March 31, 2023.

The Parent Company's Board of Directors on its meeting held on August 26, 2023 has decided to request ZTL to apply to the registrar of companies through its director, to strike off its name off the register in compliance with applicable provisions of the UK laws. Accordingly, the strike-off application was duly filed by ZTL on August 26, 2023 and parent company has received the dissolution notification dated November 21, 2023

For the purpose of consolidation, above subsidiary is considered as immaterial subsidiary and consolidation procedures done basis unaudited accounts of the subsidiary.

46 The consolidated financial statements were approved by the Board of Directors and authorized for issue on May 23, 2024

As per our report of even date attached

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Prakash Chandra Bhutada
Partner
Membership No: 404621

For **P R S V & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

Place: Hyderabad
Date: May 23, 2024

For and on behalf of the Board of Directors of
Zaggle Prepaid Ocean Services Limited
(formerly known as Zaggle Prepaid Ocean Services Private Limited)

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: May 23, 2024

P R S V & Co. LLP
Chartered Accountants
202, Saptagiri Residency,
1-10-98/A, Chikoti Gardens, Begumpet,
Hyderabad - 500 016.

M S K A & Associates
Chartered Accountants
1101/B, Manjeera Trinity Corporate,
JNTU-Hitech City Road, Kukatpally,
Hyderabad- 500 072.

INDEPENDENT AUDITORS' REPORT

To the Members of **Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited) (the "Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report and Corporate Governance, but does not include the Standalone Financial Statements and our auditor's report thereon. The Director's report and Corporate Governance has not been made available to us.

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 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 Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 position in its Standalone Financial Statements – Refer Note 29 to the Standalone Financial Statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. 1. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

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

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

____
Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 23222068BGTVXA2210

Place: Hyderabad
Date: August 29, 2023

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

____
Amit Kumar Agarwal
Partner
Membership No. 214198
UDIN: 23214198BGXCSZ4908

Place: Hyderabad
Date: August 29, 2023

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ZAGGLE PREPAID OCEAN SERVICES LIMITED (FORMERLY KNOWN AS ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED) FOR THE YEAR ENDED MARCH 31, 2023.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

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

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 23222068BGTVXA2210

Place: Hyderabad
Date: August 29, 2023

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Kumar Agarwal
Partner
Membership No. 214198
UDIN: 23214198BGXCSZ4908

Place: Hyderabad
Date: August 29, 2023

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ZAGGLE PREPAID OCEAN SERVICES LIMITED (FORMERLY KNOWN AS ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED) FOR THE YEAR ENDED MARCH 31, 2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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

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

(b) All the Property, Plant and Equipment and right of use of assets were physically verified by the management in the year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.

(b) During the year the Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of account.

iii. The Company has made investment in Companies during the year.

According to the information explanation provided to us, the Company has not provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) (a), (c), (d), (e) and (f) of the Order are not applicable to the Company.

(3) (iii) (b) - According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made are not prejudicial to the interest of the Company.

iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, service tax, duty of customs, cess, and other statutory dues have not been regularly deposited by the Company with appropriate authorities and there have been delay in a large number of cases.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, service tax, duty of customs, cess, and other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and examination of records of the Company, details of statutory dues referred to in sub clause (a) above which have not been deposited as on March 31, 2023 on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount demanded Rs. in Million	Amount paid under protest Rs. in Million	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	24.73	3.30	April 01, 2014 to June 30, 2017	CESTAT

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

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

(e) The Company does not have any subsidiary, associate, or joint venture. Hence reporting under the clause (ix)(e) and (f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of equity shares during the year and the requirements of Section 42 and Section 62 of the Act have been complied with. The amount raised has been used for the purposes for which they were raised.

xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.

(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Group does not have more than one CIC as a part of its group. Hence, the provisions stated in paragraph 3 (xvi)(d) of the Order are not applicable to the Company.

xvii. Based on the overall review of Standalone Financial Statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing project requiring a transfer to a Fund Specified in Schedule VII to the Companies Act in compliance with second proviso of sub-section (5) of Section 135 of the said act. Accordingly, reporting under clause (xx) (a) of the Order is not applicable for the year.

(b) In respect of ongoing project, unspent amount as at March 31, 2023, has been spent by the Company subsequent to year end i.e. before April 30, 2023, accordingly the Company has not transferred the unspent amount to a special fund within a period of thirty days from the end of the financial year.

xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 23222068BGTVXA2210

Place: Hyderabad
Date: August 29, 2023

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Kumar Agarwal
Partner
Membership No. 214198
UDIN: 23214198BGXCSZ4908

Place: Hyderabad
Date: August 29, 2023

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ZAGGLE PREPAID OCEAN SERVICES LIMITED (FROMERLY KNOWN AS ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED) FOR THE YEAR ENDED MARCH 31, 2023.

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of **Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)** on the Standalone Financial Statements for the year ended March 31, 2023]

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

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean services Private Limited) (the "Company") as of March 31, 2023, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2023, based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to Standalone Financial Statements

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

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 23222068BGTVXA2210

Place: Hyderabad
Date: August 29, 2023

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Kumar Agarwal
Partner
Membership No. 214198
UDIN: 23214198BGXCSZ4908

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Standalone Balance Sheet as at March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Particulars	Note	March 31, 2023	March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	23.48	19.77
Right-of-use assets	4	196.73	55.15
Intangible assets	5 (a)	68.90	44.29
Intangible asset under development	5 (b)	108.68	15.00
Financial assets			
(i) Investments	6	4.85	-
(ii) Other financial assets	7	14.69	7.30
Other non-current assets	8	29.77	21.38
Income-tax assets (net)	9	119.01	123.59
Deferred tax assets (net)	10	23.10	24.59
Total non-current assets		**589.21**	**311.07**
Current assets			
Inventories	11	0.97	1.12
Financial assets			
(i) Investments	6	12.32	-
(ii) Trade receivables	12	1,026.59	429.51
(iii) Cash and cash equivalents	13 (a)	195.89	7.11
(iv) Bank balances other than (iii) above	13 (b)	30.07	29.00
(v) Other financial assets	7	1.15	-
Other current assets	14	491.39	148.72
Total current assets		**1,758.38**	**615.46**
Total assets		**2,347.59**	**926.53**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	15	92.22	1.80
Other equity	16	395.29	(37.38)
Total equity		**487.51**	**(35.58)**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	17	513.29	483.27
(ia) Lease liabilities	4	158.65	51.04
Provisions	20	11.43	7.22
Total non-current liabilities		**683.37**	**541.53**
Current liabilities			
Financial liabilities			
(i) Borrowings	18	697.44	161.45
(ia) Lease liabilities	4	44.10	7.35
(ii) Trade payables	19		
- Total outstanding dues of micro and		9.63	7.77
- Total outstanding dues of creditors other than micro and small enterprises		82.56	99.58
Provisions	20	0.22	0.14
Other current liabilities	21	294.96	144.29
Current tax liabilities (net)	9	47.80	-
Total current liabilities		**1,176.71**	**420.58**
Total liabilities		**1,860.08**	**962.11**
Total equity and liabilities		**2,347.59**	**926.53**
Corporate information & significant accounting policies	1&2		

See accompanying notes forming part of the Standalone Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Kumar Agarwal
Partner
Membership No: 214198

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Raj P Naraya
Executive Ch
DIN: 0041003

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Sec
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
PAN : BGCPG2893L

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Standalone Statement of Profit and Loss for the year ended March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenues			
Revenue from operations	22	5,534.60	3,712.55
Other income	23	11.15	4.09
Total income		**5,545.75**	**3,716.64**
Expenses			
Cost of point redemption / gift cards		3,188.70	1,435.08
Consumption of cards	24	17.53	17.78
Employee benefits expense	25	435.83	154.30
Finance costs	26	113.77	69.88
Depreciation and amortisation expense	27	61.99	20.97
Other expenses	28	1,411.58	1,506.85
Total expenses		**5,229.40**	**3,204.86**
Profit before tax		**316.35**	**511.78**
Tax expenses			
Current tax	38	85.97	10.79
Deferred tax		1.37	81.78
Total tax expense		**87.34**	**92.57**
Profit after tax		**229.01**	**419.21**
Other comprehensive income			
Items that will not be reclassified subsequently to profit and loss			
Remeasurements of defined benefit liability		0.46	0.87
Deferred tax relating to these items		(0.12)	(0.22)
		0.34	0.65
Total comprehensive income		**229.35**	**419.86**
Earnings per share			
- Basic	31	2.48	4.57
- Diluted		2.46	4.57
Corporate information & significant accounting policies	**1&2**		

See accompanying notes forming part of the Standalone Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Amit Kumar Agarwal
Partner
Membership No: 214198

Y. Venkateswarlu
Partner
Membership No: 222068

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
PAN : BGCPG2893L

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Standalone Statement of Changes in Equity for the year ended March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

A. Equity share capital

	Note	No. of Shares	Amount
As at April 1, 2021		**1,80,000**	**1.80**
Addition during the year	15	-	-
As at March 31, 2022		**1,80,000**	**1.80**
Add: Issued during the year	15	821	0.01
Before adjustment of sub-division of shares	15	**1,80,821**	**1.81**
Adjusted No.of shares after sub-division of equity shares	15	18,08,210	1.81
Issue of bonus shares	15	9,04,10,500	90.41
As at March 31, 2023		**9,22,18,710**	**92.22**

B. Other equity

Particulars	Note	Reserves and surplus			Other comprehensive income	Total
		Securities premium account	Retained earnings	Share Based Payment Reserve	Remeasurement of defined benefit obligations	
Balance at April 1, 2021		**21.91**	**(479.90)**	**-**	**0.68**	**(457.31)**
Profit for the year		-	419.21	-	-	419.21
Other comprehensive income		-	-	-	0.65	0.65
Change on account of Scheme of Arrangement :	33			-		
- Security Premium from Business Combination		93.82	-	-	-	93.82
- Retained earnings from Business Combination		-	(85.17)	-	-	(85.17)
- Amalgamation Adjustment Deficit Account		-	(8.58)	-	-	(8.58)
Balance at March 31, 2022		**115.73**	**(154.44)**	**-**	**1.33**	**(37.38)**
Profit for the year		-	229.01	-	-	229.01
Security premium from issue of equity shares	**15**	149.60	-	-	-	149.60
Other comprehensive income		-	-	-	0.34	0.34
Share-based payments	**43**	-	-	144.13	-	144.13
Issue of bonus shares		(90.41)	-	-	-	(90.41)
Balance at March 31, 2023		**174.92**	**74.57**	**144.13**	**1.67**	**395.29**

See accompanying notes forming part of the Standalone Financial Statements.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Kumar Agarwal
Partner
Membership No: 214198

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
PAN : BGCPG2893L

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Standalone Statement of cash flows for the year ended March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities			
Profit before tax		316.35	511.78
Adjustments for :			
Depreciation and amortization expense		61.99	20.97
Interest expense		102.87	66.88
Interest expense on lease liabilities		10.90	3.00
Liabilities no longer required written back		(2.26)	(1.17)
Provision for / reversal of credit impaired trade receivables		(16.23)	14.66
Interest income		(4.16)	(1.32)
Equity-settled share-based payment transactions		144.13	-
Operating profit before working capital changes		**613.59**	**614.80**
Change in assets and liabilities			
(Increase) in trade receivables		(580.85)	(217.36)
Decrease in inventories		0.15	1.57
(Increase) in other financial assets		(12.67)	(3.17)
(Increase) in other assets		(284.41)	(49.25)
(Decrease) in trade payables and other financial liabilities		(12.90)	(83.69)
Increase in provision		3.83	2.46
Increase/ (Decrease) in other liabilities		150.67	(4.63)
Cash (used in) / generated from operations		**(122.59)**	**260.73**
Income taxes paid (net of refund)		(33.59)	(59.92)
Net cash (used in) / flow from operating activities	**A**	**(156.18)**	**200.81**
B. Cash flows from investing activities			
Purchase of Property, Plant and Equipment and intangible assets		(161.71)	(75.72)
Deposits placed having original maturity of more than 3 months, net		(1.07)	(24.00)
Share issue expenses		(61.65)	-
Purchase of investments		(22.17)	-
Interest received		3.47	1.03
Net cash used in investing activities	**B**	**(243.13)**	**(98.69)**
C. Cash flow from financing activities			
Proceeds from issue of equity shares		149.61	-
Proceeds from long term borrowings		500.00	250.24
Repayment of long term borrowings		(130.00)	(335.96)
Payment of lease liabilities		(24.66)	(11.15)
Proceeds from short term borrowings (net)		196.01	4.67
Interest paid		(102.87)	(30.70)
Net cash flow from / (used in) financing activities	**C**	**588.09**	**(122.90)**
Net increase/(decrease) in cash and cash equivalents	**A+B+C**	188.78	(20.78)
Cash and cash equivalents at the beginning of the year		7.11	27.89
Cash and cash equivalents at end of the year [Refer Note 13 (a)]		**195.89**	**7.11**

Note: Cash Flow Statement has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements. Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.

See accompanying notes forming part of the Standalone Financial Statements.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Amit Kumar Agarwal
Partner
Membership No: 214198

Y. Venkateswarlu
Partner
Membership No: 222068

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
PAN : BGCPG2893L

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

1 Corporate Information

Zaggle Prepaid Ocean Services Limited (formerly known as a Zaggle Prepaid Ocean Services Private Limited) ('the Company' / 'Zaggle') is a B2B2C Fintech SaaS Company, which is a leading player in spend management, with a differentiated value proposition and diversified user base. The Company offers a diversified portfolio of SaaS, including tax and payroll software.

The Company has been incorporated on June 2, 2011, under the provisions of the Companies Act, 1956 as a Private Limited Company. The Company was converted into a public limited company under the Companies Act, 2013 on September 13, 2022 and consequently, the name was changed to "Zaggle Prepaid Ocean Services Limited". The registered office of the Company is located at 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Telangana - 500081.

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of this standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation and measurement

(i) Statement of compliance & Basis for preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the 'Act'), the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act.

The standalone financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the standalone financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

(ii) Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in Indian rupees have been rounded-off to two decimal places to the nearest million except for share and per share data and where otherwise stated.

(iii) Basis of measurement

The financial information have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities : Measured at fair value
- Borrowings : Amortised cost using effective interest rate method
- Net defined benefit (asset)/ liability : Present value of defined benefit obligations less fair value of plan assets

(iv) Use of estimates and judgements

The preparation of the standalone financial statements is in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application policies and reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities at the date of standalone financial statements and reported amounts of revenue and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the standalone financial statements in the year in which the changes are made and, if material, such effects are disclosed in the notes to standalone financial statements.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 3, 4 and 5 - determining an asset's expected useful life and the expected residual value at the end of its life.
- Note 12 – impairment of financial assets;
- Notes 29 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 35 – measurement of defined benefit obligations: key actuarial assumptions;

(v) Measurement of fair values

Accounting polices and disclosures require measurement of fair value for financial assets and financial liabilities.

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 36 - Financial instruments

(vi) Current and non-current classification:

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as a current when it is:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

- it is expected to be realised within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non current.

Liabilities

A liability is classified as a current when:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is due to be settled within twelve months from the reporting date;
- it is held primarily for the purposes of being traded;
- the Company does not have an unconditional right to defer settlement of liability for at least twelve months from the reporting date.

All other liabilities are classified as non-current.

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

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and realisation in cash or cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.2 Summary of significant accounting policies

A. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer net of variable consideration (e.g. discounts), taxes and amount collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to a customer. The amount of revenue recognized is at an amount that reflects the consideration to which the Company expect to be entitled to in exchange for the product or service. Revenue is only recognized to the extent that is highly probable that a significant reversal will not occur.

i) Program fees:

The Company acts as Program Manager and Business Correspondent to the Partner Banks for the Co-branded Prepaid Card Instruments. The Co-branded Cards are operated under various schemes (Such as Kuber, Zinger etc.). Program fees mainly includes revenue from Interchange (including residual income) earned from partner banks and excludes amounts collected on behalf of partner banks. Interchange revenue is recognised as per the terms of the arrangement with partner banks, at the point in time, basis the information shared by the banks to the Company post settlement with network partners. The incentives / cash back, as an when incurred by the Company towards the co-branded prepaid card instruments has been considered as a distinct goods or services and accordingly recorded as an expense.

Banks and corporates are considered as customers of the Company. Any amounts receivable from the customers on account of normal course of business is classified as trade receivable. Further advance received from customers against which cards are yet to be activated is disclosed as liability under advances from customers.

ii) Propel platform revenue / Gift cards:

Propel platform revenue from monetisation of platform is recognised on the basis of terms of the agreement with the respective customers.

The Company recognises revenue on completion of the Company performance obligation being met on redemption of propel points against catalogue of gift cards / vouchers.

The Company acts as a principal and accordingly consideration for the supplies is recognized on gross basis with corresponding cost of supplies being recorded as an expense. Revenue on sale of gift cards / vouchers is recognized only to the extent the Company's performance obligation is met, at the point in time on transfer of the control of the respective gift cards / vouchers to the customers.

iii) Fees income/SaaS income:

The Company earns fees income/SaaS income/service fees income from various activities including user fees, platform fees, customization fees etc. The fee income is recognised when the control in services have been transferred by the Company i.e., as and when services have been provided by the Company and the Company's performance obligation is met. This fee is recognised as income in accordance with the terms of the arrangement with the respective customers.

iv) Interest income:

Interest income is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head 'other income' in the statement of profit and loss.

B. Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.

C. Financial instruments

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

i) Initial Recognition and measurement

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii) Classification and subsequent measurement

Financial assets

All financial assets except Trade receivables are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement: For the purpose of subsequent measurement, financial assets are categorised as under:

- Amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or

- Fair Value through Profit or Loss (FVTPL)

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

− the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

− the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

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

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss.

iii) Derecognition

Financial assets

A Financial asset is primarily derecognised when the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv) Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently and legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

D. Property, plant and equipment

i) Recognition and measurement

Property, Plant and Equipment ('PPE') are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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 statement of profit or loss during the reporting period in which they are incurred. If an item of property, plant and equipment is purchased with deferred credit period from supplier, such asset is recorded at its cash price equivalent value.

ii) Depreciation

Depreciation is provided using the Straight-line Method over the useful lives of the assets as estimated by the Management. Depreciation on additions and deletions are restricted to the period of use. Depreciation is charged to statement of profit and loss.

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

The Company, based on technical assessment and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Act. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Company has estimated the following useful lives to provide depreciation on its property, plant and equipment:

Asset category	Management estimate of useful life & Useful life as per Schedule II
Furniture and fixtures	10 years
Office equipment	5 years
Computers	3 years
Vehicles	8 years

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 or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the statement of profit and loss.

Depreciation method, useful lives and residual values are reviewed at each period end and adjusted if appropriate.

E. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally developed intangibles are capitalized to the extent of direct cost related to the development of the respective intangible assets which mainly includes manpower cost. Intangible assets are amortized over the useful economic life assessed which ranges from 3-5 years and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets recognized in the restated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Asset category	Management estimate of useful life
R & R Software	3 - 4 years
Mobile Application	3 years
Software	3 - 5 years
Trademarks	5 years
Expense Management	4 - 5 years

F. Investment in Subsidiaries

Investment in Subsidiaries are valued at Cost. Dividend Income from subsidiaries is recognised when its right to receive the dividend is established.

G. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handing costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs necessary to make the sale.

H. Impairment of assets

i) **Impairment of financial instruments**

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost and trade receivables. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

The Company applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables
ii. Financial assets measured at amortised cost (other than trade receivables)
iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate.

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

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii) **Impairment of non-financial assets**

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

I. Employee benefits

(a) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme and other funds. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

(ii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by a qualified actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Compensated Absences: The Company has no policy of accumulation of compensated absences.

J. Leases

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

Company as a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The Company used the following practical expedients when applying Ind AS 116 :

• Applied a single discount rate to a portfolio of leases with similar characteristics.
• Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term and leases of low value.
• Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
• Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Right of use asset: The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease Liability: The Company measures the lease liability at present value of the future lease payments at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate as at the commencement of lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

K. Income-tax

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

(i) Current tax

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

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

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and

- temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

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

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

L. Provision, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised under finance costs. Expected future operating losses are not provided for. Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Contingent liabilities and contingent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognised in the standalone financial statements in the period in which if it is virtually certain that an inflow of economic benefits will

M. Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share sub-division.

If the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalisation, bonus issue or share sub-division, or decreases as a result of a reverse share sub-division, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the standalone financial statements are approved for issue, the per share calculations for those and any prior period standalone financial statements presented shall be based on the new number of shares.

N. Cash flow statement

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

O. 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.

P. Events after reporting date

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

Q. Business Combination

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of an entity is calculated as the sum of the acquisition-date fair values of assets transferred and liabilities incurred. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values. Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred, the amount recognized for non-controlling interests and fair value of any previous interest held, over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net of identifiable assets acquired and liabilities assumed is in excess of the aggregate mentioned above, the resulting gain on bargain purchase is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities.

R. Recent accounting pronouncements:

The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standard) Amendment Rules, 2023 dated March 31, 2023 to amend certain Ind ASs which are effective from April 01, 2023. Below is a summary of such amendments:

(i) Disclosure of Accounting Policies - Amendment to Ind AS 1 Presentation of financial statements:

The MCA issued amendments to Ind AS 1, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(ii) Definition of Accounting Estimates – Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors:

The amendment to Ind AS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023. The amendments are not expected to have a material impact on the Company's standalone financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12 Income taxes:

The amendment to Ind AS 12, requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities

at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:
- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.
Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Company is currently assessing the impact of the amendments

(iv) The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Notes forming part of the standalone financial statements
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

3 Property, plant and equipment

Description	Office Equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost as at April 1, 2021	**0.28**	**0.11**	**2.37**	**9.03**	**11.79**
Additions	0.23	0.81	11.57	-	12.61
Disposals	-	-	-	-	-
Cost as at March 31, 2022	**0.51**	**0.92**	**13.94**	**9.03**	**24.40**
Additions	1.16	0.39	9.12	-	10.67
Disposals	-	-	-	-	-
Cost as at March 31, 2023	**1.67**	**1.31**	**23.06**	**9.03**	**35.07**
Accumulated depreciation as at April 1, 2021	**0.14**	**0.04**	**1.84**	**0.26**	**2.28**
Depreciation for the year	0.05	0.03	1.67	0.60	2.35
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2022	**0.19**	**0.07**	**3.51**	**0.86**	**4.63**
Depreciation for the year	0.10	0.11	5.57	1.18	6.96
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2023	**0.29**	**0.18**	**9.08**	**2.04**	**11.59**
Net carrying amount as at March 31, 2022	**0.32**	**0.85**	**10.43**	**8.17**	**19.77**
Net carrying amount as at March 31, 2023	**1.38**	**1.13**	**13.98**	**6.99**	**23.48**

Note: Refer Note 17 & 18 for details of property, plant and equipment subject to charge on secured borrowings.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

4 Right of use assets and Lease Liabilities

Right of Use Assets

Description	Right of use assets (Buildings)
Cost as at April 1, 2021	**45.65**
Additions	27.61
Disposals	-
Cost as at March 31, 2022	**73.26**
Additions	163.86
Disposals	-
Cost as at March 31, 2023	**237.12**
Accumulated amortisation as at April 1, 2021	**8.90**
Amortisation for the year	9.21
Disposals	-
Accumulated amortisation as at March 31, 2022	**18.11**
Amortisation for the year	22.28
Disposals	-
Accumulated amortisation as at March 31, 2023	**40.39**
Net carrying amount as at March 31, 2022	**55.15**
Net carrying amount as at March 31, 2023	**196.73**

b. Lease Liabilities

(i) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	**58.39**	**39.74**
Additions during the year	158.12	26.80
Disposal during the year	-	-
Accrual of interest	10.90	3.00
Payment of lease liabilities	(24.66)	(11.15)
Closing balance	**202.75**	**58.39**
Less: Current lease liabilities	44.10	7.35
Non Current lease liabilities	**158.65**	**51.04**

(ii) Payments recognised as expenses and income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Short term leases and low value assets (Refer Note 28)	2.17	1.20
	2.17	**1.20**

(iii) Contractual maturities of lease liabilities on undiscounted basis as at:

Particulars	March 31, 2023	March 31, 2022
Less than one year	50.12	11.59
One to five years	203.48	46.26
More than five years	5.34	5.66
	258.94	**63.51**

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

5 a. Intangible Assets

Description	R&R software	Mobile application	Software	Trade Mark	Expense Management	Total
Cost as at April 1, 2021	**9.93**	**18.12**	**3.90**	**0.02**	**31.70**	**63.67**
Additions	10.00	-	-	1.73	15.00	**26.73**
Disposals	-	-	-	-	-	-
Cost as at March 31, 2022	**19.93**	**18.12**	**3.90**	**1.75**	**46.70**	**90.40**
Additions	-	-	-	-	57.36	**57.36**
Disposals	-	-	-	-	-	-
Cost as at March 31, 2023	**19.93**	**18.12**	**3.90**	**1.75**	**104.06**	**147.76**
Accumulated amortisation as at April 1, 2021	**9.93**	**18.12**	**0.83**	**-**	**7.82**	**36.70**
Amortisation for the year	0.21	-	0.77	0.21	8.22	**9.41**
Disposals	-	-	-	-	-	-
Accumulated amortisation as at March 31, 2022	**10.14**	**18.12**	**1.60**	**0.21**	**16.04**	**46.11**
Amortisation for the year	3.35	-	2.30	0.64	26.46	**32.75**
Disposals	-	-	-	-	-	-
Accumulated amortisation as at March 31, 2023	**13.49**	**18.12**	**3.90**	**0.85**	**42.50**	**78.86**
Net carrying amount as at March 31, 2022	**9.79**	**-**	**2.30**	**1.54**	**30.66**	**44.29**
Net carrying amount as at March 31, 2023	**6.44**	**-**	**-**	**0.90**	**61.56**	**68.90**

b. Intangible Asset under development

Particulars	March 31, 2023	March 31, 2022
Zoyer Application under development*	108.68	15.00

* Project execution plans are reviewed periodically on the basis of Management judgement and estimates w.r.t future business, technological development/economy/ industry and the project is assessed as per periodic plans.

Ageing - Intangible Asset under development

Project in progress	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022	15.00	-	-	-	15.00
As at March 31, 2023	93.68	15.00	-	-	108.68

Note: Refer Note 17 for details of Intangible assets subject to charge on secured borrowings.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

6 Investments

	March 31, 2023	March 31, 2022
Non-current		
Investments in unquoted equity shares (fully paid up)		
In subsidiary (carried at cost)		
Zaggle Technologies Limited - 1 equity share of GBP 1 each (Refer Note 45)	0.00	-
Investment in quoted mutual funds (carried at fair value through profit and loss) [Refer Note (c) below]		
ICICI Prudential Liquid Fund - Growth - 6,947.59 units of Rs. 323.85 each	2.30	-
ICICI Prudential Money Market Fund - Growth - 3,183.43 units of Rs. 314.11 each	1.02	-
Kotak Liquid Regular Growth - 339,027 units of Rs. 4,424.20 each	1.53	-
Total non-current investments	4.85	-
Current		
Investment in quoted mutual funds (carried at fair value through profit and loss)		
ICICI Prudential Money Market Fund - Growth - 35,186.110 units of Rs. 321.13 each	11.30	-
HDFC Money Market Fund - Regular Plan - Growth - 210.993 units of Rs. 4,739.25 each	1.02	
Total current investments	12.32	-
Notes:		
(a) Aggregate value of unquoted investments	0.00	
(b) Aggregate value of quoted investments	17.17	-
(c) Change in fair value of the investments during the year	0.12	-
(d) Refer Note 17 for details of investments subject to charge on secured borrowings.		

7 Other financial assets (at amortised cost)

(Unsecured considered good)	March 31, 2023	March 31, 2022
Non-current		
Security deposits	13.36	6.02
Other deposits	1.33	1.28
	14.69	**7.30**
Current		
Interest accrued on deposits with banks	1.15	-
	1.15	**-**

8 Other non-current assets

	March 31, 2023	March 31, 2022
(Unsecured, Considered good)		
a. Capital advance	21.38	21.38
b. Balance with government authorities	3.39	-
c. Advance towards purchase of investments	5.00	-
	29.77	**21.38**

9 Non-Current: Income-tax assets (Net)

	March 31, 2023	March 31, 2022
Advance tax including tax deducted at source (Net of provision)	119.01	123.59
Provision for tax (Net of Advance tax and tax deducted at source)	(47.80)	-
	71.21	**123.59**

10 Deferred tax assets (net)

	March 31, 2023	March 31, 2022
Depreciation / amortisation	2.76	1.19
Provision for employee benefits	2.93	1.50
Provision for credit impaired balances	14.49	18.57
Right of use assets (net of lease liability)	1.52	0.75
Others	1.40	2.58
	23.10	**24.59**

11 Inventories

(Valued at lower of cost or net realisable value)	March 31, 2023	March 31, 2022
Card inventory	0.97	1.12
	0.97	**1.12**

Note: Refer Note 17 & 18 for details of inventory subject to charge on secured borrowings.

12 Trade receivables

	March 31, 2023	March 31, 2022
Trade receivables		
Unsecured		
-Considered good	1,026.59	429.51
-Credit Impaired	57.56	73.79
	1,084.15	**503.30**
Less-Allowance for credit impaired trade receivables [Refer Note (f) below]	(57.56)	(73.79)
	1,026.59	**429.51**

Notes:

a) No trade or other receivable are due from directors or other officers of the Company.

b) Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

c) Trade receivables amounting to Rs. 835.62Mn [as at March 31, 2022: 490.37 Mn] is due from customers who represents more than 5% of the total balance of the trade receivables.

(d) Refer Note 17 & 18 for details of trade receivables subject to charge on secured borrowings.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

e. Trade Receivables ageing schedule:

As at March 31, 2023

Particulars	Not Due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	688.48	259.82	77.45	0.84	-	-	1,026.59
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	57.56	57.56
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	**688.48**	**259.82**	**77.45**	**0.84**	**-**	**57.56**	**1,084.15**

As at March 31, 2022

Particulars	Not Due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	413.75	14.94	0.82	-	-	-	429.51
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	1.87	5.19	-	-	66.73	73.79
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	**413.75**	**16.81**	**6.01**	**-**	**-**	**66.73**	**503.30**

f. Movement in the impairment loss on credit impaired trade receivables	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Opening balance	73.79	359.05
Credit loss added	-	14.66
Written off during the year	-	(299.92)
Reversal during the year	(16.23)	-
Closing balance	**57.56**	**73.79**

13 Cash and bank Balances

	March 31, 2023	**March 31, 2022**
(a) Cash and cash equivalents		
Cash on hand	0.00	0.24
Balances with banks		
- in current accounts (Refer Note below)	195.89	6.87
	195.89	**7.11**

Note: The Company is a program manager for various programs of the banks for its prepaid cards and accordingly banks maintain the pool accounts for these prepaid card program where funds are held. These accounts are opened primarily for settlement and collection activities with respect to operations facilitated by the Company.
Accordingly, the balance in the aforesaid bank accounts are not included in 'Balance with Banks' above as these are not owned or contractually available for use by the Company and set aside for settlement of usage by the Company's pre-paid card customers.

(b) Bank balances other than Cash and Cash equivalents :	**March 31, 2023**	**March 31, 2022**
- Deposits with remaining maturity less than 12 months:		
- Margin money deposits (Refer Note below)	9.00	9.00
- Deposits under lien (Refer Note below)	21.07	20.00
	30.07	**29.00**

Note : Represents deposits held as margin money/commitment with the banks

14 Other current assets

	March 31, 2023	**March 31, 2022**
Advance to suppliers	81.98	50.33
Advances to employees	3.00	0.48
Prepaid cards with loading	344.76	94.10
Balance with government authorities	-	-
Share issue expenses*	61.65	-
Others	-	3.81
	491.39	**148.72**

* During the year ended March 31, 2023, the Company has incurred share issue expenses in connection with proposed public offer of equity shares of which Rs. 61.65 Mn is accounted for various services received for Initial Public Offer. In accordance with the Companies Act, 2013 ("the Act") and also as per the Offer Agreement entered between the Company and the selling shareholders, the selling shareholders shall reimburse the share issue expenses in proportion to the respective shares offered for sale. Accordingly the Company will partly recover the expense incurred in connection with the issue on completion of the Initial Public Offer (IPO). The Company's share of expenses shall be adjusted against securities premium to the extent permissible under section 52 of the Act on successful completion of the IPO. The entire amount has been carried forward and disclosed under the head 'Share issue expenses' under 'Other current assets; (to the extent of not written off or adjusted).The amount which is receivable from the selling shareholders is not disclosed separately as the amount is not determinable at this stage pending completion of the IPO.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

15 Equity Share capital

	March 31, 2023	March 31, 2022
Authorized share capital		
12,00,00,000 (March 31, 2022: 51,03,785) Equity Shares of Rs. 1 Each (March 31, 2022: Rs. 10 Each)	120.00	51.04
Issued, subscribed and paid up		
92,218,710 (March 31, 2022: 1,80,000) Equity Shares of Rs. 1 Each (March 31, 2022: Rs. 10 Each)	92.22	1.80
	92.22	**1.80**

Notes:

i) Reconciliation of Authorised share capital at the beginning and at the end of the reporting year:

	March 31, 2023		March 31, 2022	
Particulars	**No. of Shares**	**Amount in Rs.**	**No. of Shares**	**Amount in Rs.**
Outstanding at the beginning of the year	51,03,785	51.04	20,00,000	20.00
Add: Increase in Authorised Capital	68,96,215	68.96	31,03,785	31.04
Before adjustment of sub-division of shares	1,20,00,000	120.00	51,03,785	51.04
Adjusted No.of shares on Account of sub-division of equity shares [Refer Note (iii) below]	12,00,00,000	120.00	-	-

ii) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

	March 31, 2023		March 31, 2022	
Particulars	**No. of Shares**	**Amount in Rs. Million**	**No. of Shares**	**Amount in Rs. Million**
Outstanding at the beginning of the year	1,80,000	1.80	1,80,000	1.80
Add: Issue during the year	821	0.01	-	-
Before adjustment of sub-division of shares	1,80,821	1.81	1,80,000	1.80
Adjusted No.of shares on account of sub-division	18,08,210	1.81	-	-
Add: Issue of bonus share during the year	9,04,10,500	90.41	-	-
	9,22,18,710	92.22	1,80,000	1.80

iii) Shareholders vide the Extra-ordinary general meeting dated July 27, 2022, have approved the following :

a. Increase in Authorized Share Capital of the Company from Rs. 51.04 Mn divided into 51,03,785 Equity Shares of Rs.10/- each to Rs. 120.00 Mn divided into 1,20,00,000 Equity Shares of Rs.10/- each, by creation of 68,96,215 Equity Shares of Rs.10/- each, ranking pari passu with the existing Equity Shares of the Company.

b. Sub-division of the Authorised Share Capital consisting of 1,20,00,000 equity shares of the Company having face value of Rs. 10 each into 12,00,00,000 equity shares of face value of Rs. 1 each w.e.f., July 27, 2022, without altering the aggregate amount of the same.

c. Further, the issued, subscribed and paid-up share capital consisting of 1,80,821 equity shares of the Company having face value of Rs. 10 each shall stand sub-divided into 18,08,210 equity shares having face value of Rs. 1 each w.e.f., July 27, 2022 without altering the aggregate amount of such capital and shall rank pari passu in all respects and carry the same rights as to the existing fully paid-up equity shares of ₹ 10 each of the Company.

d. Issue of fully paid bonus shares of Rs.1 each in proportion of 50 equity shares for every 1 existing equity share by capitalizing a sum of Rs. 90.41 Mn from the Securities Premium account available with the Company.

iv) Rights, preferences and restrictions attached to equity shares of Rs. 1 each (Mar'22 - Rs.10 each), fully paid up:

The Company has only one class of equity shares having par value of Rs.1 (Mar'22 - Rs.10) per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

v) Shares held by shareholders holding more than 5% in the Company as at

	March 31, 2023		March 31, 2022	
Name of Shareholder	**No. of Shares**	**% Holding**	**No. of Shares**	**% Holding**
Raj P Narayanam	4,76,85,000	51.71%	93,500	51.94%
Ventureast Proactive Fund LLC	58,70,100	6.37%	11,510	6.39%
Avinash Ramesh Godkhindi	91,80,000	9.95%	18,000	10.00%
Zuzu Software Services Pvt Ltd	1,74,76,992	18.95%	35,896	19.94%

v) Shareholding of promoters

	March 31, 2023		March 31, 2022		% of change of during the year
Name of promoter	**No. of Shares**	**% Holding**	**No. of Shares**	**% Holding**	
Raj P Narayanam	4,76,85,000	51.71%	93,500	51.94%	-0.24%
Avinash Ramesh Godkhindi	91,80,000	9.95%	18,000	10.00%	-0.05%

vi) As at March 31, 2023, 24,23,369 equity shares of Rs. 1 each (March 31, 2022: Nil) reserved for issue under employee share option plans.

16 Other equity

	March 31, 2023	March 31, 2022
Securities premium [Refer Note (i) below]	174.92	115.73
Retained earnings [Refer Note (ii) below]	74.57	(154.44)
Other comprehensive income [Refer Note (iii) below]	1.67	1.33
Employee stock options outstanding reserve [Refer Note (iv) below]	144.13	-
Total other equity	**395.29**	**(37.38)**

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Notes:

(i) Securities premium

	March 31, 2023	March 31, 2022
Balance at the beginning of the year	115.73	21.91
Add : Scheme of Arrangement		
- Security premium on business combination (Refer Note 33)	-	93.82
- Security premium on issue of equity shares	149.60	-
Less: Issue of bonus equity shares [Refer Note 15 - sub note (iii)]	(90.41)	-
Balance at the end of the year	174.92	**115.73**

Note: Security premium represent the amount received in excess of the face value of the equity shares. The utilisation of the security premium reserve is governed by the section 52 of the Act.

(ii) Retained earnings

Balance at the beginning of the year	(154.44)	(479.90)
Add: Profit for the year	229.01	419.21
Add : Scheme of Arrangement (Refer Note 33)		
- Retained Earnings from business combination	-	(85.17)
- Amalgamation Adjustment Deficit Account	-	(8.58)
Balance at the end of the year	**74.57**	**(154.44)**

Note: Retained earnings represent the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Act.

(iii) Other comprehensive income (OCI)

Other items of OCI

Remeasurement of defined benefit obligations (liability net of tax)		
Balance at the beginning of the year	1.33	0.68
Add: Changes during the year	0.34	0.65
Balance at the end of the year	1.67	1.33

Note: The reserve represent the actuarial gain/(loss) recognised on the defined benefit plan and will not be transferred to retained earnings.

(iv) Employee stock options outstanding reserve

Balance at the beginning of the year	-	-
Add: Changes during the year	144.13	-
Balance at the end of the year	144.13	-

Note: Employee stock option reserve related to share option granted by the Company under its employee share option plan. These will be utilised on exercise of the under lying option.

17 Long term borrowings (at amortised cost)

	31 March 2023	**March 31, 2022**
Secured		
Non-cumulative redeemable non-convertible debentures [Refer Note (i) below]	495.84	-
Term loans		
- from banks [Refer Note (ii) below]	187.50	237.58
- from vehicle loans [Refer Note (iv) below]	4.18	5.57
Property loan		
- from bank [Refer Note (iii) below]	12.13	12.66
Unsecured		
Deferred payables [Refer Note below (v) below]	310.40	384.24
Less : Current maturities of long term borrowings [Refer Note: 18]	(496.76)	(156.78)
Total	**513.29**	**483.27**

Details of terms and security in respect of the long-term borrowings:

(i) Non-Cumulative Redeemable Non-Convertible Debentures:

Non-Cumulative Redeemable Non- Convertible Debentures (NCDs) amounting to Rs. 500 Mn (March 31, 2022: Nil) represents 500 N0's with a face value of Rs. 10,00,000/- each carrying interest of 13.5% p.a and are redeemable in 3 years in 11 instalments of Rs. 4.5 Mn each. These NCDs are secured by First and exclusive charge on present and future fixed, current, tangible and intangible assets, certain mutual funds investments of the Company.

(ii) Term Loan from bank:

Term loan from bank amounting to Rs. 187.50 Mn (March 31, 2022: Rs. 237.58 Mn) carries interest of Repo rate + 3.5% (presently 10% p.a.) and is repayable in 60 monthly instalments of Rs. 4.17 Mn each excluding interest beginning from January 2022. The Term loan along with Overdraft facility as below are jointly secured by way of exclusive charges on the current assets of the Company including trade receivables and inventories. The loans are collaterally secured by way of exclusive charge on the immovable properties being commercial property and Residential property, both, belonging to other body corporate. The loans are further secured by way of Corporate Guarantee extended by the said body corporate.

(iii) Property Loan:

Property loan taken from bank amounting to Rs. 12.13 Mn (March 31, 2022: Rs. 12.66 Mn) carries interest at Repo rate + spread of 2.9% (Presently 6.90% p.a) and is repayable in 195 equated monthly instalments of Rs. 0.12 Mn each beginning from August 2021. The loan is secured by way of mortgage of property, which is yet to be registered in the name of the Company. Advance given for purchase of property is grouped under non current assets (Refer Note 8).

(iv) Vehicle Loans

Vehicle loans from bank amounting to Rs. 5.24 Mn (March 31, 2022: Rs. 5.57 Mn) carry interest rate of 7.8% to 8.25% p.a and are repayable in 60 equated monthly instalments. The said loans are secured by way of hypothecation of vehicles purchased.

(v) Deferred payables:

Deferred payables amounting to Rs. 310.40 Mn (March 31, 2022: Rs. 384.24 Mn) are repayable in five instalments starting with March 2022 and ending in December 2023 and carries interest rate of 11% p.a. which is payable along with last instalment. As at reporting date March 31, 2023, two of such instalments are pending.

vi. The Company has utilised the loans borrowed during the year for the purpose for which it is obtained as mentioned in the borrowing agreements.

vii. The Company is not declared as a wilful defaulter by any bank and financial institution or other lender the any reporting year.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

18 Short-term borrowings

	March 31, 2023	March 31, 2022
Secured		
Overdraft from bank (Refer Note below)	200.68	4.67
Current maturities of long term borrowings (Refer Note: 17)	496.76	156.78
	697.44	**161.45**

Details of terms and security in respect of the short-term borrowings:

Overdraft Facility taken during the year from ICICI bank amounting to Rs. 200.68 Mn (March 31, 2022: Rs. 4.67 Mn) carries interest of Repo rate + 3.1% (presently 9% p.a.) and is repayable on demand. The Overdraft facility along with term loan as above are jointly secured by way of exclusive charge on the current assets of the Company including trade receivables and inventories. The loans are collaterally secured by way of exclusive charge on the immovable properties being commercial property and Residential property, both, belonging to other body corporate. The loans are further secured by way of Corporate Guarantee extended by the said body corporate.

19 Trade payables

	March 31, 2023	March 31, 2022
Trade payables		
- Total outstanding dues of micro and small enterprises (Refer Note: 34)	9.63	7.77
- Total outstanding dues of creditors other than micro and small enterprises	82.56	99.58
	92.19	**107.35**

Trade payables are non-interest bearing and are normally settled in 30-90 days terms.

Trade payables ageing schedule
As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	9.63	-	-	-	9.63
(ii) Others	82.30	0.26	-	-	82.56
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-
	91.93	**0.26**	**-**	**-**	**92.19**

Trade payables ageing schedule
As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	7.77	-	-	-	7.77
(ii) Others	97.88	0.80	0.88	0.02	99.58
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-
	105.65	**0.80**	**0.88**	**0.02**	**107.35**

20 Provisions

	March 31, 2023	March 31, 2022
Provision for employee benefits		
Provision for gratuity (Refer Note 35)		
Non-current	11.43	7.22
Current	0.22	0.14
	11.65	**7.36**

21 Other current liabilities

	March 31, 2023	March 31, 2022
Advances from customers	127.92	109.85
Client redemption liability	17.65	5.44
Statutory liabilities	125.73	18.62
Others	23.66	10.38
	294.96	**144.29**

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

22 Revenue from operations	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Revenue from contracts with customers (Refer Note 39)		
Program fee	1,694.53	2,007.03
Propel platform revenue / gift cards	3,597.75	1,539.22
Platform fee / saaS fee / service fee	242.32	166.30
	5,534.60	**3,712.55**

23 Other income	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Interest income on deposit with banks	3.70	0.87
Interest on income-tax refund	-	0.16
Liabilities no longer required written back	2.26	1.17
Net gain on financial assets designated on FVTPL	0.46	0.29
Miscellaneous income	4.73	1.60
	11.15	**4.09**

24 Consumption of cards	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Opening stock of cards	1.12	2.69
Purchase of cards	17.38	18.89
Less: Inventory written off	-	(2.68)
Less: Closing stock of cards	(0.97)	(1.12)
	17.53	**17.78**

25 Employee benefits expense	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Salaries, wages & bonus	277.50	143.61
Contribution to provident fund	5.71	3.41
Staff welfare	3.74	4.82
Gratuity	4.75	2.46
Employee stock option plan	144.13	-
	435.83	**154.30**

26 Finance costs	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Interest on term loans	31.75	30.70
Interest on debentures	23.40	-
Amortised cost on deferred payables	31.16	34.93
Interest on lease liability	10.90	3.00
Interest on statutory dues i.e. income tax, GST	15.31	-
Fair value of corporate guarantee	1.25	1.25
	113.77	**69.88**

27 Depreciation and amortisation expense	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Depreciation of tangible assets	6.96	2.35
Amortisation of intangible assets	32.75	9.41
Amortisation of right-to-use assets	22.28	9.21
	61.99	**20.97**

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

28 Other expenses	For the year ended March 31, 2023	For the year ended March 31, 2022
Call centre & software support charges	121.61	102.32
Office rent	2.17	1.20
Electricity expenses	3.68	1.64
Repairs & maintenance	2.87	1.94
Provision for / Reversal of credit impaired trade receivables	(16.23)	14.66
Office maintenance	7.10	5.46
CSR expense [Refer Note (ii) below]	4.64	-
Rates & taxes	0.55	0.35
Network charges	23.30	6.22
Legal & professional consultancy charges	31.55	47.57
Advertisement & business promotion	200.64	129.67
Incentive / cash back	1,002.01	1,176.43
Courier charges	6.40	4.01
Advances written off	3.53	-
Telephone expenses	1.36	1.19
Traveling expenses	8.38	3.49
Auditors remuneration [Refer Note (i) below]	2.35	2.35
Bank charges	0.47	0.85
Inventory written off	-	2.68
Miscellaneous expenses	5.20	4.82
	1,411.58	**1,506.85**

Note (i) Auditors remuneration:

The following is the breakup of Auditors remuneration (exclusive of indirect taxes)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor		
- Statutory audit	2.25	2.25
In other capacity		
- Special Purpose Audit -June 2022*	1.30	-
- Tax audit and other matters	0.10	0.10
	3.65	**2.35**

*included in share issue expense (Refer Note 14)

Note (ii) Details of Corporate social responsibility (CSR) expenditure:

Particulars	31 March 2023	31 March 2022
(i) Gross amount required to be spent by the Company during the year	4.64	-
(ii) Amount spent during the year (in cash)		
- construction/ acquisition of any asset	-	-
- on purpose other than above	-	-
(iii) (Shortfall) / Excess at the end of the year	(4.64)	-
(iv) Total of previous years shortfall	-	-
(v) Details of related party transactions	-	-
(vi) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately		
Opening provision	-	-
Addition during the year	-	-
Utilisation	-	-
Closing provision	-	-

(vii) Reason for shortfall:

Subsequent to year end before April 30, 2023 the Company has spent short fall of CSR expenditure as at March 31, 2023 in an ongoing project.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

29 Contingent liabilities and commitments

(a) Contingent Liabilities:

Particulars	March 31, 2023	March 31, 2022
Disputed Service Tax *	24.73	272.04

*During the year 2019-20, the Company had received a show cause notice towards service tax demand amounting to Rs. 272.04 Mn charged on the face value of sale of its prepaid cards/ Gift vouchers etc. The Company has filed appeals before the Commissioner of Central tax, Hyderabad against the aforsaid demand. In the month October 2022, the Company received an order dated March 30, 2022 from Commissioner of Central tax, Hyderabad dropping demand amounting to Rs. 259.75 Mn and upheld the demand amounting to Rs. 12.29 Mn and further imposed a penalty and late fee for Rs. 12.44 Mn. The Company has further filed a appeal against the the said demand before CESTAT and amount paid under protest Rs. 3.30 Mn.

The Company, based on its legal assessment does not believe that any of the pending claims require a provision as at the balance sheet date, as the likelihood of the probability of an outflow of resources at this point of time is low.

(b) Capital commitments

Particulars	March 31, 2023	March 31, 2022
Unexecuted capital orders to the extent not provided for	-	-
Investment commitment	5.00	-

30 Related party disclosures

(a) Names of related parties and related party relationship

Name of the Related Party	Nature of Relationship
Key Managerial Persons:	
Raj P Narayanam	Director - Executive Chairman
Avinash Ramesh Godkhindi	Managing Director & Chief Executive Officer
Vidya Niwas Khetawat	Chief Financial Officer [w.e.f. Dec 10, 2021, upto Aug 25, 2022]
Hari Priya	Company Secretary [wef Jan 18, 2022]
Venkata Aditya Kumar Grandhi	Chief Financial Officer [w.e.f. Aug 25, 2022]
Abhay Deshpande Raosaheb	Independent Director [w.e.f. Aug 22, 2022]
Aravamudan Krishna Kumar	Independent Director [w.e.f. Sep 26, 2022]
Arun Vijaykumar Gupta	Independent Director [w.e.f. Sep 26, 2022]
Prerna Tandon	Independent Director [w.e.f. Sep 26, 2022]
Other Related Parties	
Zaggle Techonologies Limited	Subsidiary [w.e.f. January 12, 2023] (Refer Note 45)
Magixo IRM Solutions Private Limited	Subsidiary [w.e.f. June 30, 2021 and upto merger appointed dated Nov 1, 2021](Refer Note 33)
Vinita Raj Narayanam	Relative of Key Managerial Person

(b) Transactions with related parties

Particulars	As at/For the year ended March 31, 2023	As at/For the year ended March 31, 2022
(i) KMPs Remuneration:	**28.03**	**19.64**
Raj P Narayanam	10.20	10.20
Avinash Ramesh Godkhindi	8.20	7.06
Vidya Niwas Khetawat	2.44	1.54
Hari Priya	3.70	0.84
Venkata Aditya Kumar Grandhi	3.49	-
(ii) Purchase of Investment:		
Vinita Raj Narayanam	-	7.70
(ii) Repayment of loan		
Raj P Narayanam	-	13.12
(c) Balance with with related parties	Nil	Nil

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

31 Earnings per share (EPS)

Basic earnings per share amounts is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share amounts is calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	March 31, 2023	March 31, 2022
Earnings		
Profit after tax for the year attributable to equity shareholders	229.01	419.21
Shares		
Original Number of Equity Shares (post sub-division) (Refer note 15)	18,08,210	18,00,000
Add: Impact of Bonus Issue (Refer note 15)	9,04,10,500	9,00,00,000
Weighted Average Number of Equity Shares		
For calculating Basic EPS	9,22,18,710	9,18,00,000
Effect of dilution:		
- On account of - ESOP	7,32,696	-
Weighted average number of equity shares for Diluted EPS	9,29,51,406	9,18,00,000
Earnings Per Share		
(Face Value Rs. 1 per share)		
Basic (Rs.)	2.48	4.57
Diluted (Rs.)	2.46	4.57

32 Segment Reporting

The Company's operating business are organised and managed according to nature of Products and services provided. This assessment resulted in identification of (a) Programe Fee (b) Platform Fee/Saas Fee/Service fee; (c) Propel platform revenue / Gift Cards as separate lines of business activities at Revenue level, by the Chief Operating Decesion Maker (CODM). However, since the Company does not allocate common operating costs, assets and liabilities across business activities, as per the assessment undertaken by CODM, the allocation resources and assessment of the financial performance is undertaken at the Company level.

a. Segment wise revenue information:

Revenue from Customers	March 31, 2023	March 31, 2022
Program fee	1,694.53	2,007.03
Platform fee / saaS fee / service fee	242.32	166.30
Propel platform revenue / gift cards	3,597.75	1,539.22
Total	**5,534.60**	**3,712.55**

b. Geographical Segment information:

The Company has whole revenues from customers domiciled in India.

Revenue from Customers	March 31, 2023	March 31, 2022
With in India	5,502.67	3,677.96
Outside india	31.93	34.59
Total	**5,534.60**	**3,712.55**

c. Information about major customers (from external customers)

During the year the Company has derived revenue from 3 customers (March 31, 2022: 2) totalling to Rs. 2,878.89 Mn (March 31, 2022: Rs. 1,877.38 Mn) which amounts to 10% or more of its total revenue.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

33 Business Combination:

During the year 2021-22, the Company has acquired 100% stake in Magixo IRM Solutions Private Limited ("Magixo"), engaged in the business which is complementary/similar to the business of the Company and later has became wholly owned subsidiary of the Company and under common control w.e.f. June 30, 2021. The Company to have combine synergies and for economies of scale, it has decided by Board Meeting dated November 15, 2021 to merge Magixo with the Company from the proposed appointed date i.e November 1, 2021.

Accordingly, the Company has entered into scheme of arrangement in the form of merger and vesting of Magixo w.e.f November 1, 2021 which was approved by Regional Director, South East Region, Ministry of Corporate Affairs on March 1, 2022.

The effect of such scheme of arrangements have been accounted under Pooling of Interest Method in the books of account of the Company in accordance with IND AS's as per which existing holding of Company in Magixo gets cancelled pursuant to scheme of arrangement.

Business combinations of entities under common control are accounted for, using the Pooling of Interest Method wherein all the assets and liabilities, of the Transferor Company are record at the respective book values thereof.
As per Appendix 3 of Ind AS 103 on Business Combination The value of investments held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to amalgamation and the surplus, if any, arising between the (i) carrying value of assets, liabilities and reserves pertaining to the Transferor Company and (ii) carrying value of investment in equity shares of Transferor Company in the books of Transferee Company shall be credited to capital reserve in the books of Transferee Company and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes. In case of deficit, the same would be adjusted against the revenue reserve of the transferee Company in absence of any capital reserve and in case the transferee Company has no reserves or has inadequate reserves, the debit will be to an account appropriately titled and be disclosed under Other Equity in the financial statements of the Transferee Company.

Accordingly, excess of Investment in Magixo over the net carrying value of assets, liabilities and reserves pertaining to Magixo is debited to Retained earnings of the Company as "Amalgamation Adjustment Deficit Account".

a. The book value of assets and liabilities as of November 1, 2021, recognized as follows:

Particulars	**Amount (Rs. In Mn)**
Other non-current assets	5.66
Inventories	0.15
Trade receivables	1.12
Cash and cash equivalents	0.27
Other current assets	6.14
Profit & loss account - Debit Balance	85.17
Short term borrowings	(0.08)
Trade payables	(0.32)
Other current liabilities	(0.03)
Securities premium account	(93.82)
Net assets of Magixo	**4.26**

b. Adjustment to Retained Earnings on account of Amalgamation:

Net assets of Magixo (A)	4.26
Investment in equity shares of Magixo IRM Solutions Pvt Ltd **(B)**	12.84
Amalgamation Adjustment Deficit Account (Refer Note 16)	**(8.58)**

34 Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006"

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006: The amount due to Micro and Small Enterprises as defined in the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro, Small and Medium Enterprises are as under:

	As at March 31, 2023	**As at March 31, 2022**
(i) Principal amount remaining unpaid to supplier at the end of the year	9.63	7.77
(ii) Interest due thereon remaining unpaid to supplier at the end of the year	-	-
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi) Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
(vii)Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Notes forming part of the standalone financial statements
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

35. Employee benefits

a) Defined Contribution Plan

Provident Fund:

Contributions were made to provident fund and Employee State Insurance in India for the employees of the Company as per the regulations. These contributions are made to registered funds administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any other constructive obligation.

b) Defined Benefit Plan

Gratuity:

The Company provides Gratuity for employees in India as per the Payment of Gratuity Act, 1972. All employees are entitled to gratuity benefits on exit from service due to retirement, resignation or death. There is a vesting period of 5 years on exits due to retirement or resignation. There is a limit of Rs. 20,00,000 on the gratuity payable to an employee. This defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The present value of the defined benefit obligation and the relevant current service cost are measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance sheet date.

c) Amounts Recognised as Expense:

i) Defined Contribution Plan

Employer's Contribution to Provident Fund amounting to Rs. 5.71 Mn (March 31, 2022: Rs. 3.41 Mn) has been included in Note 25 under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to Rs. 4.75 Mn (March 31, 2022: Rs. 2.46 Mn) has been included in Note 25 under gratuity. The Company's gratuity plan is unfunded.

d) Amounts recognised in the Financial statements as at year end for Gratuity provision are as under:

		March 31, 2023	March 31, 2022
i)	**Change in Present Value of Obligation**		
	Present value of the obligation at the beginning of the year	7.36	5.77
	Current service cost	4.20	2.07
	Interest cost	0.54	0.39
	Actuarial (Gain)/Loss on Obligation- Due to Change in Financial Assumptions	(0.74)	-
	Actuarial (Gain) / Loss on Obligation- Due to Experience Adjustments	0.28	(0.87)
	Present value of the obligation at the end of the year	11.64	**7.36**
ii)	**Bifurcation of present value of Benefit obligation**		
	Current- Amount due within one year	0.22	0.14
	Non-current- Amount due after one year	11.42	7.22
	Total	11.64	**7.36**
iii)	**Expected benefit payments in future years**		
	Year 1	0.22	0.14
	Year 2	0.51	0.30
	Year 3	0.50	0.29
	Year 4	0.48	0.43
	Year 5	3.64	0.27
	Year 6 to Year 10	1.13	6.38
iv)	**Sensitivity Analysis**		
	Discount Rate - 1 percent increase	10.57	6.68
	Discount Rate - 1 percent decrease	12.92	8.15
	Salary Escalation Rate - 1 percent increase	12.93	8.16
	Salary Escalation Rate - 1 percent decrease	10.53	6.66
	Withdrawal Rate - 1 percent increase	11.89	7.47
v)	**Amounts Recognised in the Balance sheet:**		
	Present value of Obligation at the end of the year	11.64	7.36
	Fair value of Plan Assets at the end of the year	-	-
	Net Liability recognised in the Balance Sheet	**11.64**	**7.36**
vi)	**Amounts Recognised in the Statement of Profit and Loss:**		
	Current service cost	4.20	2.07
	Net interest on net defined Liability	0.55	0.39
	Expenses recognised in Statement of Profit and Loss	**4.75**	**2.46**
vii)	**Recognised in other comprehensive income for the year**		
	Actuarial (Gains) / Losses on Liability	(0.46)	(0.87)
	Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above	-	-
	Recognised in other comprehensive income	**(0.46)**	**(0.87)**
viii)	**Actuarial Assumptions**		
	i) Discount Rate	7.40%	6.80%
	Based on yields (as on valuation date) of Government Bonds with a tenure similar to the expected working lifetime of the employees.		
	ii) Salary Escalation Rate	5.00%	5.00%
	based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market. This assumption has been determined in consultation with the Company.		
	iii) Retirement Age	58	58
	iv) Attrition Rate	1% to 5%	1% to 5%
	v) Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.	

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

36 Financial instruments

A. Financial instruments by category	Note No.	Fair value level	March 31, 2023	March 31, 2022
Financial assets				
Non current				
(i) Investments	6	Level 1	4.85	-
(ii) Other financial assets	7	Level 2	14.69	7.30
Current				
(i) Investments	6	Level 1	12.32	-
(ii) Trade receivables	12	Level 2	1,026.59	429.51
(iii) Cash and cash equivalents	13 (a)	Level 2	195.89	7.11
(iv) Bank balances other than (iii) above	13 (b)	Level 2	30.07	29.00
(v) Other financial assets	7	Level 2	1.15	-
Total financial assets			**1,285.56**	**472.92**
Financial liabilities				
Non current				
(i) Borrowings	17	Level 2	513.29	483.27
(ii) Lease liabilities	4	Level 2	158.65	51.04
Current				
(i) Borrowings	18	Level 2	697.44	161.45
(ii) Current lease liabilities	4	Level 2	44.10	7.35
(iii) Trade payables	19	Level 2	92.19	107.35
Total financial liabilities			**1,505.67**	**810.46**

Note: The Company has not disclosed the fair values for financial instruments such as short-term trade receivables or short-term trade payables because their carrying amounts are a reasonable approximation of fair values.

Note 1: For the purpose of above abbreviations, FVTOCI - Fair value through other comprehensive income; amortised cost - fair value through amortized cost.

Note 2: Other financial assets and liabilities relate to level 3 financial instruments where the carrying value reasonably approximates to their fair value.

B. Financial risk management

The Company activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, security deposits and bank deposits.	Ageing analysis. Credit score of customers/ entities.	Monitoring the credit limits of customers and obtaining security deposits
Liquidity risk	Borrowings	Cash flow forecasts managed by finance team under the overview of Senior Management.	Working capital management by Senior Management. The excess liquidity is channelised through bank deposits.

The Company risk management is carried out by the Senior Management under policies approved by the Board of Directors. The Board of Directors provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

Risk management framework

The board of directors have overall responsibility for the risk management framework. The board of directors are responsible for developing and monitoring the risk management policies. The board of directors monitors the compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The risk management policies are to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

A. Credit risk

i. Credit risk management

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments. The carrying amounts of financial assets represent the maximum credit risk exposure.

ii. Provision for Expected credit loss

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to Rs. 57.56 Mn (March 31, 2022: Rs. 73.79 Mn). The movement in allowance for credit loss in respect of trade receivables during the year was as follows:

Allowance for credit losses	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance	73.79	359.05
Credit loss added	-	14.66
Written off during the year	-	(299.92)
Reversal during the year	(16.23)	-
Closing balance	**57.56**	**73.79**

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

B. 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.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities:

As at March 31, 2023

Particulars	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Long-term borrowings (excluding current maturities)	513.29	-	566.87	10.22	577.09
Lease liabilities	202.75	50.12	203.48	5.34	258.94
Short-term borrowings	697.44	697.44	-	-	697.44
Trade payables	92.19	91.93	0.26	-	92.19
Total	**1,505.67**	**839.49**	**770.61**	**15.56**	**1,625.66**

As at March 31, 2022

Particulars	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Long-term borrowings (excluding current maturities)	483.27	-	449.42	8.81	458.23
Lease liabilities	58.39	11.59	46.26	5.66	63.51
Short-term borrowings	161.45	161.45	-	-	161.45
Trade payables	107.35	107.35	-	-	107.35
Total	**810.46**	**280.39**	**495.68**	**14.46**	**790.54**

The Company has secured loans from bank that contain loan covenants. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table.

C. Market risk

(i) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Particulars	March 31, 2023	March 31, 2022
Variable rate borrowings	187.50	237.58
Fixed rate borrowings	326.71	402.47

(ii) Sensitivity

Particulars	For the year 31 March 2023	For the year 31 March 2022
Sensitivity		
1% increase in variable rate	(1.88)	(2.38)
1% decrease in variable rate	1.88	2.38

D. Currency risk

The Company does not have material revenues/assets denominated in foreign exchange and hence Company is not subject to foreign currency fluctuation.

37 Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to equity shareholders.

The debt to adjusted capital ratio at the end of the reporting period was as follows:

	31 March 2023	31 March 2022
Total Debt (Refer Note 17 and 18)	1,210.73	644.72
Less : cash and cash equivalents and bank balances	225.96	36.11
Adjusted net debt	984.77	608.61
Total equity	**487.51**	**(35.58)**
Adjusted net debt to adjusted equity ratio	**2.02**	**(17.11)**

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

38 Income Taxes

Components of income-rax expense

		For the year ended March 31, 2023	For the year ended March 31, 2022
	Tax expense recognised in the Statement of Profit and Loss		
A.	**Current tax**		
	Current year	85.97	10.79
	Total	**85.97**	**10.79**
B.	**Deferred tax**		
	Origination and reversal of temporary differences	1.37	81.78
	Total	**1.37**	**81.78**
	Total	**87.34**	**92.57**
C.	**Tax on Other Comprehensive Income**		
	Deferred tax		
	Origination and reversal of temporary differences - OCI	(0.12)	(0.22)
	Total	**(0.12)**	**(0.22)**

Tax assets / liabilities (net)

		March 31, 2023	March 31, 2022
D.	Advance tax (net of provision for tax)	119.01	123.59
E.	Provision for tax (net of advance payment of taxes)	(47.80)	-
		71.21	**123.59**

Deferred tax assets (net)

		March 31, 2023	March 31, 2022
F.	Deferred tax asset	23.10	24.59
G.	Deferred tax liability	-	-
	Deferred tax asset (net)	**23.10**	**24.59**

H. Reconciliation of tax expense and the Accounting Profit

The Income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before income taxes	316.35	511.78
Indian statutory income tax rate	25.17%	25.17%
Expected Income Tax Expense	80.00	129.00
Tax effect of losses of earlier years set off against profits	-	(112.18)
Tax effect of expenditure disallowed under income tax	10.43	9.49
Others	(3.09)	66.26
Total income tax expense	**87.34**	**92.57**

Movement during the year ended March 31, 2023	**As at 1 April 2022**	**Credit/(charge) in the Statement of Profit and Loss**	**Credit/(charge) in OCI**	**As at 31 March 2023**
Deferred tax assets/(liabilities)				
Depreciation/amortisation of Property, plant and equipment	1.19	1.57	-	2.76
Provision for employee benefits	1.50	1.55	(0.12)	2.93
Provision for doubtful receivables	18.57	(4.08)	-	14.49
Right of use assets (net of lease liability)	0.75	0.77	-	1.52
Others	2.58	(1.18)	-	1.40
Total	**24.59**	**(1.37)**	**(0.12)**	**23.10**

Movement during the year ended March 31, 2022	**As at 1 April 2021**	**Credit/(charge) in the Statement of Profit and Loss**	**Credit/(charge) in OCI**	**As at 31 March 2022**
Deferred tax assets/(liabilities)				
Depreciation/amortisation of Property, plant and equipment	(0.08)	1.27	-	1.19
Provision for employee benefits	1.85	(0.13)	(0.22)	1.50
Provision for doubtful receivables	105.41	(86.84)	-	18.57
Right of use assets (net of lease liability)	0.82	(0.07)	-	0.75
Others	(1.41)	3.99	-	2.58
Total	**106.59**	**(81.78)**	**(0.22)**	**24.59**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

39 Revenue from contract with customers

Disaggregated revenue information

Set out below is the disagreegation of the Company's revenue from contract with customers:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income from Platform and gift card	3,597.75	1,539.22
Income from Program fee and SaaS fee	1,936.85	2,173.33
	5,534.60	**3,712.55**
Within India	5,502.67	3,677.96
Outside India	31.93	34.59
	5,534.60	**3,712.55**
Timing of revenue recognition		
Services transferred over time	1,936.85	2,173.33
Goods transferred at a point of time	3,597.75	1,539.22
Total revenue from contracts with customers	**5,534.60**	**3,712.55**
Reconciliation of revenue recognised with the contracted price is as follows:		
Contract price	5,534.60	3,712.55
Less: Discounts and disallowances	-	-
Total revenue from contracts with customers	**5,534.60**	**3,712.55**

Contract balances

Particulars	March 31, 2023	March 31, 2022
Trade receivables	1,026.59	429.51
Contract assets	-	-
Contract liabilities	-	-

40 The Company did not have any long term contracts including derivative contracts for which there were any material foreseeble losses. The Company does not have any unhedged foreign currency exposure as at reporting date.

41 Subsequent Events

Shareholders vide the Extra-ordinary general meeting dated August 11, 2023, have approved the following:

a. Increase in Authorized Share Capital of the Company from Rs. 120.00 Mn divided into 12,00,00,000 Equity Shares of Rs. 1/- each to Rs. 150.00 Mn divided into 15,00,00,000 Equity Shares of Rs. 1/- each, ranking pari passu with the existing Equity Shares of the Company.
b. Issue of 5,975,609 equity Shares on preferential basis at the issue price of Rs. 164/- having Face value of Rs. 1/- each. (i.e. including Securities Premium @ Rs. 163).

42 a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d. The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

e. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

h. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the certain provisions of the Code will come into effect and the rules thereunder has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

43 Employee Stock Based Compensation:

Employee Stock Option Plan (ESOP) :
The Company instituted the Zaggle Employee Stock Option Scheme 2022, in which 46,10,936 stock options were approved by the Shareholders in Extra Ordinary General Meeting held on November 21, 2022.

ZAGGLE ESOP 2022 Plan :
During the year, the Company has granted 24,23,369 equity shares of face value Re. 1/- each under Employee Stock Option Scheme. Subsequently

Disclosures as per IND AS 102 for outstanding options:

(i) Details of options granted under ZAGGLE ESOP 2022 Plan are as below:

Grant	Grant Date	Number of options granted	Number of options outstanding (as at March 31, 2023)	Exercise Price (in Rs.)	Fair value at grant date (in Rs.)
Type I	29-Sep-22	12,48,511	12,48,511	1.00	360.52
Type II	29-Sep-22	11,74,858	7,11,220	271.00	236.59

(ii) Exercise price and other details

Particulars	Type I	
	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average exercise price for outstanding options at year end (in Rs.)	1.00	-
Weighted average remaining contractual life for outstanding options at year end	3.5 years	-
Range of exercise prices for outstanding options at year end (in Rs.)	1.00	-

Particulars	Type II	
	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average exercise price for outstanding options at year end (in Rs.)	271.00	-
Weighted average remaining contractual life for outstanding options at year end	3.5 years	-
Range of exercise prices for outstanding options at year end (in Rs.)	271.00	-

Details of the grant/issue as at March 31, 2023 are given below:

Particulars	Type I			
	March 31, 2023		March 31, 2022	
	No. of share options	Weighted average exercise price in Rs.	No. of share options	Weighted average exercise price in Rs.
Options outstanding at the beginning of the year	-	-	-	-
Granted during the year	12,48,511	1.00	-	-
Vested during the year	-	-	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Options outstanding at the end of the year	12,48,511	1.00	-	-
Options vested and exercisable at the end of the year	12,48,511	1.00	-	-

Particulars	Type II			
	March 31, 2023		March 31, 2022	
	No. of share options	Weighted average exercise price in Rs.	No. of share options	Weighted average exercise price in Rs.
Options outstanding at the beginning of the year	-	-	-	-
Granted during the year	11,74,858	271.00	-	-
Vested during the year	-	-	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	3,82,272	271.00	-	-
Forfeited during the year	81,366	271.00	-	-
Options outstanding at the end of the year	7,11,220	271.00	-	-
Options vested and exercisable at the end of the year	7,11,220	271.00	-	-

Break-up of employee stock compensation expense	ZAGGLE ESOP 2022 Plan	
Particulars	**March 31, 2023**	**March 31, 2022**
KMP	114.83	-
Employees other than KMP	29.30	-
Total	**144.13**	**-**

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

44 Financial ratio

S. No.	Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance	Variation	Reason for change more than 25%
1	Current Ratio (in times)	Current assets	Current liabilities	1.49	1.46	0.03	2%	No Major change
2	Debt-Equity Ratio (in times)	Total Debt	Total equity	2.48	-18.12	20.60	-114%	Improved profitability and additional equity raised during the year has improved the ratio during the year.
3	Debt Coverage Ratio	Earnings available for debt service	Total Interest and principal repayments	2.66	5.17	(2.51)	-49%	Increase in borrowings has resulted in higher interest cost and resulted in decrease in ratio.
4	Return on Equity (ROE) (in %)	Net Profits after taxes	Total equity	46.98	-1,178.22	1,225.19	-104%	Improvement in ratio is due to positive equity in line with the current year profit and new equity funds raised during the year.
5	Inventory Turnover Ratio (in times)	Cost of materials consumed	Closing Inventory	18.07	15.88	2.20	14%	No Major change
6	Trade Receivables turnover ratio (in times)	Credit Sales	Closing Trade Receivables	5.39	8.64	(3.25)	-38%	Increase in trade receivables compare to last year resulted in decrease in ratio during the year.
7	Trade payables turnover ratio (in times)	Credit Purchases	Closing Trade Payables	34.59	13.37	21.22	159%	Reduction in trade payable during the year and higher turnover compare to previous year has resulted in improvement in ratio.
8	Net capital turnover ratio (in times)	Sales	Net Working Capital	9.52	19.05	(9.53)	-50%	In line with increase in busiines current ratio has increased which is resulted into reduction in ratio.
9	Net profit ratio (in %)	Net Profits after taxes	Sales	4.14%	11.29%	(0.07)	-63%	Reduced profitability due to higher salary and other costs due to expansion
10	Return on Capital employed (in %)	Earnings before interest and taxes	Capital Employed	45%	130%	(0.85)	-65%	Reduced profitability and increased capital employed due to growth/expansion.

45 The Company has incorporated a wholly owned subsidiary named as Zaggle Technologies Limited ("ZTL"), a private Company in the United Kingdom on January 12, 2023, as a subscriber to the memorandum. ZTL had allotted 1 equity share of GBP 1 to the Company upon incorporation, such shares remained unpaid as of March 31, 2023. ZTL had not commenced any business, operations or activities since its incorporation and there were no transactions during the period January 12, 2023, to March 31, 2023.

The Company's Board of Directors on its meeting held on August 26, 2023 has decided to request ZTL to apply to the registrar of companies through its director, to strike off its name off the register in compliance with applicable provisions of the UK laws. Accordingly, the strike-off application was duly filed by ZTL on August 26, 2023.

For the purpose of consolidation, above subsidiary is considered as immaterial subsidiary and consolidation procedures done basis unaudited accounts of the subsidiary.

46 The standalone financial statements were approved by the Board of Directors and authorised for issue on August 29, 2023.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Amit Kumar Agarwal
Partner
Membership No: 214198

Y. Venkateswarlu
Partner
Membership No: 222068

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
PAN : BGCPG2893L

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

P R S V & Co. LLP

Chartered Accountants

202, Saptagiri Residency,

1-10-98/A, Chikoti Gardens, Begumpet,

Hyderabad - 500 016.

M S K A & Associates

Chartered Accountants

1101/B, Manjeera Trinity Corporate,

JNTU-Hitech City Road, Kukatpally,

Hyderabad- 500 072.

INDEPENDENT AUDITOR'S REPORT

To the Members of Zaggle Prepaid Ocean Services Limited
(Formerly known as Zaggle Prepaid Ocean Services Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Zaggle Prepaid Ocean Services Limited (Formerly known as Zaggle Prepaid Ocean Services Private Limited) (hereinafter referred to as the "Parent Company") and its subsidiary (Parent Company and its subsidiary together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules,2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2023, of consolidated profit, and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report and corporate governance but does not include the Consolidated financial statements and our auditor's report thereon. The Director's report has not been made available to us.

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

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

The Parent Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("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 consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of Rs. 1 as at March 31, 2023, total revenues of Rs. Nil and net cash flows amounting to Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

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

   f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group, and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 29 to the consolidated financial statements.

      ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company incorporated in India.

      iv. (1) The respective Managements of the Parent Company whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or such subsidiary, to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (2) The respective Managements of the Parent Company has represented that, to the best of their knowledge and belief, no funds have been received by the Parent Company from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiary, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and according to the information and explanations provided to us by the Management of the Parent company in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

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

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

2. In our opinion, according to information, explanations given to us, the remuneration paid by the Group to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company, we report that there are no Qualifications/adverse remarks.

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 23222068BGTVXB6681

Place: Hyderabad
Date: August 29, 2023

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Kumar Agarwal
Partner
Membership No. 214198
UDIN: 23214198BGXCTA1027

Place: Hyderabad
Date: August 29, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF Zaggle Prepaid Ocean Services Limited (Formerly known as Zaggle Prepaid Ocean Services Private Limited)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 23222068BGTVXB6681

Place: Hyderabad
Date: August 29, 2023

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Kumar Agarwal
Partner
Membership No. 214198
UDIN: 23214198BGXCTA1027

Place: Hyderabad
Date: August 29, 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF Zaggle Prepaid Ocean Services Limited (Formerly known as Zaggle Prepaid Ocean Services Private Limited)

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Zaggle Prepaid Ocean Services Limited (Formerly known as Zaggle Prepaid Ocean Services Private Limited) on the consolidated Financial Statements for the year ended March 31, 2023

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls reference to consolidated financial statements of Zaggle Prepaid Ocean Services Limited (Formerly known as Zaggle Prepaid Ocean Services Private Limited) (hereinafter referred to as "the Parent Company").

In our opinion, and to the best of our information and according to the explanations given to us, the Parent Company has, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent Company are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent Company, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent Company.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 23222068BGTVXB6681

Place: Hyderabad
Date: August 29, 2023

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Kumar Agarwal
Partner
Membership No. 214198
UDIN: 23214198BGXCTA1027

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Consolidated Balance Sheet as at March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Particulars	Note	March 31, 2023
ASSETS		
Non-current assets		
Property, plant and equipment	3	23.48
Right-of-use assets	4	196.73
Intangible assets	5 (a)	68.90
Intangible asset under development	5 (b)	108.68
Financial assets		
(i) Investments	6	4.85
(ii) Other financial assets	7	14.69
Other non-current assets	8	29.77
Income-tax assets (net)	9	119.01
Deferred tax assets (net)	10	23.10
Total non-current assets		**589.21**
Current assets		
Inventories	11	0.97
Financial assets		
(i) Investments	6	12.32
(ii) Trade receivables	12	1,026.59
(iii) Cash and cash equivalents	13 (a)	195.89
(iv) Bank balances other than (iii) above	13 (b)	30.07
(v) Other financial assets	7	1.15
Other current assets	14	491.39
Total current assets		**1,758.38**
Total assets		**2,347.59**
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	15	92.22
Other equity	16	395.29
Total equity		**487.51**
LIABILITIES		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	17	513.29
(ia) Lease liabilities	4	158.65
Provisions	20	11.43
Total non-current liabilities		**683.37**
Current liabilities		
Financial liabilities		
(i) Borrowings	18	697.44
(ia) Lease liabilities	4	44.10
(ii) Trade payables	19	
- Total outstanding dues of micro and		9.63
- Total outstanding dues of creditors other than micro and small enterprises		82.56
Provisions	20	0.22
Other current liabilities	21	294.96
Current tax liabilities (net)	9	47.80
Total current liabilities		**1,176.71**
Total liabilities		**1,860.08**
Total equity and liabilities		**2,347.59**
Corporate information & significant accounting policies	1&2	

See accompanying notes forming part of the Consolidated Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Amit Kumar Agarwal
Partner
Membership No: 214198

Y. Venkateswarlu
Partner
Membership No: 222068

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Gran
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Consolidated Statement of Profit and Loss for the year ended March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Particulars	Note	For the year ended March 31, 2023
Revenues		
Revenue from operations	22	5,534.60
Other income	23	11.15
Total income		**5,545.75**
Expenses		
Cost of point redemption / gift cards		3,188.70
Consumption of cards	24	17.53
Employee benefits expense	25	435.83
Finance costs	26	113.77
Depreciation and amortisation expense	27	61.99
Other expenses	28	1,411.58
Total expenses		**5,229.40**
Profit before tax		**316.35**
Tax expenses		
Current tax	37	85.97
Deferred tax		1.37
Total tax expense		**87.34**
Profit after tax		**229.01**
Other comprehensive income		
Items that will not be reclassified subsequently to profit and loss		
Remeasurements of defined benefit liability		0.46
Deferred tax relating to these items		(0.12)
		0.34
Total comprehensive income		**229.35**
Earnings per share		
- Basic	31	2.48
- Diluted		2.46
Corporate information & significant accounting policies	**1&2**	

See accompanying notes forming part of the Consolidated Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Kumar Agarwal
Partner
Membership No: 214198

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Raj P Narayanam
Executive Chairman
DIN: 00410032

Hari Priya
Company Secretary
M No: A22232

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Consolidated Statement of Changes in Equity for the year ended March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

A. Equity share capital

	Note	No. of Shares	Amount
As at April 1, 2022		**1,80,000**	**1.80**
Add: Issued during the year	15	821	0.01
Before adjustment of sub-division of shares	15	**1,80,821**	**1.81**
Adjusted No.of shares after sub-division of equity shares	15	18,08,210	1.81
Issue of bonus shares	15	9,04,10,500	90.41
As at March 31, 2023		**9,22,18,710**	**92.22**

B. Other equity

Particulars	Note	Reserves and surplus			Other comprehensive income	Total
		Securities premium account	Retained earnings	Share Based Payment Reserve	Remeasurement of defined benefit obligations	
Balance at April 1, 2022		**115.73**	**(154.44)**	**-**	**1.33**	**(37.38)**
Profit for the year		-	229.01	-	-	229.01
Security premium from issue of equity shares	**15**	149.60	-	-	-	149.60
Other comprehensive income		-	-	-	0.34	0.34
Share-based payments	**42**	-	-	144.13	-	144.13
Issue of bonus shares		(90.41)	-	-	-	(90.41)
Balance at March 31, 2023		**174.92**	**74.57**	**144.13**	**1.67**	**395.29**

See accompanying notes forming part of the Consolidated Financial Statements.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Kumar Agarwal
Partner
Membership No: 214198

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

Place: Hyderabad
Date: August 29, 2023

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Consolidated Statement of cash flows for the year ended March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Particulars		For the year ended March 31, 2023
A. Cash flow from operating activities		
Profit before tax		316.35
Adjustments for :		
Depreciation and amortization expense		61.99
Interest expense		102.87
Interest expense on lease liabilities		10.90
Liabilities no longer required written back		(2.26)
Provision for / reversal of credit impaired trade receivables		(16.23)
Interest income		(4.16)
Equity-settled share-based payment transactions		144.13
Operating profit before working capital changes		**613.59**
Change in assets and liabilities		
(Increase) in trade receivables		(580.85)
Decrease in inventories		0.15
(Increase) in other financial assets		(12.67)
(Increase) in other assets		(284.41)
(Decrease) in trade payables and other financial liabilities		(12.90)
Increase in provision		3.83
Increase/ (Decrease) in other liabilities		150.67
Cash (used in) / generated from operations		**(122.59)**
Income taxes paid (net of refund)		(33.59)
Net cash (used in) / flow from operating activities	**A**	**(156.18)**
B. Cash flows from investing activities		
Purchase of Property, Plant and Equipment and intangible assets		(161.71)
Deposits placed having original maturity of more than 3 months, net		(1.07)
Share issue expenses		(61.65)
Purchase of investments		(22.17)
Interest received		3.47
Net cash used in investing activities	**B**	**(243.13)**
C. Cash flow from financing activities		
Proceeds from issue of equity shares		149.61
Proceeds from long term borrowings		500.00
Repayment of long term borrowings		(130.00)
Payment of lease liabilities		(24.66)
Proceeds from short term borrowings (net)		196.01
Interest paid		(102.87)
Net cash flow from / (used in) financing activities	**C**	**588.09**
Net increase/(decrease) in cash and cash equivalents	**A+B+C**	188.78
Cash and cash equivalents at the beginning of the year		7.11
Cash and cash equivalents at end of the year [Refer Note 13 (a)]		**195.89**

Note: Cash Flow Statement has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements. Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.

See accompanying notes forming part of the Consolidated Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Amit Kumar Agarwal
Partner
Membership No: 214198

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Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

1 Corporate Information

Zaggle Prepaid Ocean Services Limited (formerly known as a Zaggle Prepaid Ocean Services Private Limited) ('the Parent Company' / 'Zaggle') is a B2B2C Fintech SaaS Company, which is a leading player in spend management, with a differentiated value proposition and diversified user base. The Company offers a diversified portfolio of SaaS, including tax and payroll software.

The Parent Company has been incorporated on June 2, 2011, under the provisions of the Companies Act, 1956 as a Private Limited Company. The Parent Company was converted into a public limited company under the Companies Act, 2013 on September 13, 2022 and consequently, the name was changed to "Zaggle Prepaid Ocean Services Limited". The registered office of the Parent Company is located at 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Telangana -500081.

The Parent Company together with its subsidiary, hereinafter, collectively referred to as the 'Group'.

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of this Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation and measurement

(i) Statement of compliance & Basis for preparation

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the 'Act'), the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act.

The consolidated financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

(ii) Principles of Consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiary (from the date control is gained), being the entity that it controls. Control is evidenced where the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity's returns. The financial statement of subsidiary is prepared for the same reporting year as the parent company.
Subsidiary has been consolidated by combining like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated in preparing the consolidatedfinancial statements.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.
When the Parent loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

The consolidated financial information of the Parent Company includes financial information of its subsidiary, consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'.
On January 12, 2023, the Parent Company has incorporated a wholly owned subsidiary with Company Number 14589213 in the name of – Zaggle Technologies Limited ('the Subsidiary Company), domiciled in United Kingdom.

(ii) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All financial information presented in Indian rupees have been rounded-off to two decimal places to the nearest million except share data or as otherwise stated.

(iii) Basis of measurement

The financial information have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities : Measured at fair value
- Borrowings : Amortised cost using effective interest rate method
- Net defined benefit (asset)/ liability : Present value of defined benefit obligations less fair value of plan assets

(iv) Use of estimates and judgements

The preparation of the financial statements is in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application policies and reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the year in which the changes are made and, if material, such effects are disclosed in the notes to financial statements.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 3, 4 and 5 - determining an asset's expected useful life and the expected residual value at the end of its life.
- Note 12 – impairment of financial assets;
- Notes 29 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

- Note 34 – measurement of defined benefit obligations: key actuarial assumptions;

(v) Measurement of fair values

Accounting polices and disclosures require measurement of fair value for financial assets and financial liabilities.

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 36 - Financial instruments

(vi) Current and non-current classification:

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as a current when it is:
- it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- it is expected to be realised within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non current.

Liabilities

A liability is classified as a current when:
- it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- it is due to be settled within twelve months from the reporting date;
- it is held primarily for the purposes of being traded;
- the Group does not have an unconditional right to defer settlement of liability for atleast twelve months from the reporting date.

All other liabilities are classified as non-current.

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

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and realisation in cash or cash equivalents. The Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.2 Summary of significant accounting policies

A. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer net of variable consideration (e.g. discounts), taxes and amount collected on behalf of third parties. The Group recognizes revenue when it transfers control over a product or service to a customer. The amount of revenue recognized is at an amount that reflects the consideration to which the Group expect to be entitled to in exchange for the product or service. Revenue is only recognized to the extent that is highly probable that a significant reversal will not occur.

i) **Program fees:**

The Group acts as Program Manager and Business Correspondent to the Partner Banks for the Co-branded Prepaid Card Instruments. The Co-branded Cards are operated under various schemes (Such as Kuber, Zinger etc.). Program fees mainly includes revenue from Interchange (including residual income) earned from partner banks and excludes amounts collected on behalf of partner banks. Interchange revenue is recognised as per the terms of the arrangement with partner banks, at the point in time, basis the information shared by the banks to the Group post settlement with network partners. The incentives / cash back, as an when incurred by the Group towards the co-branded prepaid card instruments has been considered as a distinct goods or services and accordingly recorded as an expense.

Banks and corporates are considered as customers of the Group. Any amounts receivable from the customers on account of normal course of business is classified as trade receivable. Further advance received from customers against which cards are yet to be activated is disclosed as liability under advances from customers.

ii) **Propel platform revenue / Gift cards:**

Propel platform revenue from monetisation of platform is recognised on the basis of terms of the agreement with the respective customers.

The Group recognises revenue on completion of the Group performance obligation being met on redemption of propel points against catalogue of gift cards / vouchers.

The Group acts as a principal and accordingly consideration for the supplies is recognized on gross basis with corresponding cost of supplies being recorded as an expense. Revenue on sale of gift cards / vouchers is recognized only to the extent the Group's performance obligation is met, at the point in time on transfer of the control of the respective gift cards / vouchers to the customers.

iii) **Fees income / SaaS income:**

The Group earns fees income/SaaS income/service fees income from various activities including user fees, platform fees, customization fees etc. The fee income is recognised when the control in services have been transferred by the Group i.e., as and when services have been provided by the Group and the Group's performance obligation is met. This fee is recognised as income in accordance with the terms of the arrangement with the respective customers.

iv) **Interest income:**

Interest income is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head 'other income' in the statement of profit and loss.

B. Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.

C. Financial instruments

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

i) Initial Recognition and measurement

Financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii) Classification and subsequent measurement

Financial assets

All financial assets except Trade receivables are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement: For the purpose of subsequent measurement, financial assets are categorised as under:
- Amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

− the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

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

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss.

iii) Derecognition

Financial assets

A Financial asset is primarily derecognised when the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv) Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently and legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

D. Property, plant and equipment

i) Recognition and measurement

Property, Plant and Equipment ('PPE') are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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 Group 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 statement of profit or loss during the reporting period in which they are incurred. If an item of property, plant and equipment is purchased with deferred credit period from supplier, such asset is recorded at its cash price equivalent value.

ii) Depreciation

Depreciation is provided using the Straight-line Method over the useful lives of the assets as estimated by the Management. Depreciation on additions and deletions are restricted to the period of use. Depreciation is charged to statement of profit and loss.

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

The Group, based on technical assessment and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Act. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Group has estimated the following useful lives to provide depreciation on its property, plant and equipment:

Asset category	Management estimate of useful life & Useful life as per Schedule II
Furniture and fixtures	10 years
Office equipment	5 years
Computers	3 years
Vehicles	8 years

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 or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the statement of profit and loss.

Depreciation method, useful lives and residual values are reviewed at each period end and adjusted if appropriate.

E. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally developed intangibles are capitalized to the extent of direct cost related to the development of the respective intangible assets which mainly includes manpower cost. Intangible assets are amortized over the useful economic life assessed which ranges from 3-5 years and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets recognized in the restated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Asset category	Management estimate of useful life
R & R Software	3 - 4 years
Mobile Application	3 years
Software	3 - 5 years
Trademarks	5 years
Expense Management	4 - 5 years

F. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handing costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs necessary to make the sale.

G. Impairment of assets

i) **Impairment of financial instruments**

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost and trade receivables. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

The Group applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:
i. Trade receivables
ii. Financial assets measured at amortised cost (other than trade receivables)
iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed as ii and iii above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate.

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

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group procedures for recovery of amounts due.

ii) **Impairment of non-financial assets**

The Group non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Group corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

H. Employee benefits

(a) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services upto the end of the reporting period and are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme and other funds. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

(ii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by a qualified actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Compensated Absences: The Group has no policy of accumulation of compensated absences.

I. Leases

Lease contracts entered by the Group majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

Group as a Lessee:

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The Group used the following practical expedients when applying Ind AS 116 :
• Applied a single discount rate to a portfolio of leases with similar characteristics.
• Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term and leases of low value.
• Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
• Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Right of use asset: The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease Liability: The Group measures the lease liability at present value of the future lease payments at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate as at the commencement of lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

J. Income-tax

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

(i) Current tax

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

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

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

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

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

K. Provision, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised under finance costs. Expected future operating losses are not provided for. Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Contingent liabilities and contingent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise.

L. Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share sub-division.

If the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalisation, bonus issue or share sub-division, or decreases as a result of a reverse share sub-division, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the financial statements are approved for issue, the per share calculations for those and any prior period financial statements presented shall be based on the new number of shares.

M. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

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.

O. Events after reporting date

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

P. Business Combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of an entity is calculated as the sum of the acquisition-date fair values of assets transferred and liabilities incurred. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values. Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred, the amount recognized for non-controlling interests and fair value of any previous interest held, over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net of identifiable assets acquired and liabilities assumed is in excess of the aggregate mentioned above, the resulting gain on bargain purchase is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities.

Q. Recent accounting pronouncements:

The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standard) Amendment Rules, 2023 dated March 31, 2023 to amend certain Ind ASs which are effective from April 01, 2023. Below is a summary of such amendments:
(i) Disclosure of Accounting Policies - Amendment to Ind AS 1 Presentation of financial statements:

The MCA issued amendments to Ind AS 1, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023. The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(ii) Definition of Accounting Estimates – Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors:

The amendment to Ind AS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023. The amendments are not expected to have a material impact on the Group financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12 Income taxes:

The amendment to Ind AS 12, requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities.

at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:
- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.
Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Group is currently assessing the impact of the amendments.

(iv) The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

3 Property, plant and equipment

Description	Office Equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost as at April 1, 2022	**0.51**	**0.92**	**13.94**	**9.03**	**24.40**
Additions	1.16	0.39	9.12	-	10.67
Disposals	-	-	-	-	-
Cost as at March 31, 2023	**1.67**	**1.31**	**23.06**	**9.03**	**35.07**
Accumulated depreciation as at April 1, 2022	**0.19**	**0.07**	**3.51**	**0.86**	**4.63**
Depreciation for the year	0.10	0.11	5.57	1.18	6.96
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2023	**0.29**	**0.18**	**9.08**	**2.04**	**11.59**
Net carrying amount as at March 31, 2023	**1.38**	**1.13**	**13.98**	**6.99**	**23.48**

Note: Refer Note 17 & 18 for details of property, plant and equipment subject to charge on secured borrowings.

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Notes forming part of the consolidated financial statements
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

4 Right of use assets and Lease Liabilities

Right of Use Assets

Description	Right of use assets (Buildings)
Cost as at April 1, 2022	**73.26**
Additions	163.86
Disposals	-
Cost as at March 31, 2023	**237.12**
Accumulated amortisation as at April 1, 2022	**18.11**
Amortisation for the year	22.28
Disposals	-
Accumulated amortisation as at March 31, 2023	**40.39**
Net carrying amount as at March 31, 2023	**196.73**

b. Lease Liabilities

(i) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Year ended March 31, 2023
Opening balance	**58.39**
Additions during the year	158.12
Disposal during the year	-
Accrual of interest	10.90
Payment of lease liabilities	(24.66)
Closing balance	**202.75**
Less: Current lease liabilities	44.10
Non Current lease liabilities	**158.65**

(ii) Payments recognised as expenses and income

Particulars	Year ended March 31, 2023
Short term leases and low value assets (Refer Note 28)	2.17
	2.17

(iii) Contractual maturities of lease liabilities on undiscounted basis as at:

Particulars	March 31, 2023
Less than one year	50.12
One to five years	203.48
More than five years	5.34
	258.94

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

5 a. Intangible Assets

Description	R&R software	Mobile application	Software	Trade Mark	Expense Management	Total
Cost as at April 1, 2022	**19.93**	**18.12**	**3.90**	**1.75**	**46.70**	**90.40**
Additions	-	-	-	-	57.36	**57.36**
Disposals	-	-	-	-	-	-
Cost as at March 31, 2023	**19.93**	**18.12**	**3.90**	**1.75**	**104.06**	**147.76**
Accumulated amortisation as at April 1, 2022	**10.14**	**18.12**	**1.60**	**0.21**	**16.04**	**46.11**
Amortisation for the year	3.35	-	2.30	0.64	26.46	**32.75**
Disposals	-	-	-	-	-	-
Accumulated amortisation as at March 31, 2023	**13.49**	**18.12**	**3.90**	**0.85**	**42.50**	**78.86**
Net carrying amount as at March 31, 2023	**6.44**	**-**	**-**	**0.90**	**61.56**	**68.90**

b. Intangible Asset under development

Particulars	March 31, 2023
Zoyer Application under development*	108.68

* Project execution plans are reviewed periodically on the basis of Management judgement and estimates w.r.t future business, technological development/economy/ industry and the project is assessed as per periodic plans.

Ageing - Intangible Asset under development

Project in progress	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023	93.68	15.00	-	-	108.68

Note: Refer Note 17 for details of Intangible assets subject to charge on secured borrowings.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

6 Investments

	March 31, 2023
Non-current	
Investment in quoted mutual funds (carried at fair value through profit and loss) [Refer Note (c) below]	
ICICI Prudential Liquid Fund - Growth - 6,947.59 units of Rs. 323.85 each	2.30
ICICI Prudential Money Market Fund - Growth - 3,183.43 units of Rs. 314.11 each	1.02
Kotak Liquid Regular Growth - 339,027 units of Rs. 4,424.20 each	1.53
Total non-current investments	4.85
Current	
Investment in quoted mutual funds (carried at fair value through profit and loss)	
ICICI Prudential Money Market Fund - Growth - 35,186.110 units of Rs. 321.13 each	11.30
HDFC Money Market Fund - Regular Plan - Growth - 210.993 units of Rs. 4,739.25 each	1.02
Total current investments	12.32
Notes:	
(a) Aggregate value of quoted investments	17.17
(b) Change in fair value of the investments during the year	0.12
(c) Refer Note 17 for details of investments subject to charge on secured borrowings.	

7 Other financial assets (at amortised cost)

(Unsecured considered good)	March 31, 2023
Non-current	
Security deposits	13.36
Other deposits	1.33
	14.69
Current	
Interest accrued on deposits with banks	1.15
	1.15

8 Other non-current assets

	March 31, 2023
(Unsecured, Considered good)	
a. Capital advance	21.38
b. Balance with government authorities	3.39
c. Advance towards purchase of investments	5.00
	29.77

9 Non-Current: Income-tax assets (Net)

	March 31, 2023
Advance tax including tax deducted at source (Net of provision)	119.01
Provision for tax (Net of Advance tax and tax deducted at source)	(47.80)
	71.21

10 Deferred tax assets (net)

	March 31, 2023
Depreciation / amortisation	2.76
Provision for employee benefits	2.93
Provision for credit impaired balances	14.49
Right of use assets (net of lease liability)	1.52
Others	1.40
	23.10

11 Inventories

(Valued at lower of cost or net realisable value)	March 31, 2023
Card inventory	0.97
	0.97

Note: Refer Note 17 & 18 for details of inventory subject to charge on secured borrowings.

12 Trade receivables

	March 31, 2023
Trade receivables	
Unsecured	
-Considered good	1,026.59
-Credit Impaired	57.56
	1,084.15
Less-Allowance for credit impaired trade receivables [Refer Note (f) below]	(57.56)
	1,026.59

Notes:

a) No trade or other receivable are due from directors or other officers of the Group.

b) Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

c) Trade receivables amounting to Rs. 835.62Mn [as at March 31, 2022: 490.37 Mn] is due from Group who represents more than 5% of the total balance of the trade receivables.

(d) Refer Note 17 & 18 for details of trade receivables subject to charge on secured borrowings.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

e. Trade Receivables ageing schedule:
As at March 31, 2023

Particulars	Not Due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	688.48	259.82	77.45	0.84	-	-	1,026.59
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	57.56	57.56
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**688.48**	**259.82**	**77.45**	**0.84**	**-**	**57.56**	**1,084.15**

f. Movement in the impairment loss on credit impaired trade receivables	**Year ended March 31, 2023**
Opening balance	73.79
Credit loss added	-
Written off during the year	-
Reversal during the year	(16.23)
Closing balance	**57.56**

13 Cash and bank Balances

	March 31, 2023
(a) Cash and cash equivalents	
Cash on hand	0.00
Balances with banks	
- in current accounts (Refer Note below)	195.89
	195.89

Note: The Parent Company is a program manager for various programs of the banks for its prepaid cards and accordingly banks maintain the pool accounts for these prepaid card program where funds are held. These accounts are opened primarily for settlement and collection activities with respect to operations facilitated by the Parent Company. Accordingly, the balance in the aforesaid bank accounts are not included in 'Balance with Banks' above as these are not owned or contractually available for use by the Parent Company and set aside for settlement of usage by the Company's pre-paid card customers.

(b) Bank balances other than Cash and Cash equivalents :	**March 31, 2023**
- Deposits with remaining maturity less than 12 months:	
- Margin money deposits (Refer Note below)	9.00
- Deposits under lien (Refer Note below)	21.07
	30.07

Note : Represents deposits held as margin money/commitment with the banks

14 Other current assets

	March 31, 2023
Advance to suppliers	81.98
Advances to employees	3.00
Prepaid cards with loading	344.76
Balance with government authorities	-
Share issue expenses*	61.65
Others	-
	491.39

* During the year ended March 31, 2023, the Parent Company has incurred share issue expenses in connection with proposed public offer of equity shares of which Rs. 61.65 Mn is accounted for various services received for Initial Public Offer. In accordance with the Companies Act, 2013 ("the Act") and also as per the Offer Agreement entered between the Parent Company and the selling shareholders, the selling shareholders shall reimburse the share issue expenses in proportion to the respective shares offered for sale. Accordingly the Parent Company will partly recover the expense incurred in connection with the issue on completion of the Initial Public Offer (IPO). The Parent Company's share of expenses shall be adjusted against securities premium to the extent permissible under section 52 of the Act on successful completion of the IPO. The entire amount has been carried forward and disclosed under the head 'Share issue expenses' under 'Other current assets; (to the extent of not written off or adjusted).The amount which is receivable from the selling shareholders is not disclosed separately as the amount is not determinable at this stage pending completion of the IPO.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

15 Equity Share capital

	March 31, 2023
Authorized share capital	
12,00,00,000 Equity Shares of Rs. 1 Each	120.00
Issued, subscribed and paid up	
92,218,710 Equity Shares of Rs. 1 Each	92.22
	92.22

Notes:

i) Reconciliation of Authorised share capital at the beginning and at the end of the reporting year:

Particulars	March 31, 2023	
	No. of Shares	Amount in Rs.
Outstanding at the beginning of the year	51,03,785	51.04
Add: Increase in Authorised Capital	68,96,215	68.96
Before adjustment of sub-division of shares	1,20,00,000	120.00
Adjusted No.of shares on Account of sub-division of equity shares [Refer Note (iii) below]	12,00,00,000	120.00

ii) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	March 31, 2023	
	No. of Shares	Amount in Rs. Million
Outstanding at the beginning of the year	1,80,000	1.80
Add: Issue during the year	821	0.01
Before adjustment of sub-division of shares	1,80,821	1.81
Adjusted No.of shares on account of sub-division	18,08,210	1.81
Add: Issue of bonus share during the year	9,04,10,500	90.41
	9,22,18,710	92.22

iii) Shareholders vide the Extra-ordinary general meeting dated July 27, 2022, have approved the following :

a. Increase in Authorized Share Capital of the Parent Company from Rs. 51.04 Mn divided into 51,03,785 Equity Shares of Rs.10/- each to Rs. 120.00 Mn divided into 1,20,00,000 Equity Shares of Rs.10/- each, by creation of 68,96,215 Equity Shares of Rs.10/- each, ranking pari passu with the existing Equity Shares of the Parent Company.

b. Sub-division of the Authorised Share Capital consisting of 1,20,00,000 equity shares of the Parent Company having face value of Rs. 10 each into 12,00,00,000 equity shares of face value of Rs. 1 each w.e.f., July 27, 2022, without altering the aggregate amount of the same.

c. Further, the issued, subscribed and paid-up share capital consisting of 1,80,821 equity shares of the Parent Company having face value of Rs. 10 each shall stand sub-divided into 18,08,210 equity shares having face value of Rs. 1 each w.e.f., July 27, 2022 without altering the aggregate amount of such capital and shall rank pari passu in all respects and carry the same rights as to the existing fully paid-up equity shares of ₹ 10 each of the Parent Company.

d. Issue of fully paid bonus shares of Rs.1 each in proportion of 50 equity shares for every 1 existing equity share by capitalizing a sum of Rs. 90.41 Mn from the Securities Premium account available with the Parent Company.

iv) Rights, preferences and restrictions attached to equity shares of Rs. 1 each , fully paid up:

The Parent Company has only one class of equity shares having par value of Rs.1 per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

v) Shares held by shareholders holding more than 5% in the Company as at

Name of Shareholder	March 31, 2023	
	No. of Shares	% Holding
Raj P Narayanam	4,76,85,000	51.71%
Ventureast Proactive Fund LLC	58,70,100	6.37%
Avinash Ramesh Godkhindi	91,80,000	9.95%
Zuzu Software Services Pvt Ltd	1,74,76,992	18.95%

vi) Shareholding of promoters

Name of promoter	March 31, 2023	
	No. of Shares	% Holding
Raj P Narayanam	4,76,85,000	51.71%
Avinash Ramesh Godkhindi	91,80,000	9.95%

vii) As at March 31, 2023, 24,23,369 equity shares of Rs. 1 each of the Parent Company reserved for issue under employee share option plans.

16 Other equity

	March 31, 2023
Securities premium [Refer Note (i) below]	174.92
Retained earnings [Refer Note (ii) below]	74.57
Other comprehensive income [Refer Note (iii) below]	1.67
Employee stock options outstanding reserve [Refer Note (iv) below]	144.13
Total other equity	**395.29**

Notes:

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

(i) Securities premium

	March 31, 2023
Balance at the beginning of the year	115.73
Add : Scheme of Arrangement	
- Security premium on business combination (Refer Note 33)	-
- Security premium on issue of equity shares	149.60
Less: Issue of bonus equity shares [Refer Note 15 - sub note (iii)]	(90.41)
Balance at the end of the year	174.92

Note: Security premium represent the amount received in excess of the face value of the equity shares. The utilisation of the security premium reserve is governed by the section 52 of the Act.

(ii) Retained earnings

Balance at the beginning of the year	(154.44)
Add: Profit for the year	229.01
Add : Scheme of Arrangement (Refer Note 33)	
- Retained Earnings from business combination	-
- Amalgamation Adjustment Deficit Account	-
Balance at the end of the year	**74.57**

Note: Retained earnings represent the cumulative undistributed profits of the Parent Company and can be utilised in accordance with the provisions of the Act.

(iii) Other comprehensive income (OCI)
Other items of OCI

Remeasurement of defined benefit obligations (liability net of tax)	
Balance at the beginning of the year	1.33
Add: Changes during the year	0.34
Balance at the end of the year	1.67

Note: The reserve represent the actuarial gain/(loss) recognised on the defined benefit plan and will not be transferred to retained earnings.

(iv) Employee stock options outstanding reserve

Balance at the beginning of the year	-
Add: Changes during the year	144.13
Balance at the end of the year	144.13

Note: Employee stock option reserve related to share option granted by the Company under its employee share option plan. These will be utilised on exercise of the under lying option.

17 Long term borrowings (at amortised cost)

	31 March 2023
Secured	
Non-cumulative redeemable non-convertible debentures [Refer Note (i) below]	495.84
Term loans	
- from banks [Refer Note (ii) below]	187.50
- from vehicle loans [Refer Note (iv) below]	4.18
Property loan	
- from bank [Refer Note (iii) below]	12.13
Unsecured	
Deferred payables [Refer Note below (v) below]	310.40
Less : Current maturities of long term borrowings [Refer Note: 18]	(496.76)
Total	**513.29**

Details of terms and security in respect of the long-term borrowings:

(i) Term Loan from bank:

Term loan from bank amounting to Rs. 187.50 Mn carries interest of Repo rate + 3.5% (presently 10% p.a.) and is repayable in 60 monthly instalments of Rs. 4.17 Mn each excluding interest beginning from January 2022. The Term loan along with Overdraft facility as below are jointly secured by way of exclusive charges on the current assets of the Parent Company including trade receivables and inventories. The loans are collaterally secured by way of exclusive charge on the immovable properties being commercial property and Residential property, both, belonging to other body corporate. The loans are further secured by way of Corporate Guarantee extended by the said body corporate.

(iii) Property Loan:

Property loan taken from bank amounting to Rs. 12.13 Mn carries interest at Repo rate + spread of 2.9% (Presently 6.90% p.a) and is repayable in 195 equated monthly instalments of Rs. 0.12 Mn each beginning from August 2021. The loan is secured by way of mortgage of property, which is yet to be registered in the name of the Parent Company. Advance given for purchase of property is grouped under non current assets (Refer Note 8).

(iv) Vehicle Loans

Vehicle loans from bank amounting to Rs. 5.24 Mn carry interest rate of 7.8% to 8.25% p.a and are repayable in 60 equated monthly instalments. The said loans are secured by way of hypothecation of vehicles purchased.

(v) Deferred payables:

Deferred payables amounting to Rs. 310.40 Mn are repayable in five instalments starting with March 2022 and ending in December 2023 and carries interest rate of 11% p.a. which is payable along with last instalment. As at reporting date March 31, 2023, two of such instalments are pending.

vi. The Parent Company has utilised the loans borrowed during the year for the purpose for which it is obtained as mentioned in the borrowing agreements.

vii. The Group is not declared as a wilful defaulter by any bank and financial institution or other lender the any reporting year.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

18 Short-term borrowings

	March 31, 2023
Secured	
Overdraft from bank (Refer Note below)	200.68
Current maturities of long term borrowings (Refer Note: 17)	496.76
	697.44

Details of terms and security in respect of the short-term borrowings:

Overdraft Facility taken during the year from ICICI bank amounting to Rs. 200.68 Mn carries interest of Repo rate + 3.1% (presently 9% p.a.) and is repayable on demand. The Overdraft facility along with term loan as above are jointly secured by way of exclusive charge on the current assets of the Parent Company including trade receivables and inventories. The loans are collaterally secured by way of exclusive charge on the immovable properties being commercial property and Residential property, both, belonging to other body corporate. The loans are further secured by way of Corporate Guarantee extended by the said body corporate.

19 Trade payables

	March 31, 2023
Trade payables	
- Total outstanding dues of micro and small enterprises [Refer Note: 35]	9.63
- Total outstanding dues of creditors other than micro and small enterprises	82.56
	92.19

Trade payables are non-interest bearing and are normally settled in 30-90 days terms.

Trade payables ageing schedule
As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	9.63	-	-	-	9.63
(ii) Others	82.30	0.26	-	-	82.56
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-
	91.93	**0.26**	**-**	**-**	**92.19**

20 Provisions

	March 31, 2023
Provision for employee benefits	
Provision for gratuity (Refer Note 34)	
Non-current	11.43
Current	0.22
	11.65

21 Other current liabilities

	March 31, 2023
Advances from customers	127.92
Client redemption liability	17.65
Statutory liabilities	125.73
Others	23.66
	294.96

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

22 Revenue from operations	For the year ended March 31, 2023
Revenue from contracts with customers (Refer Note 39)	
Program fee	1,694.53
Propel platform revenue / gift cards	3,597.75
Platform fee / saaS fee / service fee	242.32
	5,534.60

23 Other income	For the year ended March 31, 2023
Interest income on deposit with banks	3.70
Interest on income-tax refund	-
Liabilities no longer required written back	2.26
Net gain on financial assets designated on FVTPL	0.46
Miscellaneous income	4.73
	11.15

24 Consumption of cards	For the year ended March 31, 2023
Opening stock of cards	1.12
Purchase of cards	17.38
Less: Inventory written off	-
Less: Closing stock of cards	(0.97)
	17.53

25 Employee benefits expense	For the year ended March 31, 2023
Salaries, wages & bonus	277.50
Contribution to provident fund	5.71
Staff welfare	3.74
Gratuity	4.75
Employee stock option plan	144.13
	435.83

26 Finance costs	For the year ended March 31, 2023
Interest on term loans	31.75
Interest on debentures	23.40
Amortised cost on deferred payables	31.16
Interest on lease liability	10.90
Interest on statutory dues i.e. income tax, GST	15.31
Fair value of corporate guarantee	1.25
	113.77

27 Depreciation and amortisation expense	For the year ended March 31, 2023
Depreciation of tangible assets	6.96
Amortisation of intangible assets	32.75
Amortisation of right-to-use assets	22.28
	61.99

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

28	**Other expenses**	**For the year ended March 31, 2023**
	Call centre & software support charges	121.61
	Office rent	2.17
	Electricity expenses	3.68
	Repairs & maintenance	2.87
	Provision for / Reversal of credit impaired trade receivables	(16.23)
	Office maintenance	7.10
	CSR expense [Refer Note (ii) below]	4.64
	Rates & taxes	0.55
	Network charges	23.30
	Legal & professional consultancy charges	31.55
	Advertisement & business promotion	200.64
	Incentive / cash back	1,002.01
	Courier charges	6.40
	Advances written off	3.53
	Telephone expenses	1.36
	Traveling expenses	8.38
	Auditors remuneration [Refer Note (i) below]	2.35
	Bank charges	0.47
	Inventory written off	-
	Miscellaneous expenses	5.20
		1,411.58

Note (i) Auditors remuneration:

The following is the breakup of Auditors remuneration (exclusive of indirect taxes)

Particulars	**For the year ended March 31, 2023**
As auditor	
- Statutory audit	2.25
In other capacity	
- Special Purpose Audit -June 2022*	1.30
- Tax audit and other matters	0.10
	3.65

*included in share issue expense (Refer Note 14)

Note (ii) Details of Corporate social responsibility (CSR) expenditure:

Particulars	**31 March 2023**
(i) Gross amount required to be spent by the Parent Company during the year	**4.64**
(ii) Amount spent during the year (in cash)	
- construction/ acquisition of any asset	-
- on purpose other than above	-
(iii) (Shortfall) / Excess at the end of the year	**(4.64)**
(iv) Total of previous years shortfall	-
(v) Details of related party transactions	-
(vi) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	
Opening provision	-
Addition during the year	-
Utilisation	-
Closing provision	-

(vii) Reason for shortfall:

Subsequent to year end before April 30, 2023 the Parent Company has spent short fall of CSR expenditure as at March 31, 2023 in an ongoing project.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

29 Contingent liabilities and commitments

(a) Contingent Liabilities:

Particulars	March 31, 2023
Disputed Service Tax *	24.73

*During the year 2019-20, the Parent Company had received a show cause notice towards service tax demand amounting to Rs. 272.04 Mn charged on the face value of sale of its prepaid cards/ Gift vouchers etc. The Parent Company has filed appeals before the Commissioner of Central tax, Hyderabad against the aforsaid demand. In the month October 2022, the Parent Company received an order dated March 30, 2022 from Commissioner of Central tax, Hyderabad dropping demand amounting to Rs. 259.75 Mn and upheld the demand amounting to Rs. 12.29 Mn and further imposed a penalty and late fee for Rs. 12.44 Mn. The Parent Company has further filed a appeal against the the said demand before CESTAT and amount paid under protest Rs. 3.30 Mn.

The Parent Company, based on its legal assessment does not believe that any of the pending claims require a provision as at the balance sheet date, as the likelihood of the probability of an outflow of resources at this point of time is low.

(b) Capital commitments

Particulars	March 31, 2023
Unexecuted capital orders to the extent not provided for	-
Investment commitment	5.00

30 Related party disclosures

(a) Names of related parties and related party relationship

Name of the Related Party	Nature of Relationship
Key Managerial Persons:	
Raj P Narayanam	Director - Executive Chairman
Avinash Ramesh Godkhindi	Managing Director & Chief Executive Officer
Vidya Niwas Khetawat	Chief Financial Officer [w.e.f. Dec 10, 2021, upto Aug 25, 2022]
Hari Priya	Company Secretary [wef Jan 18, 2022]
Venkata Aditya Kumar Grandhi	Chief Financial Officer [w.e.f. Aug 25, 2022]
Abhay Deshpande Raosaheb	Independent Director [w.e.f. Aug 22, 2022]
Aravamudan Krishna Kumar	Independent Director [w.e.f. Sep 26, 2022]
Arun Vijaykumar Gupta	Independent Director [w.e.f. Sep 26, 2022]
Prerna Tandon	Independent Director [w.e.f. Sep 26, 2022]
Other Related Parties	
Vinita Raj Narayanam	Relative of Key Managerial Person

(b) Transactions with related parties

Particulars	As at/For the year ended March 31, 2023
(i) KMPs Remuneration:	**28.03**
Raj P Narayanam	10.20
Avinash Ramesh Godkhindi	8.20
Vidya Niwas Khetawat	2.44
Hari Priya	3.70
Venkata Aditya Kumar Grandhi	3.49
(ii) Purchase of Investment:	
Vinita Raj Narayanam	-
(ii) Repayment of loan	
Raj P Narayanam	-
(c) Balance with with related parties	Nil

31 Earnings per share (EPS)

Basic earnings per share amounts is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share amounts is calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Particulars	March 31, 2023
Earnings	
Profit after tax for the year attributable to equity shareholders	229.01
Shares	
Original Number of Equity Shares (post sub-division) (Refer note 15)	18,08,210
Add: Impact of Bonus Issue (Refer note 15)	9,04,10,500
Weighted Average Number of Equity Shares	
For calculating Basic EPS	9,22,18,710
Effect of dilution:	
- On account of - ESOP	7,32,696
Weighted average number of equity shares for Diluted EPS	9,29,51,406
Earnings Per Share	
(Face Value Rs. 1 per share)	
Basic (Rs.)	2.48
Diluted (Rs.)	2.46

32 Segment Reporting

The Group's operating business are organised and managed according to nature of Products and services provided. This assessment resulted in identification of (a) Programe Fee (b) Platform Fee/Saas Fee/Service fee; (c) Propel platform revenue / Gift Cards as separate lines of business activities at Revenue level, by the Chief Operating Decesion Maker (CODM). However, since the Group does not allocate common operating costs, assets and liabilities across business activities, as per the assessment undertaken by CODM, the allocation resources and assessment of the financial performance is undertaken at the Company level.

a. Segment wise revenue information:

Revenue from Customers	March 31, 2023
Program fee	1,694.53
Platform fee / saaS fee / service fee	242.32
Propel platform revenue / gift cards	3,597.75
Total	**5,534.60**

b. Geographical Segment information:

The Group has whole revenues from customers domiciled in India.

Revenue from Customers	March 31, 2023
With in India	5,502.67
Outside india	31.93
Total	**5,534.60**

c. Information about major customers (from external customers)

During the year the Group has derived revenue from 3 customers (March 31, 2022: 2) totalling to Rs. 2,878.89 Mn (March 31, 2022: Rs. 1,877.38 Mn) which amounts to 10% or more of its total revenue.

33 Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006"

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006: The amount due to Micro and Small Enterprises as defined in the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro, Small and Medium Enterprises are as under:

	As at March 31, 2023
(i) Principal amount remaining unpaid to supplier at the end of the year	9.63
(ii) Interest due thereon remaining unpaid to supplier at the end of the year	-
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-
(v) Interest paid to suppliers under MSMED Act (Section 16)	-
(vi) Interest due and payable to suppliers under MSMED Act, for payments already made	-

(vii)Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

34. Employee benefits

a) Defined Contribution Plan

Provident Fund:

Contributions were made to provident fund and Employee State Insurance in India for the employees of the Parent Company as per the regulations. These contributions are made to registered funds administered by the Government of India. The obligation of the Parent Company is limited to the amount contributed and it has no further contractual nor any other constructive obligation.

b) Defined Benefit Plan

Gratuity:

The Parent Company provides Gratuity for employees in India as per the Payment of Gratuity Act, 1972. All employees are entitled to gratuity benefits on exit from service due to retirement, resignation or death. There is a vesting period of 5 years on exits due to retirement or resignation. There is a limit of Rs. 20,00,000 on the gratuity payable to an employee. This defined benefit plans expose the Parent Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The present value of the defined benefit obligation and the relevant current service cost are measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance sheet date.

c) Amounts Recognised as Expense:

i) Defined Contribution Plan

Employer's Contribution to Provident Fund amounting to Rs. 5.71 Mn has been included in Note 25 under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to Rs. 4.75 Mn has been included in Note 25 under gratuity. The Parent Company's gratuity plan is unfunded.

d) Amounts recognised in the Financial statements as at year end for Gratuity provision are as under:

			March 31, 2023
i)	**Change in Present Value of Obligation**		
	Present value of the obligation at the beginning of the year		7.36
	Current service cost		4.20
	Interest cost		0.54
	Actuarial (Gain)/Loss on Obligation- Due to Change in Financial Assumptions		(0.74)
	Actuarial (Gain) / Loss on Obligation- Due to Experience Adjustments		0.28
	Present value of the obligation at the end of the year		11.64
ii)	**Bifurcation of present value of Benefit obligation**		
	Current- Amount due within one year		0.22
	Non-current- Amount due after one year		11.42
	Total		11.64
iii)	**Expected benefit payments in future years**		
	Year 1		0.22
	Year 2		0.51
	Year 3		0.50
	Year 4		0.48
	Year 5		3.64
	Year 6 to Year 10		1.13
iv)	**Sensitivity Analysis**		
	Discount Rate - 1 percent increase		10.57
	Discount Rate - 1 percent decrease		12.92
	Salary Escalation Rate - 1 percent increase		12.93
	Salary Escalation Rate - 1 percent decrease		10.53
	Withdrawal Rate - 1 percent increase		11.89
v)	**Amounts Recognised in the Balance sheet:**		
	Present value of Obligation at the end of the year		11.64
	Fair value of Plan Assets at the end of the year		-
	Net Liability recognised in the Balance Sheet		**11.64**
vi)	**Amounts Recognised in the Statement of Profit and Loss:**		
	Current service cost		4.20
	Net interest on net defined Liability		0.55
	Expenses recognised in Statement of Profit and Loss		**4.75**
vii)	**Recognised in other comprehensive income for the year**		
	Actuarial (Gains) / Losses on Liability		(0.46)
	Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above		-
	Recognised in other comprehensive income		**(0.46)**
viii)	**Actuarial Assumptions**		
	i)	Discount Rate	7.40%
		Based on yields (as on valuation date) of Government Bonds with a tenure similar to the expected working lifetime of the employees.	
	ii)	Salary Escalation Rate	5.00%
		based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market. This assumption has been determined in consultation with the Company.	
	iii)	Retirement Age	58
	iv)	Attrition Rate	1% to 5%
	v)	Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

35 Financial instruments

A. Financial instruments by category	Note No.	Fair value level	March 31, 2023
Financial assets			
Non current			
(i) Investments	6	Level 1	4.85
(ii) Other financial assets	7	Level 2	14.69
Current			
(i) Investments	6	Level 1	12.32
(ii) Trade receivables	12	Level 2	1,026.59
(iii) Cash and cash equivalents	13 (a)	Level 2	195.89
(iv) Bank balances other than (iii) above	13 (b)	Level 2	30.07
(v) Other financial assets	7	Level 2	1.15
Total financial assets			**1,285.56**
Financial liabilities			
Non current			
(i) Borrowings	17	Level 2	513.29
(ii) Lease liabilities	4	Level 2	158.65
Current			
(i) Borrowings	18	Level 2	697.44
(ii) Current lease liabilities	4	Level 2	44.10
(iii) Trade payables	19	Level 2	92.19
Total financial liabilities			**1,505.67**

Note: The Group has not disclosed the fair values for financial instruments such as short-term trade receivables or short-term trade payables because their carrying amounts are a reasonable approximation of fair values.

Note 1: For the purpose of above abbreviations, FVTOCI - Fair value through other comprehensive income; amortised cost - fair value through amortized cost.

Note 2: Other financial assets and liabilities relate to level 3 financial instruments where the carrying value reasonably approximates to their fair value.

B. Financial risk management

The Group activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, security deposits and bank deposits.	Ageing analysis. Credit score of customers/ entities.	Monitoring the credit limits of
Liquidity risk	Borrowings	Cash flow forecasts managed by finance team under the overview of Senior Management.	Working capital management by Senior

The Group risk management is carried out by the Senior Management under policies approved by the Board of Directors. The Board of Directors provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

Risk management framework

The board of directors have overall responsibility for the risk management framework. The board of directors are responsible for developing and monitoring the risk management policies. The board of directors monitors the compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The risk management policies are to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

A. Credit risk

i. Credit risk management

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments. The carrying amounts of financial assets represent the maximum credit risk exposure.

ii. Provision for Expected credit loss

The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to Rs. 57.56 Mn (March 31, 2022: Rs. 73.79 Mn). The movement in allowance for credit loss in respect of trade receivables during the year was as follows:

Allowance for credit losses	Year ended 31 March 2023
Opening balance	73.79
Credit loss added	-
Written off during the year	-
Reversal during the year	(16.23)
Closing balance	**57.56**

Credit risk on cash and cash equivalent is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

B. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group's reputation.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities:

As at March 31, 2023

Particulars	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Long-term borrowings (excluding current maturities)	513.29	-	566.87	10.22	577.09
Lease liabilities	202.75	50.12	203.48	5.34	258.94
Short-term borrowings	697.44	697.44	-	-	697.44
Trade payables	92.19	91.93	0.26	-	92.19
Total	**1,505.67**	**839.50**	**770.61**	**15.56**	**1,625.67**

The Group has secured loans from bank that contain loan covenants. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table.

C. Market risk

(i) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Particulars	March 31, 2023
Variable rate borrowings	187.50
Fixed rate borrowings	326.71

(ii) Sensitivity

Particulars	For the year 31 March 2023
Sensitivity	
1% increase in variable rate	(1.88)
1% decrease in variable rate	1.88

D. Currency risk

The Group does not have material revenues/assets denominated in foreign exchange and hence Company is not subject to foreign currency fluctuation.

36 Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to equity shareholders.

The debt to adjusted capital ratio at the end of the reporting period was as follows:

	31 March 2023
Total Debt (Refer Note 17 and 18)	1,210.73
Less : cash and cash equivalents and bank balances	225.96
Adjusted net debt	984.77
Total equity	**487.51**
Adjusted net debt to adjusted equity ratio	**2.02**

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

37 Income Taxes

Components of income-rax expense

		For the year ended March 31, 2023
	Tax expense recognised in the Statement of Profit and Loss	
A.	**Current tax**	
	Current year	85.97
	Total	**85.97**
B.	**Deferred tax**	
	Origination and reversal of temporary differences	1.37
	Total	**1.37**
	Total	**87.34**
C.	**Tax on Other Comprehensive Income**	
	Deferred tax	
	Origination and reversal of temporary differences - OCI	(0.12)
	Total	**(0.12)**

Tax assets / liabilities (net)

		March 31, 2023
D.	Advance tax (net of provision for tax)	119.01
E.	Provision for tax (net of advance payment of taxes)	(47.80)
		71.21

Deferred tax assets (net)

		March 31, 2023
F.	Deferred tax asset	23.10
G.	Deferred tax liability	-
	Deferred tax asset (net)	**23.10**

H. Reconciliation of tax expense and the Accounting Profit

The Income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended March 31, 2023
Profit before income taxes	316.35
Indian statutory income tax rate	25.17%
Expected Income Tax Expense	80.00
Tax effect of losses of earlier years set off against profits	-
Tax effect of expenditure disallowed under income tax	10.43
Others	(3.09)
Total income tax expense	**87.34**

Movement during the year ended March 31, 2023	**As at 1 April 2022**	**Credit/(charge) in the Statement of Profit and Loss**	**Credit/(charge) in OCI**	**As at 31 March 2023**
Deferred tax assets/(liabilities)				
Depreciation/amortisation of Property, plant and equipment	1.19	1.57	-	2.76
Provision for employee benefits	1.50	1.55	(0.12)	2.93
Provision for doubtful receivables	18.57	(4.08)	-	14.49
Right of use assets (net of lease liability)	0.75	0.77	-	1.52
Others	2.58	(1.19)	-	1.40
Total	**24.59**	**(1.38)**	**(0.12)**	**23.10**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

38 Revenue from contract with customers

Disaggregated revenue information

Set out below is the disagreegation of the Group's revenue from contract with customers:

Particulars	**For the year ended March 31, 2023**
Income from Platform and gift card	3,597.75
Income from Program fee and SaaS fee	1,936.85
	5,534.60
Within India	5,502.67
Outside India	31.93
	5,534.60
Timing of revenue recognition	
Services transferred over time	1,936.85
Goods transferred at a point of time	3,597.75
Total revenue from contracts with customers	**5,534.60**
Reconciliation of revenue recognised with the contracted price is as follows:	
Contract price	5,534.60
Less: Discounts and disallowances	-
Total revenue from contracts with customers	**5,534.60**

Contract balances

Particulars	**March 31, 2023**
Trade receivables	1,026.59
Contract assets	-
Contract liabilities	-

39 The Group did not have any long term contracts including derivative contracts for which there were any material foreseeble losses. The Group does not have any unhedged foreign currency exposure as at reporting date.

40 Subsequent Events

Shareholders vide the Extra-ordinary general meeting dated August 11, 2023, have approved the following:

a. Increase in Authorized Share Capital of the Parent Company from Rs. 120.00 Mn divided into 12,00,00,000 Equity Shares of Rs. 1/- each to Rs. 150.00 Mn divided into 15,00,00,000 Equity Shares of Rs. 1/- each, ranking pari passu with the existing Equity Shares of the Parent Company.
b. Issue of 5,975,609 equity Shares on preferential basis at the issue price of Rs. 164/- having Face value of Rs. 1/- each. (i.e. including Securities Premium @ Rs. 163).

41 a. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

b. The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c. The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d. The Group have not traded or invested in Crypto currency or Virtual currency during the financial year.

e. The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f. The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g. The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

h. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the certain provisions of the Code will come into effect and the rules thereunder has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

42 Employee Stock Based Compensation:

Employee Stock Option Plan (ESOP) :

The Parent Company instituted the Zaggle Employee Stock Option Scheme 2022, in which 46,10,936 stock options were approved by the Shareholders in Extra Ordinary General Meeting held on November 21, 2022.

ZAGGLE ESOP 2022 Plan :

During the year, the Parent Company has granted 24,23,369 equity shares of face value Re. 1/- each under Employee Stock Option Scheme. Subsequently the Parent company had granted 12,48,511 options at exercise price of Rs.1 each and 11,74,858 options at exercise price of Rs.271 each. The fair value of share option grant for exercise price of Rs.1 amounting to 360.52 and exercise price of Rs.271.00 amounting to Rs. 236.59 is estimated at the date of the grant using Black-Scholes method, taking into account the terms and conditions upon which the share option where granted.

Disclosures as per IND AS 102 for outstanding options:

(i) Details of options granted under ZAGGLE ESOP 2022 Plan are as below:

Grant	Grant Date	Number of options granted	Number of options outstanding (as at March 31, 2023)	Exercise Price (in Rs.)	Fair value at grant date (in Rs.)
Type I	29-Sep-22	12,48,511	12,48,511	1.00	360.52
Type II	29-Sep-22	11,74,858	7,11,220	271.00	236.59

(ii) Exercise price and other details

Particulars	Type I	
	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average exercise price for outstanding options at year end (in Rs.)	1.00	-
Weighted average remaining contractual life for outstanding options at year end	3.5 years	-
Range of exercise prices for outstanding options at year end (in Rs.)	1.00	-

Particulars	Type II	
	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average exercise price for outstanding options at year end (in Rs.)	271.00	-
Weighted average remaining contractual life for outstanding options at year end	3.5 years	-
Range of exercise prices for outstanding options at year end (in Rs.)	271.00	-

Details of the grant/issue as at March 31, 2023 are given below:

Particulars	Type I			
	March 31, 2023		March 31, 2022	
	No. of share options	Weighted average exercise price in Rs.	No. of share options	Weighted average exercise price in Rs.
Options outstanding at the beginning of the year	-	-	-	-
Granted during the year	12,48,511	1.00	-	-
Vested during the year	-	-	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Options outstanding at the end of the year	12,48,511	1.00	-	-
Options vested and exercisable at the end of the year	12,48,511	1.00	-	-

Particulars	Type II			
	March 31, 2023		March 31, 2022	
	No. of share options	Weighted average exercise price in Rs.	No. of share options	Weighted average exercise price in Rs.
Options outstanding at the beginning of the year	-	-	-	-
Granted during the year	11,74,858	271.00	-	-
Vested during the year	-	-	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	3,82,272	271.00	-	-
Forfeited during the year	81,366	271.00	-	-
Options outstanding at the end of the year	7,11,220	271.00	-	-
Options vested and exercisable at the end of the year	7,11,220	271.00	-	-

Break-up of employee stock compensation expense

	ZAGGLE ESOP 2022 Plan	
Particulars	**March 31, 2023**	**March 31, 2022**
KMP	114.83	-
Employees other than KMP	29.30	-
Total	**144.13**	**-**

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN: U65999TG2011PLC074795)
Notes forming part of the consolidated financial statements
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

43 Additional disclosure as required under paragraph 2 of 'General Instructions for the preparation of Consolidated Financial Statements' of the Schedule III to the Act

	Net assets *		Share in profit / (loss)		Share in other comprehensive income ("OCI")		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
	31 March 2023		31 March 2023		31 March 2023		31 March 2023	
Parent	100.00%	487.51	100.00%	229.01	100.00%	0.34	100.00%	229.35
Subsidiary incorporated outside India								
Zaggle Technologies Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	**100.00%**	**487.51**	**100.00%**	**229.01**	**100.00%**	**0.34**	**100.00%**	**229.35**
Consolidation adjustments	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Net amount	**100.00%**	**487.51**	**100.00%**	**229.01**	**100.00%**	**0.34**	**100.00%**	**229.35**

* Net assets means total assets minus total liabilities excluding shareholders funds.

Note:
The disclosure as above represents separate information for each of the consolidated entities before elimination of inter-company transactions. The net impact on elimination of inter-company transactions / profits / consolidation adjustments have been disclosed separately. Based on the group structure, the management is of the view that the above disclosure is appropriate under the requirements of the Act.

44 The Parent Company has incorporated a wholly owned subsidiary named as Zaggle Technologies Limited ("ZTL"), a private Company in the United Kingdom on January 12, 2023, as a subscriber to the memorandum. ZTL had allotted 1 equity share of GBP 1 to the Company upon incorporation, such shares remained unpaid as of March 31, 2023. ZTL had not commenced any business, operations or activities since its incorporation and there were no transactions during the period January 12, 2023, to March 31, 2023.

The Parent Company's Board of Directors on its meeting held on August 26, 2023 has decided to request ZTL to apply to the registrar of companies through its director, to strike off its name off the register in compliance with applicable provisions of the UK laws. Accordingly, the strike-off application was duly filed by ZTL on August 26, 2023.

For the purpose of consolidation, above subsidiary is considered as immaterial subsidiary and consolidation procedures done basis unaudited accounts of the subsidiary.

45 The comsolidated financial statements were approved by the Board of Directors and authorised for issue on August 29, 2023.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Kumar Agarwal
Partner
Membership No: 214198

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

Place: Hyderabad
Date: August 29, 2023

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: August 29, 2023

P R S V & Co. LLP
Chartered Accountants
202, Saptagiri Residency,
1-10-98/A, Chikoti Gardens, Begumpet,
Hyderabad - 500 016.

M S K A & Associates
Chartered Accountants
1101/B, Manjeera Trinity Corporate,
JNTU-Hitech City Road, Kukatpally,
Hyderabad- 500 072.

INDEPENDENT AUDITORS' REPORT

To the Members of ZAGGLE PREPAID OCEAN SERVICES LIMITED [formerly known as ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED]

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Zaggle Prepaid Ocean Services Limited [formerly known as Zaggle Prepaid Ocean Services Private Limited] ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India ('Ind AS'), of the state of affairs of the Company as at March 31, 2022, its profit , its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditors' Report Thereon

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 Auditors' report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

P R S V & CO. LLP * Hyderabad * Chartered Accountants

M S K A & ASSOCIATES Hyderabad Chartered Accountants

Auditors' Responsibilities for the Audit of the Financial Statements

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

We give in "Annexure A" a detailed description of Auditors' responsibilities for the Audit of the Financial Statements.

Other Matters

The comparative financial information of the Company for the year ended March 31, 2021 and the transition date opening Balance Sheet as at April 1, 2020 prepared in accordance with the Ind AS, included in these financial statements, are based on the Special Purpose Financial Statements of the Company as at and for the years ended March 31, 2021 & March 31, 2020, audited by one of the Joint Auditor, M/s. P R S V & Co. LLP, whose reports dated September 29, 2022 and September 29, 2022 respectively, expressed an unmodified audit opinion on those financial statements.

The Statutory Financial Statements for the years ended March 31, 2021 & March 31, 2020, prepared in accordance with the Companies (Accounts) Rules, 2014 are audited by one of the Joint Auditor M/s. P R S V & Co. LLP whose reports dated September 17, 2021 and December 12, 2020 respectively, expressed an unmodified audit opinion on those financial statements.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 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 C".

(g) With respect to the other matters to be included in the Auditors' 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 position in its financial statements - Refer Note 28 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.

(1) The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person / entity, including foreign entities

('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary has, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(2) The Management has represented that, to the best of it's knowledge and belief, no funds have been received by the Company from any person / entity, including foreign entities, that the company has directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(3) Based on our audit procedures which we have considered reasonable and appropriate in the circumstances and according to the information and explanations provided to us by the Management in this regard, nothing has come to our notice that has caused us to believe that the representations made by the Management under sub-clause (i) and (ii) contain any material misstatement.

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

3. In our opinion, according to information, explanations given to us, the provisions of Section 197 of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

For **P R S V & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. : S200016

Y Venkateswarlu
Partner
Membership No. : 222068
UDIN : 22222068AWZWOE8655

Place: Hyderabad
Date: September 29, 2022

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. : 105047W

Amit Kumar Agarwal
Partner
Membership No. : 214198
UDIN : 22214198AWZPXT6404

Place: Hyderabad
Date: September 29,2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ZAGGLE PREPAID OCEAN SERVICES LIMITED [formerly known as ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED] FOR THE YEAR ENDED MARCH 31, 2022.

Auditors' Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' 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 Auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

For **P R S V & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. : S200016

Y Venkateswarlu
Partner
Membership No. : 222068
UDIN : 22222068AWZWOE8655

Place: Hyderabad
Date: September 29, 2022

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. : 105047W

Amit Kumar Agarwal
Partner
Membership No. : 214198
UDIN : 22214198AWZPXT6404

Place: Hyderabad
Date: September 29,2022

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ZAGGLE PREPAID OCEAN SERVICES LIMITED [formerly known as ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED] FOR THE YEAR ENDED MARCH 31, 2022.

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

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

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

(b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all these assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. Pursuant to above program, certain of these assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii.

(a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate. No material discrepancies were noticed on such verification.

P R S V & Co. LLP Hyderabad Chartered Accountants

M S K A & Associates Hyderabad Chartered Accountants

(b) The Company has been sanctioned working capital limits less than Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Hence, reporting under this clause is not applicable.

iii. According to the information and explanations provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, there are no amounts outstanding which are in the nature of deposits as on March 31, 2022 and the Company has not accepted any deposits during the year.

vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii.

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, though instances of slight delays were noticed, the company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and there were no outstanding undisputed statutory dues as at March 31, 2022 for a period of more than six months from the date they became payable.

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MSKA & Associates Hyderabad Chartered Accountants

(b) According to the information and explanations given to us, there are no dues of goods and services Tax, provident fund, employees' state insurance, income-tax, sales tax, duty of customs, value added tax, cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Name of the statute	Nature of dues	Amount ₹ in Million	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	₹ 272.04	1-Apr-2014 to 30-Jun-2017	Commissioner of Central Tax, Hyderabad

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix.

(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

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

(e) The Company does not have any subsidiary, associate or joint venture, hence reporting under the clause (ix)(e) and (ix)(f) of the order is not applicable to the Company.

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MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

x.

(a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3(x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3(x)(b) of the Order are not applicable to the Company.

xi.

(a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company.

(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the financial statement for the year ended March 31, 2022, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv.

(a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered internal audit reports issued by internal auditors during our audit.

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MSKA & ASSOCIATES Hyderabad Chartered Accountants

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to Company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi.

(a) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi)(a) of the Order are not applicable to the Company.

(b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Company does not have any CIC as part of its group. Hence the provisions stated in paragraph clause 3 (xvi) (d) of the order are not applicable to the Company.

xvii. According to the information and explanations provided to us, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph clause 3 (xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of audit report and the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

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MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

xx. According to the information and explanations given to us, though the provisions of section 135 of the Act are applicable to the Company, the Company does not have any requisite amount to be spent under the aforesaid section based on the calculation specified therein. Hence, the provisions of paragraph (xx)(a) to (b) of the Order are not applicable to the Company.

xxi. According to the information and explanations given to us, the Company does not have any subsidiary / Associate/ Joint Venture. Accordingly, there is no preparation of consolidated financial statements. Accordingly, the provisions stated in paragraph clause 3 (xxi) of the Order are not applicable to the Company.

For **P R S V & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. : S200016

Y Venkateswarlu
Partner
Membership No. : 222068
UDIN : 22222068AWZWOE8655

Place: Hyderabad
Date: September 29, 2022

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. : 105047W

Amit Kumar Agarwal
Partner
Membership No. : 214198
UDIN : 22214198AWZPXT6404

Place: Hyderabad
Date: September 29,2022

ANNEXURE C TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ZAGGLE PREPAID OCEAN SERVICES LIMITED [formerly known as ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED] FOR THE YEAR ENDED MARCH 31, 2022.

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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

We have audited the internal financial controls with reference to financial statements of Zaggle Prepaid Ocean Services Limited [formerly known as Zaggle Prepaid Ocean Services Private Limited] ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

PRSV & CO. LLP * Hyderabad * Chartered Accountants

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **P R S V & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. : S200016

Y Venkateswarlu
Partner
Membership No. : 222068
UDIN : 22222068AWZWOE8655

Place: Hyderabad
Date: September 29, 2022

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. : 105047W

Amit Kumar Agarwal
Partner
Membership No. : 214198
UDIN : 22214198AWZPXT6404

Place: Hyderabad
Date: September 29,2022

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
CIN : U65999TG2011PLC074795
Balance Sheet as at 31 March 2022
(All amounts are Rs. in Millions, unless stated otherwise)

Particulars	Notes	31 March 2022	31 March 2021	1 April 2020
ASSETS				
Non-current assets				
Property, plant and equipment	3	19.77	9.51	1.14
Right-of-use assets	4	55.15	36.75	45.65
Intangible assets	5 (a)	44.29	26.97	37.06
Intangible asset under development	5 (b)	15.00	-	-
Financial assets				
- Other financial assets	6	7.30	4.13	4.44
Other non-current assets	7	21.38	-	-
Income tax assets, net	8	123.59	74.70	39.96
Deferred tax assets (net)	9	24.59	106.88	95.56
Total non-current assets		**311.07**	**258.94**	**223.81**
Current assets				
Inventories	10	1.12	2.69	0.23
Financial assets				
(i) Trade receivables	11	429.51	226.81	159.21
(ii) Cash and cash equivalents	12	7.11	27.89	60.64
(iii) Bank balances other than (ii) above	12	29.00	5.00	2.11
Other current assets	13	148.72	99.47	44.10
Total current assets		**615.46**	**361.86**	**266.29**
Total assets		**926.53**	**620.80**	**490.10**
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	14	1.80	1.80	1.80
Other equity	15	(37.38)	(457.31)	(651.37)
Total equity		**(35.58)**	**(455.51)**	**(649.57)**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	16	483.27	376.92	633.96
(ii) Lease liablities	4	51.04	31.89	36.37
Provisions	20	7.22	5.66	4.84
Total non-current liabilities		**541.53**	**414.47**	**675.17**
Current liabilities				
Financial liabilities				
(i) Borrowings	17	161.45	313.92	29.84
(ii) Lease liablities	4	7.35	7.85	10.14
(iii) Trade payables	18			
- Total outstanding dues of micro and small enterprises		7.77	0.08	0.09
- Total outstanding dues of creditors other than micro and small enterprises		99.58	190.96	159.58
Provisions	20	0.14	0.11	0.09
Other liabilities	19	144.29	148.92	264.76
Total current liabilities		**420.58**	**661.84**	**464.50**
Total liabilities		**962.11**	**1,076.31**	**1,139.67**
Total equity and liabilities		**926.53**	**620.80**	**490.10**

See accompanying notes forming part of the Financial Statements.

As per our report attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Kumar Agarwal
Partner
Membership No: 214198

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
CIN : U65999TG2011PLC074795

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
Membership No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer

Place: Hyderabad
Date: September 29, 2022

Place: Hyderabad
Date: September 29, 2022

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
CIN : U65999TG2011PLC074795

Statement of Profit and Loss for the year ended 31st March 2022

(All amounts are Rs. in Millions, unless stated otherwise)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenues			
Revenue from operations	21	3,712.55	2,399.66
Other income	22	4.09	3.27
Total income		**3,716.64**	**2,402.93**
Expenses			
Cost of Point Redemption / Gift Cards		1,435.08	296.67
Consumption of Cards	23	17.78	15.12
Employee benefits expense	24	154.30	124.60
Finance costs	25	69.88	77.10
Depreciation and amortisation	26	20.97	20.46
Other expenses	27	1,506.85	1,687.00
Total expenses		**3,204.86**	**2,220.95**
Profit before tax		**511.78**	**181.98**
Tax expenses			
Current tax	37	10.79	-
Deferred tax		81.78	(11.32)
Total tax expense		**92.57**	**(11.32)**
Profit after tax		**419.21**	**193.30**
Other comprehensive income			
Items that will not be reclassified subsequently to profit and loss			
Remeasurements of defined benefit liability		0.87	1.02
Deferred tax relating to these items		(0.22)	(0.26)
		0.65	0.76
Total comprehensive income		**419.86**	**194.06**
Earnings per share			
- Basic	30	4.57	2.11
- Diluted		4.57	2.11

See accompanying notes forming part of the financial statements.

As per our report attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Kumar Agarwal
Partner
Membership No: 214198

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
CIN : U65999TG2011PLC074795

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05257791

Hari Priya
Company Secretary
Membership No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer

Place: Hyderabad
Date: September 29, 2022

Place: Hyderabad
Date: September 29, 2022

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
CIN : U65999TG2011PLC074795
Statement of Changes in Equity
(All amounts are Rs. in Millions, unless stated otherwise)

A. Equity share capital

	Notes	No. of Shares	Amount
As at 1 April 2020		1,80,000	1.80
Addition during the year	14	-	-
As at 31 March 2021		1,80,000	1.80
Addition during the year	14	-	-
As at 31 March 2022		1,80,000	1.80

B. Other equity

Particulars	Notes	Reserves and surplus		Other comprehensive income	Total
		Securities premium account	Retained earnings	Remeasurement of defined benefit obligations	
Balance as at 1 April 2020		21.91	(715.74)	-	(693.83)
Opening Ind AS adjustments - on transition date 1 April 2020			42.54	(0.08)	42.46
Profit for the year		-	193.30	-	193.30
Other comprehensive income		-	-	0.76	0.76
Balance at 31 March 2021		21.91	(479.90)	0.68	(457.31)
Profit for the year		-	419.21	-	419.21
Other comprehensive income		-	-	0.65	0.65
Change on account of Scheme of Arrangement:	32			-	-
- Security Premium from the Business Combination		93.82			93.82
- Retained earnings from the Business Combination			(85.17)		(85.17)
- Amalgamation Adjustment Deficit Account			(8.58)		(8.58)
Balance at 31 March 2022		115.73	(154.44)	1.33	(37.38)

See accompanying notes to the financial statements

As per our report attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Kumar Agarwal
Partner
Membership No: 214198

Place: Hyderabad
Date: September 29, 2022

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

Y Venkateswarlu
Partner
Membership No: 222068

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
CIN : U65999TG2011PLC074795

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
Membership No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer

Place: Hyderabad
Date: September 29, 2022

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
CIN : U65999TG2011PLC074795

Statement of cash flows for the year ended 31st March 2022

Particulars		For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities			
Profit before tax		511.78	181.98
Adjustments for :			
Depreciation and amortization expense		20.97	20.46
Interest expense		66.88	73.73
Interest expense on lease liabilities		3.00	3.37
Liabilities no longer required written back		(1.17)	-
Provision for doubtful receivables		14.66	6.22
Interest income		(1.32)	(2.93)
Operating profit before working capital changes		614.80	282.83
Change in assets and liabilities			
(Increase) /Decrease in trade receivables		(217.36)	(73.82)
(Increase)/Decrease in inventories		1.57	(2.46)
(Increase) / Decrease in loans and other financial assets		(3.17)	(0.31)
(Increase)/Decrease in other assets		(49.25)	(55.37)
Increase / (Decrease) in trade payables and other financial liabilities		(83.69)	31.37
Increase / (Decrease) in provision		2.46	1.86
Increase/ (Decrease) in other liabilities		(4.63)	(115.84)
Cash generated from operations		260.73	68.26
Income taxes paid, (net of refund)		(59.92)	(34.12)
Net cash inflow from operating activities	A	200.81	34.14
B. Cash flows from investing activities			
Purchase of Property, Plant and Equipment and intangible assets		(54.34)	(9.84)
Capital advance for property purchase		(21.38)	-
Deposits placed having original maturity of more than 3 months, net		(24.00)	(2.89)
Interest received		1.03	2.67
Net cash used in investing activities	B	(98.69)	(10.06)
C. Cash flow from financing activities			
Proceeds from long term borrowings		250.24	6.85
Repayment of long term borrowings		(335.96)	(14.68)
Payment of lease liabilities		(11.15)	(10.14)
Proceeds from/(repayment) of short term borrowings (net)		4.67	-
Interest paid		(30.70)	(38.86)
Net cash used in financing activities	C	(122.90)	(56.83)
Net increase/(decrease) in cash and cash equivalents	A+B+C	(20.78)	(32.75)
Cash and cash equivalents at the beginning of the year		27.89	60.64
Cash and cash equivalents at end of the year		7.11	27.89

See accompanying notes to the financial statements

As per our report attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Kumar Agarwal
Partner
Membership No: 214198

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
CIN : U65999TG2011PLC074795

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
Membership No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer

Place: Hyderabad
Date: September 29, 2022

Place: Hyderabad
Date: September 29, 2022

1 Corporate Information

Zaggle Prepaid Ocean Services Limited (formerly known as a Zaggle Prepaid Ocean Services Private Limited) ('the Company' / 'Zaggle') is a B2B2C Fintech SaaS company, which is a leading player in spend management, with a differentiated value proposition and diversified user base. The company offers a diversified portfolio of SaaS, including tax and payroll software.

The Company has been incorporated on June 2, 2011, under the provisions of the Companies Act, 1956, then applicable in India . The registered office of the company is located at 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Telangana -500081.

The Company was converted into a public limited company under the Companies Act, 2013 on August 22, 2022 and consequently, the name was changed to "Zaggle Prepaid Ocean Services Limited".

2.1 Basis of preparation and measurement

(i) Statement of compliance & Basis for preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the 'Act'), the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.
The financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

The financial statements up to and for the year ended March 31, 2021 were prepared in accordance with accounting standards referred to in paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) notified under section 133 of the Act and other relevant provisions of the Act.
As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance is provided in Note 43.

The financial statements were approved by the Board of Directors and authorised for issue on September 29, 2022.

(ii) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in Indian rupees have been rounded-off to two decimal places to the nearest million except share data or as otherwise stated.

(iii) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities : Measured at fair value
- Borrowings : Amortised cost using effective interest rate method
- Net defined benefit (asset)/ liability : Present value of defined benefit obligations less fair value of plan assets

(iv) Use of estimates and judgements

The preparation of the financial statements is in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application policies and reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the year in which the changes are made and, if material, such effects are disclosed in the notes to financial statements.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 3, 4 and 5 - determining an asset's expected useful life and the expected residual value at the end of its life.
- Note 11 - impairment of financial assets;
- Notes 28 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 34 - measurement of defined benefit obligations: key actuarial assumptions;

(v) Measurement of fair values

Accounting polices and disclosures require measurement of fair value for financial assets and financial liabilities.

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 35 - Financial instruments

(vi) Current and non-current classification:

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as a current when it is:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is expected to be realised within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non current.

Liabilities

A liability is classified as a current when:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is due to be settled within twelve months from the reporting date;
- it is held primarily for the purposes of being traded;
- the Company does not have an unconditional right to defer settlement of liability for atleast twelve months from the reporting date.

All other liabilities are classified as non-current.

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

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and realisation in cash or cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.2 Summary of significant accounting policies

A. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer net of variable consideration (e.g. discounts), taxes and amount collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to a customer. The amount of revenue recognized is at an amount that reflects the consideration to which the Company expect to be entitled to in exchange for the product or service. Revenue is only recognized to the extent that is highly probable that a significant reversal will not occur.

***i)* Program fees:**

The Company acts as Program Manager and Business Correspondent to the Partner Banks for the Co-branded Prepaid Card Instruments. The Co-branded Cards are operated under various schemes (Such as Kuber, Zinger etc.). Program fees mainly includes revenue from Interchange (including residual income) earned from partner banks and excludes amounts collected on behalf of partner banks. Interchange revenue is recognised as per the terms of the arrangement with partner banks, at the point in time, basis the information shared by the banks to the company post settlement with network partners. The Incentives / Cash back, as an when incurred by the company towards the co-branded prepaid card instruments has been considered as a distinct goods or services and accordingly recorded as an expense.

Banks and corporates are considered as customers of the Company. Any amounts receivable from the customers on account of normal course of business is classified as trade receivable. Further advance received from customers against which cards are yet to be activated is disclosed as liability under advances from customers.

***ii)* Propel platform revenue / Gift cards:**

Propel platform revenue from monetisation of platform is recognised on the basis of terms of the agreement with the respective customers.

The Company recognises revenue on completion of the Company performance obligation being met on redemption of propel points against catalogue of gift cards / vouchers.

The Company acts as a principal and accordingly consideration for the supplies is recognized on gross basis with corresponding cost of supplies being recorded as an expense. Revenue on sale of gift cards / vouchers is recognized only to the extent the Company's performance obligation is met, at the point in time on transfer of the control of the respective gift cards / vouchers to the customers.

***iii)* Fees income/SaaS income:**

The company earns fees income/SaaS income/service fees income from various activities including user fees, platform fees, customization fees etc. The fee income is recognised when the control in services have been transferred by the Company i.e., as and when services have been provided by the Company and the Company's performance obligation is met. This fee is recognised as income in accordance with the terms of the arrangement with the respective customers.

***iv)* Interest income:**

Interest income is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head 'other income' in the statement of profit and loss.

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B. Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.

C. Financial instruments

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

i) Initial Recognition and measurement

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii) Classification and subsequent measurement

Financial assets

All financial assets except Trade receivables are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement: For the purpose of subsequent measurement, financial assets are categorised as under:
- Amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) - equity investment; or
- Fair Value through Profit or Loss (FVTPL)

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

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

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss.

iii) Derecognition

Financial assets

A Financial asset is primarily derecognised when the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv) Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently and legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

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D. Property, plant and equipment

i) Recognition and measurement

Property, Plant and Equipment ('PPE') are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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 statement of profit or loss during the reporting period in which they are incurred. If an item of property, plant and equipment is purchased with deferred credit period from supplier, such asset is recorded at its cash price equivalent value.

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 recognized as at 1 April 2020 measured as per the Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

ii) Depreciation

Depreciation is provided using the Straight-line Method over the useful lives of the assets as estimated by the Management. Depreciation on additions and deletions are restricted to the period of use. Depreciation is charged to statement of profit and loss.

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

The Company, based on technical assessment and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Act. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Company has estimated the following useful lives to provide depreciation on its property, plant and equipment:

Asset category	Management estimate of useful life & Useful life as per Schedule II
Furniture and fixtures	10 years
Office equipment	5 years
Computers	3 years
Vehicles	8 years

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 or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the statement of profit and loss.

Depreciation method, useful lives and residual values are reviewed at each period end and adjusted if appropriate

E. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally developed intangibles are capitalized to the extent of direct cost related to the development of the respective intangible assets which mainly includes manpower cost. Intangible assets are amortized over the useful economic life assessed which ranges from 3-5 years and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Asset category	Management estimate of useful life
R & R Software	3 - 4 years
Mobile Application	3 years
Software	3 - 5 years
Trademarks	5 years
Expense Management	4 - 5 years

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2020 measured as per the Indian GAAP and use that carrying value as the deemed cost of the intangible assets.

F. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handing costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs necessary to make the sale.

Hyderabad

Chartered Accountants

MSKA & ASSOCIATES Hyderabad Chartered Accountants

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G. Impairment of assets

i) Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost and trade receivables. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

The Company applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables

ii. Financial assets measured at amortised cost (other than trade receivables)

iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate.

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

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

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H. Employee benefits

(a) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services upto the end of the reporting period and are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme and other funds. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

(ii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by a qualified actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Compensated Absences: The company has no policy of accumulation of compensated absences.

I. Leases

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

Company as a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The Company used the following practical expedients when applying Ind AS 116 :
- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term and leases of low value.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Right of use asset:The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease Liability: The Company measures the lease liability at present value of the future lease payments at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate as at the commencement of lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

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J. Income-tax

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

(i) Current tax

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

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

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and

- temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

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

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

K. Provision, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised under finance costs. Expected future operating losses are not provided for. Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Contingent liabilities and contingent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

L. Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

If the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalisation, bonus issue or share split, or decreases as a result of a reverse share split, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the financial statements are approved for issue, the per share calculations for those and any prior period financial statements presented shall be based on the new number of shares.

M. Cash flow statement

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

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.

O. Events after reporting date

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

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Notes to the financial statements for the year ended March 31, 2022

P. Business Combination

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of an entity is calculated as the sum of the acquisition-date fair values of assets transferred and liabilities incurred. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values. Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred, the amount recognized for non-controlling interests and fair value of any previous interest held, over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net of identifiable assets acquired and liabilities assumed is in excess of the aggregate mentioned above, the resulting gain on bargain purchase is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities.

Q. Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 - Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 - Proceeds before intended use

The amendments mainly prohibit an entity, deducting from the cost of property, plant and equipment any amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant, and equipment in its financial statements.

Ind AS 37 - Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 - Annual Improvements to Ind AS (2021)

The amendment clarifies the term "fees paid net of fees received" for the purpose of performing the '10 percent test' for derecognition of financial liabilities, in determining the fees paid, the borrower includes amounts paid by the borrower to or on behalf of lender, and fees received include any amounts paid by the lender to or on behalf of borrower. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 - Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The Company does not expect the aforesaid amendments to have any significant impact on its financial statements.

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3 Property, plant and equipment

Description	Office Equipment	Furniture	Computers	Vehicle	Total
Cost as at April 1, 2020	0.19	0.11	2.15	-	2.45
Additions	0.09	-	0.22	9.03	9.34
Disposals	-	-	-	-	-
Cost as at March 31, 2021	0.28	0.11	2.37	9.03	11.79
Additions	0.23	0.81	11.57	-	12.61
Disposals	-	-	-	-	-
Cost as at March 31, 2022	0.51	0.92	13.94	9.03	24.40
Accumulated depreciation as at April 1, 2020	0.14	0.03	1.14	-	1.31
Depreciation for the year	-	0.01	0.70	0.26	0.97
Disposals/adjustments	-	-	-	-	-
Accumulated depreciation as at March 31, 2021	0.14	0.04	1.84	0.26	2.28
Depreciation for the year	0.05	0.03	1.67	0.60	2.35
Disposals/adjustments	-	-	-	-	-
Accumulated depreciation as at March 31, 2022	0.19	0.07	3.51	0.86	4.63

Net carrying amount as at April 1, 2020	0.05	0.08	1.01	-	1.14
Net carrying amount as at March 31, 2021	0.14	0.07	0.53	8.77	9.51
Net carrying amount as at March 31, 2022	0.32	0.85	10.43	8.17	19.77

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4 Right of use assets and Lease Liabilities

The Company has lease contracts for various items of building for corporate office, operations and technical teams. Leases of building generally have lease terms between 1 and 10 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2020 and applied the standard to its leases, under modified retrospective transition method.

The Company has elected not to apply the requirements of Ind AS 116 "Leases" to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term except inflation adjustment.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

(i) Movement in Right of use assets and Lease liabilities is given below:

a. Right of Use Assets

Description	Right of use assets (Buildings)
Cost as at April 1, 2020	-
Due to transition to Ind AS 116 on April 1, 2020	45.65
Additions	-
Disposals	-
Cost as at March 31, 2021	45.65
Additions	27.61
Disposals	-
Cost as at March 31, 2022	73.26
Accumulated depreciation as at April 1, 2020	-
Depreciation for the year	8.90
Disposals	-
Accumulated depreciation as at March 31, 2021	8.90
Depreciation for the year	9.21
Disposals	-
Accumulated depreciation as at March 31, 2022	18.11
Net carrying amount as at April 1, 2020	45.65
Net carrying amount as at March 31, 2021	36.75
Net carrying amount as at March 31, 2022	55.15

b. Lease Liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the year :

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Opening balance	39.74	46.51	
Due to transition to Ind AS 116 on April 1, 2020		-	46.51
Additions during the year	26.80	-	-
Disposal during the year	-	-	-
Accretion of interest	3.00	3.37	-
Payment of lease liabilities	(11.15)	(10.14)	-
Closing balance	58.39	39.74	46.51
Less: Current Lease liabilities	7.35	7.85	10.14
Non Current Lease liabilities	51.04	31.89	36.37

(ii) Payments recognised as expenses and income:

Particulars	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Short term leases and low value assets (Refer Note 27)	1.20	0.74
	1.20	0.74

(iii) Contractual maturities of lease liabilities on undiscounted basis as at:

Particulars	31-Mar-2022	31-Mar-2021	1 April 2020
Less than one year	11.59	10.65	10.14
One to five years	46.26	26.78	30.59
More than five years	5.66	12.85	19.68
	63.51	50.28	60.41

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5 a. Intangible Assets

Description	R&R software	Mobile application	Software	Trade Mark	Expense Management	Total
Cost as at April 1, 2020	9.93	18.12	3.90	0.02	31.20	63.17
Additions	-	-	-	-	0.50	0.50
Disposals	-	-	-	-	-	-
Cost as at March 31, 2021	9.93	18.12	3.90	0.02	31.70	63.67
Additions	10.00	-	-	1.73	15.00	26.73
Disposals	-	-	-	-	-	-
Cost as at March 31, 2022	19.93	18.12	3.90	1.75	46.70	90.40
Accumulated depreciation as at April 1, 2020	9.53	16.58	-	-	-	26.11
Depreciation for the year	0.40	1.54	0.83	-	7.82	10.59
Disposals/adjustments	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2021	9.93	18.12	0.83	-	7.82	36.70
Depreciation for the year	0.21	-	0.77	0.21	8.22	9.41
Disposals/adjustments	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2022	10.14	18.12	1.60	0.21	16.04	46.11
Net carrying amount as at April 1, 2020	0.40	1.54	3.90	0.02	31.20	37.06
Net carrying amount as at March 31, 2021	-	-	3.07	0.02	23.88	26.97
Net carrying amount as at March 31, 2022	9.79	-	2.30	1.54	30.66	44.29

b. Intangible Asset under development

Particulars	31-Mar-22	31-Mar-21	01-Apr-20
Zoyer Application under development	15.00	-	-

Ageing - Intangible Asset under development

Project in progress	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at April 1, 2020	-	-	-	-	-
As at March 31, 2021	-	-	-	-	-
As at March 31, 2022	15.00	-	-	-	15.00

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(All amounts are Rs. in Millions, unless stated otherwise)

6 Other financial assets (at amortised cost)
(Unsecured considered good)

	31 March 2022	31 March 2021	1 April 2020
Non-current			
Security deposits	6.02	4.05	3.46
Other deposits	1.28	0.08	0.98
	7.30	**4.13**	**4.44**

7 Other non-current assets

	31 March 2022	31 March 2021	1 April 2020
(Unsecured, Considered good)			
a. Capital advance for property purchase	21.38	-	-
(Unsecured, Considered doubtful)			
b. Advance towards purchase of equity	-	40.87	40.87
Less : Provisison for impairment of other asset	-	(40.87)	(40.87)
	21.38	**-**	**-**

8 Non-Current :Income tax assets, Net

	31 March 2022	31 March 2021	1 April 2020
Prepaid taxes / Advance tax	134.38	74.70	39.96
Provision for tax	(10.79)	-	-
	123.59	**74.70**	**39.96**

9 Deferred tax assets (net)

	31 March 2022	31 March 2021	1 April 2020
Depreciation/amortisation of Property, plant and equipment	1.19	(0.08)	1.26
Provision for employee benefits	1.50	1.85	1.24
Provision for doubtful receivables/ECL	18.57	105.70	104.13
Right of use assets (net of lease liability)	0.75	0.82	0.22
Others	2.58	(1.41)	(11.29)
	24.59	**106.88**	**95.56**

Deferred tax asset on timing differences on account of brought forward losses and unabsorbed depreciation have not been recognised as at the reporting date in the absence of reasonable certainity of future taxable profits.

10 Inventories
(Valued at lower of cost or net realisable value)

	31 March 2022	31 March 2021	1 April 2020
Card Inventory	1.12	2.69	0.23
	1.12	**2.69**	**0.23**

11 Trade receivables

	31 March 2022	31 March 2021	1 April 2020
Trade receivables			
Unsecured,			
-Considered good (refer note below)	429.51	226.81	159.21
-Credit Impaired	73.79	359.05	352.83
	503.30	**585.86**	**512.04**
Less-Allowance for Expected Credit Loss on above (refer note (b) below)	(73.79)	(359.05)	(352.83)
	429.51	**226.81**	**159.21**

No trade or other receivable are due from directors or other officers of the company.
Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

a. Trade Receivables ageing schedule:
As at 31 March 2022

	Unbilled Dues	Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	Morethan 3 years	
(i) Undisputed Trade receivables - considered good		413.75	14.94	0.82	-	-	-	429.51
(ii) Undisputed Trade Receivables - which have significant increase in credit risk		-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired		-	1.87	5.19	-	-	66.73	73.79
(iv) Disputed Trade Receivables- considered good		-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk		-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired		-	-	-	-	-	-	-

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As at 31 March 2021

Particulars	Unbilled Dues	Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	Morethan 3 years	
(i) Undisputed Trade receivables - considered good		208.63	7.95	8.79	0.62	-	0.82	226.81
(ii) Undisputed Trade Receivables - which have significant increase in credit risk		-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired		-	-	-	-	-	359.05	359.05
(iv) Disputed Trade Receivables- considered good		-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk		-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired		-	-	-	-	-	-	-

As at 1 April 2020

Particulars	Unbilled Dues	Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	Morethan 3 years	
(i) Undisputed Trade receivables - considered good		17.16	83.08	55.94	2.20	0.83	-	159.21
(ii) Undisputed Trade Receivables - which have significant increase in credit risk		-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired		-	-	-	-	-	352.83	352.83
(iv) Disputed Trade Receivables- considered good		-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk		-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired		-	-	-	-	-	-	-

b. Allowance for credit losses	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Opening balance	359.05	352.83	352.83
Credit loss added	14.66	6.22	-
Written off during the year	(299.92)	-	-
Closing balance	73.79	359.05	352.83

12 Cash and Bank Balances

	31 March 2022	31 March 2021	1 April 2020
(a) Cash and cash equivalents			
Cash on hand	0.24	0.11	0.03
Balances with banks (Refer note (a) below)			
- in current accounts	6.87	27.78	60.61
	7.11	27.89	60.64
(b) Other bank balances :			
- deposits with remaining maturity less than 12 months			
- Margin Deposits	9.00	-	-
- Deposits under Lien	20.00	5.00	-
- balances with escrow accounts	-	-	2.11
	29.00	5.00	2.11
	36.11	32.89	62.75

Note :
a) The Company is a program manager for various programs of the banks for its prepaid cards and accordingly banks maintain the pool accounts for these prepaid card program where funds are held. These accounts are opened primarily for settlement and collection activities with respect to operations facilitated by the Company.
Accordingly, the following accounting treatment has been given in these financial statements.
As at March 31, 2022, the balance in the aforesaid bank accounts aggregating to Rs. 1257.57 Mn (March 31, 2021: Rs. 2763.60 Mn and April 1, 2020: Rs. 196.75 Mn) are not included in ' Balance with Banks ' above as these are not owned or contractually available for use by the Company and set aside for settlement of usage by the Company's pre-paid card customers.

13 Other current assets

	31 March 2022	31 March 2021	1 April 2020
Advance to suppliers	50.33	3.67	1.97
Advances to employees	0.48	0.66	0.12
Prepaid Cards with loading	94.10	63.08	40.91
Balance with governement authorities	-	29.37	-
Others	3.81	22.70	21.11
Less : Provision for impairment of balances	-	(20.01)	(20.01)
	148.72	99.47	44.10

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14 **Equity Share capital**

Authorized share capital *	31 March 2022	31 March 2021	1 April 2020
51,03,785 (March 31, 2021: 20,00,000 and April 1, 2020: 20,00,000) Equity Shares of Rs. 10 Each	51.04	20.00	20.00
Issued, subscribed and paid up *			
1,80,000 (March 31, 2021: 1,80,000 and April 1, 2020: 1,80,000) Equity Shares of Rs.10 Each	1.80	1.80	1.80
	1.80	1.80	1.80

* refer note 40 subsequent events - on shares split and bonus issue.

i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	31 March 2022		31 March 2021		1 April 2020	
	No. of Shares	Amount in Rs. Million	No. of Shares	Amount in Rs. Million	No. of Shares	Amount in Rs. Million
Outstanding at the beginning of the year	1,80,000	1.80	1,80,000	1.80	1,80,000	1.80
Add: Issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	1,80,000	1.80	1,80,000	1.80	1,80,000	1.80

ii) Rights, preferences and restrictions attached to equity shares of Rs. 10 each, fully paid up:

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii) Shares held by shareholders holding more than 5% in the Company as at:

Name of Shareholder	31 March 2022		31 March 2021		1 April 2020	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Raj P Narayanam	93,500	51.94%	93,500	51.94%	93,500	51.94%
Ventureast Proactive Fund LLC	11,510	6.39%	11,510	6.39%	11,510	6.39%
Avinash Ramesh Godkhindi	18,000	10.00%	18,000	10.00%	18,000	10.00%
Zuzu Software Services Pvt Ltd	35,896	19.94%	30,656	17.03%	30,656	17.03%

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

iv) Shareholding of promoters

Name of promoter	31 March 2022		31 March 2021		1 April 2020	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Raj P Narayanam	93,500	51.94%	93,500	51.94%	93,500	51.94%
Avinash Ramesh Godkhindi	18,000	10.00%	18,000	10.00%	18,000	10.00%

15 **Other equity**

	31 March 2022	31 March 2021	1 April 2020
Securities premium account (refer note i)	115.73	21.91	21.91
Retained earnings (refer note ii)	(154.44)	(479.90)	(673.20)
Other comprehensive income (refer note iii)	1.33	0.68	(0.08)
Total other equity	**(37.38)**	**(457.31)**	**(651.37)**

i) Securities premium account

Balance at the beginning of the year	21.91	21.91	21.91
Add : Scheme of Arrangement (Refer Note 32)			
- Security premium from business combination	93.82	-	-
Balance at the end of the year	**115.73**	**21.91**	**21.91**

ii) Retained earnings

Balance at the beginning of the year	(479.90)	(673.20)	(715.74)
Add: Adjustments on account of transition to Ind AS	-	-	42.54
Add: Profit for the year	419.21	193.30	-
Add : Scheme of Arrangement (Refer Note 32)			
- Retained Earnings from business combination	(85.17)	-	-
- Amalgamation Adjustment Deficit Account	(8.58)	-	-
Balance at the end of the year	**(154.44)**	**(479.90)**	**(673.20)**

iii) Other comprehensive income (OCI)

Other items of OCI

Remeasurement of defined benefit obligations (liability net of tax)			
Balance at the beginning of the year	0.68	(0.08)	-
Add: Adjustments on account of transition to Ind AS	-	-	(0.08)
Add: Changes during the year	0.65	0.76	-
Balance at the end of the year	**1.33**	**0.68**	**(0.08)**

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16 **Long Term Borrowings (at amortised cost)**

	31 March 2022	31 March 2021	1 April 2020
Secured			
Non-Cumulative Redeemable Optionally Convertible Debentures (refer note (i))	-	280.00	280.00
Term loans			
- from Bank (refer note (ii))	237.58	-	-
- from Vehicle loans (refer note (iv))	5.57	6.85	-
Property Loan			
- from Bank (refer note (iii))	12.66	-	-
Unsecured			
Unsecured loans from financial institution (refer note (v))	-	36.55	63.53
Loan from Director (refer note (v))	-	13.12	14.52
Deferred Payables (refer note (vi))	384.24	354.32	305.75
Less : Current maturities of long term borrowings (refer note: 17)	(156.78)	(313.92)	(29.84)
Total	483.27	376.92	633.96

Details of terms and security in respect of the long-term borrowings:

i. Non-Cumulative Redeemable Optionally Convertible Debentures:

Non-Cumulative Redeemable Optionally Convertible Debentures (OCDs) amounting to Rs. Nil (March 31, 2021 and April 1, 2020: Rs.280.00 Mn) represents 2,500 No. of Series I and 300 No. of Series II OCDs with a face value of Rs. 1,00,000/- each carrying interest of 11% P.a and are redeemable in 5 years. OCDs are convertible into equity shares at market value in future date at the option of the issuer. These OCDs are secured by First and exclusive charge on present and future movable and unencumbered immovable assets of the company, personal guarantee of promoters and pledge over the equity shares aggregating to 51% of the paid up equity share capital of the company held by the promotors. OCDs are fully repaid during the year 2021-22.

ii. Term Loan from Bank:

Term loan taken during the year from bank amounting to Rs. 237.58 Mn carries interest of Repo rate + 3.5% (presently 7.5% p.a.) and is repayable in 60 monthly instalments of Rs. 4.17 Mn each excluding interest beginning from January 2022. The Term loan along with Overdraft facility as below are jointly secured by way of exclusive charges on the current assets of the company including trade receivables and inventories. The loans are collaterally secured by way of exclusive charge on the immovable properties being commercial property and Residential property, both, belonging to other body corporate. The loans are further secured by way of Corporate Guarantee extended by the said body corporate.

iii. Property Loan:

Property loan taken during the from bank amounting to Rs. 12.66 Mn carries interest @ 6.9% and is repayable in 180 equated monthly installments of Rs. 0.12 Mn each beginning from August 2021. The loan is secured by way of mortgage of property, which is yet to be registered in the name of the company. Advance given for purchase of property is grouped under non current assets (Refer note 7).

iv. Vehicle Loans

Vehicle loans from bank amounting to Rs. 5.57 Mn (March 31, 2021: Rs. 6.85 Mn, April 1, 2020: Nil) carry interest rate of 7.8% to 8.25% p.a and are repayable in 60 equated monthly installments .The said loans are secured by way of hypothecation of vehicles purchased.

v. Unsecured Loans

1. Unsecured loans from financial institutions amounting to Rs. Nil (March 31, 2021: Rs. 36.55 Mn and April 1, 2020: Rs. 63.53 Mn) carry interest rate ranging from 12% to 14% and is repayble in 36 installments
2. Loan from director is amounting to Rs. Nil (March 31, 2021: Rs. 13.12 Mn and April 1, 2020: Rs.14.52 Mn) interest free and is repayable on demand.

Both unsecured loans from financial institutions and directors are fully settled during the year 2021-22.

vi. Deferred payables:

Deferred payables amounting to Rs. 384.24 Mn (March 31, 2021: Rs. 354.32 Mn and April 1, 2020: Rs. 305.75 Mn) are repayable in five instalments starting with March 2022 and ending in December 2023 and carries interest rate of 11% p.a. which is payable along with last instalment. As at the year end, four of such instalments are pending.

vii. The company has utilised the loans borrowed during the year for the purpose for which it is obtained as mentioned in the borrowing agreements.
viii. The company is not declared as a willful defaulter.

17 **Short-term borrowings**

	31 March 2022	31 March 2021	1 April 2020
Secured			
Overdraft from bank (refer below note)	4.67	-	-
Current maturities of long term borrowings (refer note : 16)	156.78	313.92	29.84
	161.45	313.92	29.84

Details of terms and security in respect of the short-term borrowings:

Overdraft Facility taken during the year from ICICI bank amounting to Rs. 4.67 Mn carries interest of Repo rate + 3.5% (presently 7.5% p.a.) and is repayable on demand. The Overdraft facility along with term loan as above are jointly secured by way of exclusive charge on the current assets of the company including trade receivables and inventories.The loans are collaterally secured by way of exclusive charge on the immovable properties being commercial property and Residential property, both, belonging to other body corporate. The loans are further secured by way of Corporate Guarantee extended by the said body corporate.

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18 Trade payables

	31 March 2022	31 March 2021	1 April 2020
Trade payables			
- Total outstanding dues of micro and small enterprises (refer note : 33)	7.77	0.08	0.09
- Total outstanding dues of creditors other than micro and small enterprises	99.58	190.96	159.58
	107.35	191.04	159.67

Trade payables are non-interest bearing and are normally settled in 30-90 days terms.

Trade payables ageing schedule
As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	Morethan 3 years	Total
(i) MSME	7.77	-	-	-	7.77
(ii) Others	97.88	0.80	0.88	0.02	99.58
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
(v) Unbilled dues					-
	105.65	0.80	0.88	0.02	107.35

Trade payables ageing schedule
As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	Morethan 3 years	Total
(i) MSME	0.08	-	-	-	0.08
(ii) Others	189.55	1.30	0.08	0.03	190.96
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-
	189.63	1.30	0.08	0.03	191.04

Trade payables ageing schedule
As at 1 April 2020

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	Morethan 3 years	Total
(i) MSME	0.09	-	-	-	0.09
(ii) Others	151.02	0.83	7.73	-	159.58
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-
	151.11	0.83	7.73	-	159.67

19 Other Current liabilities

	31 March 2022	31 March 2021	1 April 2020
Advances received from customers	109.85	109.70	122.01
Client redemption liability	5.44	3.37	102.30
Statutory Liabilities	18.62	29.62	21.37
Others	10.38	6.23	19.08
	144.29	148.92	264.76

20 Provisions

	31 March 2022	31 March 2021	1 April 2020
Provision for employee benefits			
Provision for Gratuity (Refer Note 34)			
Non-Current	7.22	5.66	4.84
Current	0.14	0.11	0.09
	7.36	5.77	4.93

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21 Revenue from operations	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from contracts with customers (Refer Note 38)		
Program fee	2,007.03	1,954.89
Propel platform revenue / Gift Cards	1,539.22	315.54
Platform fee / SaaS fee / Service fee	166.30	129.23
	3,712.55	2,399.66

22 Other income	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on bank deposits	0.87	0.22
Interest on IT refund	0.16	2.45
Liabilities no longer required written back	1.17	-
Interest on Security Deposit - at amortised cost.	0.29	0.26
Miscellaneous Income	1.60	0.34
	4.09	3.27

23 Consumption of Cards	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening stock of cards	2.69	0.50
Purchase of cards	18.74	17.31
Less : Inventory written off	(2.68)	-
Less : Closing stock of cards	(0.97)	(2.69)
	17.78	15.12

24 Employee benefits expense	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages & bonus	143.61	117.21
Contribution to provident and other funds	3.41	2.33
Staff welfare	4.82	3.21
Gratuity	2.46	1.85
	154.30	124.60

25 Finance costs	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on loans	30.70	38.86
Amorised Cost on Deferrred Payables	34.93	34.87
Interest on Lease Liability	3.00	3.37
Fair value of corporate guarantee (refer note 16)	1.25	-
	69.88	77.10

26 Depreciation and amortisation expense	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of tangible assets	2.35	0.97
Amortization of intangible assets	9.41	10.59
Amortization of right-to-use assets	9.21	8.90
	20.97	20.46

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27 Other expenses	For the year ended 31 March 2022	For the year ended 31 March 2021
Call center & software support charges	102.32	123.80
Office rent	1.20	0.74
Electricity expenses	1.64	1.67
Repairs & maintanance	1.94	1.20
Provision for doubtful debts (refer note (i) below)	14.66	6.22
Office maintenance	5.46	2.53
Rates & taxes	0.35	3.45
Network charges	6.22	19.59
Legal & professional consultancy charges	47.57	20.15
Advertisement & Business Promotion	129.67	114.11
Incentive / Cash Back	1,176.43	1,380.31
Courier charges	4.01	3.80
Telephone expenses	1.19	1.44
Traveling expenses	3.49	0.28
Payments to Auditors (refer note (ii) below)	2.35	0.35
Bank charges	0.85	0.04
Inventory written off	2.68	-
Miscellaneous expenses	4.82	7.32
	1,506.85	1,687.00

Note (i) Movement in Provision for Expected credit loss :

Allowance for credit losses (refer note 35)	As at 31 March 2022	As at 31 March 2021
Opening balance	359.05	352.83
Credit loss added	14.66	6.22
Written off during the year	(299.92)	-
Closing balance	73.79	359.05

Note (ii) Payments to auditors :

The following is the break-up of Auditors remuneration (exclusive of indirect taxes)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
As auditor		
- Statutory audit	2.25	0.25
In other capacity		
-Tax audit and Other matters	0.10	0.10
	2.35	0.35

Note (iii) Details of Corporate social responsibility expenditure :

Though the provisions of section 135 read with Schedule VII of the Companies Act, 2013 along with applicable rules thereon with regard to Corporate Social Responsibility (CSR) are applicable to the Company, the company does not have any requisite amount to be spent under the aforesaid section based on the calculation specified therein. Hence, the disclosure with regard to CSR as per Schedule III of the Act is not presented.

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28 Contingent liabilities and commitments

(a) Contingent Liabilities

Particulars	31 March 2022	31 March 2021	1 April 2020
Disputed Service Tax *	272.04	272.04	272.04

* During the year 2019-20, the company has received a show cause notice towards Service tax amounting to Rs. 272.04 Mn on the face value of sale of its prepaid cards/ Gift vouchers etc. The management is of the strong view that there cannot be any tax liability whatsoever on the face value of prepaid cards/gift vouchers and hence the cliam of the department is not tenable and, accordingly, the company has filed appeals with the Commissioner of Central tax, Hyderabad against the aforsaid demand which is in the process of being heard and pending disposal.

The Company based on its legal assessment does not believe that any of the pending claims require a provision as at the balance sheet date, as the likelihood of the probability of an outflow of resources at this point of time is low.

(b) Capital Commitments

Particulars	31 March 2022	31 March 2021	1 April 2020
Unexecuted capital orders to the extent not provided for	-	-	-

29 Related party disclosures

(a) Names of related parties and related party relationship

Name of the Related Party	Nature of Relationship
Key Managerial Persons:	
Raj P Narayanam	Director - Executive Chairman
Avinash Ramesh Godkhindi	Managing Director & CEO
Vidya Niwas Khetawat	Chief Financial Officer [wef Dec 10, 2021, upto Aug 25, 2022]
Hari Priya	Company Secretary [wef Jan 18, 2022]
Venkata Aditya Kumar Grandhi	Chief Financial Officer [wef Aug 25, 2022]
Other Related Parties	
Magixo IRM Solutions Private Limited	Subsidiary [wef June 30, 2021 upto merger appointed dated Nov 1, 2021]
Vinita Raj Narayanam	Relative of Key Managerial Person

(b) Transactions with related parties

Particulars	31 March 2022	31 March 2021
(i) KMPs Remuneration:	19.64	16.20
Raj P Narayanam	10.20	10.20
Avinash Ramesh Godkhindi	7.06	6.00
Vidya Niwas Khetawat	1.54	-
Hari Priya	0.84	-
(ii) Purchase of Investment:		
Vinita Raj Narayanam	7.70	-

(c) Balance with with related parties

Particulars	31 March 2022	31 March 2021	1 April 2020
Loan from Raj P Narayanam	-	13.12	14.52
Managerial remuneration payable:			
Raj P Narayanam	-	0.84	0.70
Avinash Ramesh Godkhindi	-	0.26	0.50

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30 **Earnings per share (EPS)**

Basic earnings per share amounts is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share amounts is calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	31 March 2022	31 March 2021
Earnings		
Profit after tax for the year attributable to equity shareholders	419.21	193.30
Shares		
Original Number of Equity Shares (post share split) #	18,00,000	18,00,000
Add : Impact of Bonus Issue #	9,00,00,000	9,00,00,000
Weighted Average Number of Equity Shares		
For calculating Basic EPS	9,18,00,000	9,18,00,000
Effect of dilution:		
- On account of - OCDs *	-	-
Weighted average number of equity shares for Diluted EPS	9,18,00,000	9,18,00,000
Earnings Per Share		
(Face Value Rs. 1 per share) (post share split) #		
Basic (Rs.)	4.57	2.11
Diluted (Rs.)	4.57	2.11

Shareholders have approved the below at EGM held on July 26, 2022: (refer note 40)

a. Share split of one equity share having face value of Rs. 10 each into 10 shares of Rs. 1 each and

b. Issue of fully paid bonus shares of Rs.1 each in proportion of fifty equity shares for every one existing equity share by capitalizing security premium.

Accordingly, as an adjusting event, the earnings per share has been adjusted for subdivision of shares and bonus shares for the current and previous years presented in accordance with the requirements of Indian Accounting Standard (Ind AS) 33 - Earnings per share.

* OCD's not considered for diluted EPS for the year ended March 31, 2021, due to the fact that there is no fixed number of equity shares to be issued in the future or there is no contract to issue additional equity shares at no consideration. As per the terms, OCDs are convertible into equity shares at market value in future date at the option of the issuer. During the year, the same instruments were settled.

31 **Segment Reporting**

The Company's operating business are organised and managed according to nature of Products and services provide .This assessment resulted in identification of (a) Programe Fee (b) Platform Fee/Saas Fee/Service fee; (c) Propel platform revenue / Gift Cards as separate lines of business activities at Revenue level, by the Chief Operating Decesion Maker (CODM). However, since the compay does not allocate common operating costs, assets and liabilities across business activities, as per the assessment undertaken by CODM, the allocation resources and assessment of the financial performance is undertaken at the company level.

a. Segment wise revenue information:

Revenue from Customers	31 March 2022	31 March 2021
Program fee	2,007.03	1,954.89
Platform fee / SaaS fee / Service fee	166.30	129.23
Propel platform revenue / Gift Cards	1,539.22	315.54
Total	3,712.55	2,399.66

b. Geographical Segment information:

The company has whole revenues from customers domiciled in India.

Revenue from Customers	31 March 2022	31 March 2021
Within India	3,677.96	2,399.66
Outside India	34.59	-
Total	3,712.55	2,399.66

c. Information about major customers (from external customers)

During the year ended 31 March 2022 the Company has derived revenue from 2 customers (31 March 2021: 2) totalling to Rs. 1,877.38 (31 March 2021: Rs. 2,027.12) which amounts to 10% or more of its total revenue.

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32 Business Combination:

During the year 2021-22, the Company has acquired 100% stake in Magixo IRM Solutions Private Limited ("Magixo"), engaged in the business which is complementary/similar to the business of the company and later has became wholly owned subsidiary of the Company and under common control w.e.f. June 30, 2021. The Company to have combine synergies and for economies of scale, it has decided by Board Meeting dated November 15, 2021 to merge Magixo with the Company from the proposed appointed date i.e November 1, 2021.

Accordingly, the Company has entered into scheme of arrangement in the form of merger and vesting of Magixo w.e.f November 1, 2021 which was approved by Regional Director, South East Region, Ministry of Corporate Affairs on March 1, 2022.

The effect of such scheme of arrangements have been accounted under Pooling of Interest Method in the books of account of the Company in accordance with IND AS's as per which existing holding of Company in Magixo gets cancelled pursuant to scheme of arrangement.

Business combinations of entities under common control are accounted for, using the Pooling of Interest Method wherein all the assets and liabilities, of the Transferor Company are record at the respective book values thereof.
As per Appendix 3 of Ind AS 103 on Business Combination The value of investments held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to amalgamation and the surplus, if any, arising between the (i) carrying value of assets, liabilities and reserves pertaining to the Transferor Company and (ii) carrying value of investment in equity shares of Transferor Company in the books of Transferee Company shall be credited to capital reserve in the books of Transferee Company and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes. In case of deficit, the same would be adjusted against the revenue reserve of the transferee company in absence of any capital reserve and in case the transferee company has no reserves or has inadequate reserves, the debit will be to an account appropriately titled and be disclosed under Other Equity in the financial statements of the Transferee Company.

Accordingly, excess of Investment in Magixo over the net carrying value of assets, liabilities and reserves pertaining to Magixo is debited to Retained earnings of the Company as "Amalgamation Adjustment Deficit Account".

a. The book value of assets and liabilities as of November 1, 2021, recognized as follows:

Particulars	Amount (Rs. In Mn)
Other non-current assets	5.66
Inventories	0.15
Trade receivables	1.12
Cash and cash equivalents	0.27
Other current assets	6.14
Profit & loss account - Debit balance	85.17
Short term borrowings	(0.08)
Trade payables	(0.32)
Other current liabilities	(0.03)
Securities premium account	(93.82)
Net assets/(Liabilities) of Magixo	**4.26**

b. Adjustment to Retained Earnings on account of Amalgamation:

Net assets/(Liabilities) of Magixo (A)	4.26
Investment in equity shares of Magixo IRM Solutions Pvt Ltd (B)	12.84
Amalgamation Adjustment Deficit Account (refer note 15)	**(8.58)**

33 Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006"

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amount payable to such enterprises as at reporting date has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The company has not received any claim for interest from any supplier.

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
The amounts remaining unpaid to micro and small supplies as at end of the year			
- Principal	7.77	0.08	0.09
- Interest	-	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year ; and	-	-	-
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 Section 23 of the MSMED Act.	-	-	-
Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information requested by the management and responded by its vendors to the company.	-	-	-

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34. **Employee benefits**

a) **Defined Contribution Plan**

Provident Fund:

Contributions were made to provident fund and Employee State Insurance in India for the employees of the Company as per the regulations. These contributions are made to registered funds administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any other constructive obligation.

b) **Defined Benefit Plan**

Gratuity:

The Company provides Gratuity for employees in India as per the Payment of Gratuity Act, 1972. All employees are entitled to gratuity benefits on exit from service due to retirement, resignation or death.There is a vesting period of 5 years on exits due to retirement or resignation.
Gratuity payment formulae= Final salary (Basic+DA) * 0.576923077 * Past service duration.
There is a limit of Rs. 20,00,000 on the gratuity payable to an employee.
This defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The pesent value of the defined benefit obligation and the relevant current service cost are measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance sheet date.

c) **Amounts Recognised as Expense:**

i) **Defined Contribution Plan**

Employer's Contribution to Provident Fund amounting to Rs.3.41 mn (March 31, 2021 : Rs. 2.33 mn) has been included in Note 24 under Contribution to Provident and Other Funds.

ii) **Defined Benefit Plan**

Gratuity cost amounting to Rs.2.46 mn (March 31, 2021 : Rs.1.85 mn) has been included in Note 24 under gratuity.

d) Amounts recognised in the Financial statements as at year end for Gratuity provision are as under:

		31 March 2022	31 March 2021
i)	**Change in Present Value of Obligation**		
	Present value of the obligation at the beginning of the year	5.77	4.93
	Current Service Cost	2.07	1.52
	Interest Cost	0.39	0.34
	Actuarial (Gain)/Loss on Obligation- Due to Change in Financial Assumptions	-	-
	Actuarial (Gain) / Loss on Obligation- Due to Change in Demographic Assumptions	-	-
	Actuarial (Gain) / Loss on Obligation- Due to Experience Adjustments	(0.87)	(1.02)
	Benefits Paid	-	-
	Present value of the obligation at the end of the year	7.36	5.77
ii)	**Bifurcation of present value of Benefit obligation**		
	Current- Amount due within one year	0.14	0.11
	Non-current- Amount due after one year	7.22	5.66
	Total	7.36	5.77
iii)	**Expected benefit payments in future years**		
	Year 1	0.14	0.11
	Year 2	0.30	0.24
	Year 3	0.29	0.23
	Year 4	0.43	0.22
	Year 5	0.27	0.32
	Year 6 to Year 10	6.38	5.96
iv)	**Sensitivity Analysis**		
	Discount Rate - 1 percent increase	6.68	5.23
	Discount Rate - 1 percent decrease	8.15	6.39
	Salary Escalation Rate - 1 percent increase	8.16	6.40
	Salary Escalation Rate - 1 percent decrease	6.66	5.22
	Withdrawal Rate - 1 percent increase	7.47	5.81
	Withdrawal Rate - 1 percent decrease	7.24	5.73
v)	**Amounts Recognised in the Balance Sheet:**		
	Present value of Obligation at the end of the year	7.36	5.77
	Fair value of Plan Assets at the end of the year	-	-
	Net Liability recognised in the Balance Sheet	7.36	5.77
vi)	**Amounts Recognised in the Statement of Profit and Loss:**		
	Current Service Cost	2.07	1.52
	Net interest on net Defined Liability / (Asset)	0.39	0.33
	Expenses recognised in Statement of Profit and Loss	2.46	1.85
vii)	**Recognised in other comprehensive income for the year**		
	Actuarial (Gains) / Losses on Liability	(0.87)	(1.02)
	Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above	-	-
	Recognised in other comprehensive income	(0.87)	(1.02)
viii)	**Actuarial Assumptions**		
i)	Discount Rate Based on yields (as on valuation date) of Government Bonds with a tenure similar to the expected working lifetime of the employees.	6.80%	6.80%
ii)	Salary Escalation Rate based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market. This assumption has been determined in consultation with the company.	5.00%	5.00%
iii)	Retirement Age	58	58
iv)	Attrition Rate	5% to 1%	5% to 1%
v)	Mortality Rate	Indian assured lives mortality (2012-14) Ult.	Indian assured lives mortality (2012-14) Ult.

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35 Financial instruments

A. Financial instruments by category	Note No.	Fair value level	31-Mar-22	31-Mar-21	01-Apr-20
			Amortized Cost	Amortized Cost	Amortized Cost
Financial assets					
Non current					
Other financial assets	6	-	7.30	4.13	4.44
Current					
(i) Trade receivables	11	-	429.51	226.81	159.21
(ii) Cash and cash equivalents	12	-	7.11	27.89	60.64
(iii) Bank balances other than (ii) above	12	-	29.00	5.00	2.11
Total financial assets			472.92	263.83	226.40
Financial liabilities					
Non current					
(i) Borrowings	16		483.27	376.92	633.96
(ii) Lease liablities	4	-	51.04	31.89	36.37
Current					
(i) Borrowings	17	-	161.45	313.92	29.84
(ii) Current lease liablities	4	-	7.35	7.85	10.14
(iii) Trade payables	18	-	107.35	191.04	159.67
Total financial liabilities			810.46	921.62	869.98

Note: The Company has not disclosed the fair values for financial instruments such as short-term trade receivables or short-term trade payables because their carrying amounts are a reasonable approximation of fair values.

Note 1: For the purpose of above abbreviations, FVTOCI - Fair value through other comprehensive income; amortised cost - fair value through amortized cost.

Note 2: Other financial assets and liabilities relate to level 3 financial instruments where the carrying value reasonably approximates to their fair value.

B. Financial risk management

The Company activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, security deposits and bank deposits.	Ageing analysis. Credit score of customers/ entities.	Monitoring the credit limits of customers and obtaining security deposits
Liquidity risk	Borrowings	Cash flow forecasts managed by finance team under the overview of Senior Management.	Working capital management by Senior Management. The excess liquidity is channelised through bank deposits.

The Company risk management is carried out by the Senior Management under policies approved by the Board of Directors. The Board of Directors provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

Risk management framework

The board of directors have overall responsibility for the risk management framework. The board of directors are responsible for developing and monitoring the risk management policies. The board of directors monitors the compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company .

The risk management policies are to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

A. Credit risk

i. Credit risk management

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments. The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is controlled by analysing credit limits to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

ii. Provision for Expected credit loss

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to Rs. 73.79 million as on March 31, 2022 (Rs. 359.05 million as on March 31, 2021 and Rs. 352.83 million as on April 1, 2020). The movement in allowance for credit loss in respect of trade receivables during the year was as follows:

Allowance for credit losses	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Opening balance	359.05	352.83	352.83
Credit loss added	14.66	6.22	-
Written off during the year	(299.92)	-	-
Closing balance	73.79	359.05	352.83

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

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B. 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.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities:

As at 31st March 2022

Particulars	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Long-term borrowings (excluding current maturities)	483.27	-	449.42	8.81	458.23
Lease liabilities	58.39	11.59	46.26	5.66	63.51
Short-term borrowings	161.45	161.45		-	161.45
Trade payables	107.35	107.35		-	107.35
Other financial liabilities	-		-	-	-
Total	810.46	280.39	495.68	14.47	790.54

As at 31 March 2021

Particulars	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Long-term borrowings (excluding current maturities)	376.92		386.81	-	386.81
Lease liabilities	39.74	10.65	26.78	12.85	50.28
Short-term borrowings	313.92	313.92		-	313.92
Trade payables	191.04	191.04		-	191.04
Total	921.62	515.61	413.59	12.85	942.05

As at 1 April 2020

Particulars	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Long-term borrowings (excluding current maturities)	633.96		678.72	-	678.72
Lease liabilities	46.51	10.14	30.59	19.68	60.41
Short-term borrowings	29.84	29.84		-	29.84
Trade payables	159.67	159.67		-	159.67
Total	869.98	199.65	709.31	19.68	928.64

The company has secured loans from bank that contain loan covenants. A future breach of covenant may require the company to repay the loan earlier than indicated in the above table.

C. Market risk

(i) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Particulars	31 March 2022	31 March 2021	1 April 2020
Variable rate borrowings	237.58	36.55	63.53
Fixed rate borrowings	402.47	641.17	585.75

(ii) Sensitivity

Particulars	For the year 31 March 2022	For the year 31 March 2021	For the year 1 April 2020
Sensitivity			
1% increase in MCLR	(2.38)	(0.37)	(0.64)
1% decrease in MCLR	2.38	0.37	0.64

D. Currency risk

The company does not have material revenues/assets denominated in foreign exchange and hence company is not subject to foreign currency fluctuation.

36 Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the company defines as result from operating activities divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to equity shareholders.

The debt to adjusted capital ratio at the end of the reporting year was as follows:

	31-Mar-22	31-Mar-21	01-Apr-20
Total Debt (Refer note 16 and 17)	644.72	690.84	663.80
Less : cash and cash equivalents and bank balances	36.11	32.89	62.75
Adjusted net debt	608.61	657.95	601.05
Total equity	(35.58)	(455.51)	(649.57)
Adjusted net debt to adjusted equity ratio	(17.11)	(1.44)	(0.93)

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37 Income Taxes

Components of Income Tax Expense

		For the year 31 March 2022	For the year 31 March 2021
Tax expense recognised in the Statement of Profit and Loss			
A. Current Tax			
Current year		10.79	-
	Total	10.79	-
B. Deferred Tax			
Origination and reversal of temporary differences		81.78	(11.32)
	Total	81.78	(11.32)
	Total	92.57	(11.32)
C. Tax on Other Comprehensive Income			
Deferred tax			
Origination and reversal of temporary differences - OCI		(0.22)	(0.26)
	Total	(0.22)	(0.26)

Current tax assets / liabilities (net)

	For the year 31 March 2022	For the year 31 March 2021
D. Advance tax (net of provision for tax)	123.59	74.70
E. Provision for tax (net of advance payment of taxes)	-	-
	123.59	74.70

Deferred tax assets / liabilities (net)

	For the year 31 March 2022	For the year 31 March 2021
F. Deferred tax asset	25.44	109.50
G. Deferred tax liability	(0.85)	(2.62)
Deferred tax asset (net)	24.59	106.88

H. Reconciliation of tax expense and the Accounting Profit
The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year 31 March 2022	For the year 31 March 2021
Profit before income taxes	511.78	181.98
Indian statutory income tax rate	25.17%	25.17%
Expected Income Tax Expense	129.00	46.00
Tax effect of losses of earlier years set off against profits	(112.18)	(60.40)
Tax effect of expenditure disallowed under income tax	9.49	8.15
Others	66.26	(5.07)
Total income tax expense	92.57	(11.32)

Movement during the year ended 31 March 2021	As at 1 April 2020	Credit/(charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31 March 2021
Deferred tax assets/(liabilities)				
Depreciation/amortisation of Property, plant and equipment	1.26	(1.34)	-	(0.08)
Provision for employee benefits	1.24	0.87	(0.26)	1.85
Provision for doubtful receivables	104.13	1.57	-	105.70
Right of use assets (net of lease liability)	0.22	0.60	-	0.82
Unabsorbed depreciation and business losses *	-	-	-	-
Others	(11.29)	9.88	-	(1.41)
Total	95.56	11.58	(0.26)	106.88

Movement during the year ended 31 March 2022	As at 1 April 2021	Credit/(charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31 March 2022
Deferred tax assets/(liabilities)				
Depreciation/amortisation of Property, plant and equipment	(0.08)	1.27	-	1.19
Provision for employee benefits	1.85	(0.13)	(0.22)	1.50
Provision for doubtful receivables	105.70	(87.12)	-	18.57
Right of use assets (net of lease liability)	0.82	(0.07)	-	0.75
Unabsorbed depreciation and business losses *	-	-	-	-
Others	(1.41)	3.98	-	2.58
Total	106.88	(82.07)	(0.22)	24.59

* Deferred tax asset on timing differences on account of brought forward losses and unabsorbed depreciation have not been recognised as at the reporting date in the absence of reasonable certainity of future taxable profits.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

38 Revenue from contract with customers

Disaggregated revenue information
Set out below is the disaggreegation of the Company's revenue from contract with customers:

Particulars	For the year 31 March 2022	For the year 31 March 2021
Income from Platform and Gift cards	1,539.22	315.54
Income from Program Fee and SaaS fee	2,173.33	2,084.12
	3,712.55	2,399.66
With in India	3,677.96	2,399.66
Outside India	34.59	-

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	3,712.55	2,399.66
Timing of revenue recognition		
Services transferred over time	2,173.33	2,084.12
Goods transferred at a point of time	1,539.22	315.54
Total revenue from contracts with customers	3,712.55	2,399.66
Reconciliation of revenue recognised with the contracted price is as follows:		
Contract price	3,712.55	2,399.66
Less: Discounts and disallowances		
Total revenue from contracts with customers	3,712.55	2,399.66

Contract balances

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables	429.51	226.81
Contract assets	-	-
Contract liabilities	-	-

39 The Company did not have any long term contracts including derivative contracts for which there were any material foreseeble losses. The company does not have any unhedged foreign currency exposure as at 31 March 2022.

40 **Subsequent Events**

Subsequent events to the balance sheet are as follows:

1. The Company at the Extra ordinary General Meeting of shareholders held on April 21,2022, has approved the Proposed Issue of 1,152 Equity Shares on Private Placement basis at the issue price of Rs. 182,222/- having Face value of Rs. 10/- each. (i.e including Securities Premium @182,212).

Out of above Issue, 821 Equity Shares were subscribed and allotted in the months of May 2022 and June 2022 and the balance Unsubscribed portion of equity shares were cancelled.

2. Shareholders vide the Extra-ordinary general meeting dated July 27, 2022, have approved the following :

a. Increase in Authorized Share Capital of the Company from Rs. 51.04 Mn divided into 51,03,785 Equity Shares of Rs.10/- each to Rs. 120.00 Mn divided into 1,20,00,000 Equity Shares of Rs.10/- each, by creation of 68,96,215 Equity Shares of Rs.10/- each, ranking pari passu with the existing Equity Shares of the Company.

b. Sub-division of the Authorised Share Capital consisting of 1,20,00,000 equity shares of the Company having face value of Rs. 10 each into 12,00,00,000 equity shares of face value of Rs. 1 each w.e.f., July 27, 2022, without altering the aggregate amount of the same.

c. Further, the issued, subscribed and paid-up share capital consisting of 1,80,821 equity shares of the Company having face value of Rs. 10 each shall stand sub-divided into 18,08,210 equity shares having face value of Rs. 1 each w.e.f., July 27, 2022 without altering the aggregate amount of such capital and shall rank pari passu in all respects and carry the same rights as to the existing fully paid-up equity shares of Rs. 10 each of the Company.

d. Issue of fully paid bonus shares of Rs.1 each in proportion of fifty equity shares for every one existing equity share by capitalizing a sum of Rs. 90.41 Mn from the Securities Premium account available with the Company.

e. The Company proposed to carry on the business of designing, developing, operating, maintaining, and marketing, all kinds/forms of payment systems including issue of prepaid payment instruments, digital wallets (cards, UPI etc.), reward points solutions, Expense Management System, Spend Management System, Reward & Recognition System, Account Payable, Account Receivable, Business Finance Manager, API Integration, co-branded services, etc. as more particularly described in the new sub-clauses 4 and 5 in addition to the existing business as described in sub-clauses 1, 2 and 3 of the Objects Clause III (A) of the Memorandum of Association of the Company. The Company shall comply with the regulations/directions of the Reserve Bank of India and other authorities as and when the same are applicable.

3. Shareholders vide the Extra-ordinary general meeting dated August 22, 2022, have approved the name of the company be and is hereby changed from "Zaggle Prepaid Ocean Services Private Limited"to "Zaggle Prepaid Ocean Services Limited".

4. Board of Directors vide the board meeting dated August 22, 2022, have appointed Mr. Abhay Deshpande Raosaheb (DIN: 00427314) as an additional director of the company to hold office from the date of this meeting till the next Annual General Meeting of the company.

5. Board of Directors vide the board meeting dated August 25, 2022, have approved the following:

i. Promoted Mr. Vidya Niwas Khetawat from the post of Chief Financial officer to Chief Strategy officer w.e.f August 25, 2022.

ii. Appointed Mr. Venkata Aditya Kumar Grandi as Chief Financial Officer (CFO) of the company w.e.f August 25, 2022.

41 a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

b. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d. The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

e. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

f. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

h. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the certain provisions of the Code will come into effect and the rules thereunder has not been notified. The company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

42 **Impact of COVID-19**

The Company continues to consider the impact of Covid-19 pandemic in assessing the recoverability of receivables, tangible and intangible assets and other assets. For this purpose, the Company considered internal and external sources of information up to the date of the approval of these financial statements. The Company based on its judgements, estimates and assumptions including sensitivity analysis expects to fully recover the carrying amount of receivables, tangible and intangible assets and other assets. Based on the assessment of the impact of COVID-19, management concluded that there has been no impact on the Company's operations, financial performance and financial position as at and for the year ended March 31, 2022.

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43 First time adoption of Ind AS

As stated in note 2, these are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2022 and in the preparation of an opening Ind AS balance sheet at 1 April 2020 (transition date). In preparing its opening Ind AS balance sheet, the Company has adjusted amounts reported previously in financial statements prepared in accordance with Indian GAAP (previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's balance sheet, profit and loss and cash flows is set out in the following tables and the notes that accompany the tables.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

Deemed Cost : As per para D7AA of Ind AS 101 an entity may elect to:

measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date.

use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to

- fair value;
- or COST or depreciated COST under Ind AS adjusted to reflect, for example, changes in a general or specific price index

use carrying values of property, plant and equipment as on the date of transition to Ind AS (which are measured in accordance with previous GAAP) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Company has elected to carry the previous GAAP carrying values as deemed cost for all of the items of property, plant and equipment and capital work-in-progress.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative year presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

a) Fair valuation of financial instruments carried at FVTPL and/ or FVOCI.

b) Determination of the discounted value for financial instruments carried at amortised cost.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

A.2.3 Deemed cost

As per para D7AA of Ind AS 101 permits a first-time adopter to continue with the carrying value for all its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

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B. Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cashflows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS

B.1 Reconciliation of equity as at 1 April 2020 (transition date)

Particulars	Notes to first-time adoption	Previous GAAP*	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		1.14	-	1.14
Right-of-use assets	II	-	45.65	45.65
Intangible assets		37.06	-	37.06
Financial assets				
(i) Other financial assets	II	6.46	(2.02)	4.44
Other non-current assets	III	43.39	(43.39)	-
Income tax assets, net		39.96	-	39.96
Deferred tax assets (net)	I,V	0.05	95.51	95.56
Total non-current assets		**128.06**	**95.75**	**223.81**
Current assets				
Inventories		0.23	-	0.23
Financial Assets				
Trade receivables	I & III	110.39	48.82	159.21
Cash and Cash Equivalents		60.64	-	60.64
Other Bank Balances		2.11	-	2.11
Other current assets		44.10	-	44.10
Total current assets		**217.47**	**48.82**	**266.29**
Total assets		**345.53**	**144.57**	**490.10**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		1.80	-	1.80
Other equity	VI	(693.83)	42.46	(651.37)
Total equity		**(692.03)**	**42.46**	**(649.57)**
Liabilities				
Non-current liabilities				
Financial Liabilities				
Long-term borrowings	IV	666.27	(32.31)	633.96
Lease liabilities	II	-	36.37	36.37
Long-term provisions		4.84	-	4.84
Total non-current liabilities		**671.11**	**4.07**	**675.17**
Current liabilities				
Financial Liabilities				
Short term Borrowings		29.84	-	29.84
Current lease liabilities	II	-	10.14	10.14
Trade payables	I	71.76	87.91	159.67
Short-term provisions		0.09	-	0.09
Other current liabilities		264.76	-	264.76
Total current liabilities		**366.45**	**98.05**	**464.50**
Total liabilities		**1,037.56**	**102.12**	**1,139.67**
Total equity and liabilities		**345.53**	**144.57**	**490.10**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Hyderabad

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
CIN : U65999TG2011PLC074795
Notes to the financial statements for the year ended March 31, 2022
(All amounts are in Rs. in million, unless stated otherwise)

B.2 Reconciliation of equity as at 31 March 2021

Particulars	Notes to first-time adoption	Previous GAAP*	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		9.51	-	9.51
Right-of-use assets	II	-	36.75	36.75
Intangible Assets		26.97	-	26.97
Financial assets				
Other Financial Assets	II	5.64	(1.51)	4.13
Other non-current assets	III	40.87	(40.87)	-
Income tax assets, net		74.70	-	74.70
Deffered tax assets	I,V	0.05	106.83	106.88
Total non-current assets		157.74	101.20	258.94
Current assets				
Inventories		2.69	-	2.69
Financial Assets				
Trade receivables	I & III	305.63	(78.82)	226.81
Cash and Cash Equivalents		27.89	-	27.89
Other Bank balances		5.00	-	5.00
Other current assets		99.47	-	99.47
Total current assets		440.68	(78.82)	361.86
Total assets		598.42	22.38	620.80
EQUITY AND LIABILITIES				
Equity				
Equity share capital		1.80	-	1.80
Other equity	VI	(449.13)	(8.18)	(457.31)
Total equity		(447.33)	(8.18)	(455.51)
Liabilities				
Non-current liabilities				
Financial Liabilities				
Long-term borrowings	IV	386.80	(9.88)	376.92
Lease liabilities	II	-	31.89	31.89
Long-term provisions		5.66	-	5.66
Total non-current liabilities		392.46	22.01	414.47
Current liabilities				
Financial Liabilities				
Short term Borrowings		313.92	-	313.92
Current lease liabilities	II	-	7.85	7.85
Trade payables	I	190.17	0.87	191.04
Short-term provisions	VIII	0.28	(0.17)	0.11
Other current liabilities		148.92	-	148.92
Total current liabilities		653.29	8.55	661.84
Total liabilities		1,045.75	30.56	1,076.31
Total equity and liabilities		598.42	22.38	620.80

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

B.3 Reconciliation of Total Comprehensive Income for the year ended 31 March 2021

Particulars	Notes to first-time adoption	Previous GAAP*	Ind AS adjustments	Ind AS
Revenue from operations	I,VII	2,223.15	176.51	2,399.66
Other income	II	2.70	0.57	3.27
Total income		2,225.85	177.08	2,402.93
Expenses				
Cost of Point Redemption / Gift Cards	VII	-	296.67	296.67
Consumption of Cards		15.12	-	15.12
Employee benefits expense	VIII	123.76	0.84	124.60
Finance costs	II,IV	11.56	65.54	77.10
Depreciation and amortisation	II	38.86	(18.40)	20.46
Other expenses	I,III,VII	1,791.84	(104.84)	1,687.00
Total expenses		1,981.14	239.81	2,220.95
Profit before tax		244.71	(62.73)	181.98
Tax expense				
Current tax		-	-	-
Deferred tax (credit)/ charge	V	-	(11.32)	(11.32)
Total tax expense		-	(11.32)	(11.32)
Profit after tax		244.71	(51.41)	193.30
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Actuarial gains/losses on gratuity	VIII		0.76	0.76
Total comprehensive income for the year		244.71	(51.41)	194.06

PRSV & CO. LLP Hyderabad Chartered Accountants

MSKA & Associates Hyderabad Chartered Accountants

Zaggle Prepaid Ocean Services Limited Hyderabad

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
CIN : U65999TG2011PLC074795
Notes to the financial statements for the year ended March 31, 2022
(All amounts are in Rs. in million, unless stated otherwise)

C. Notes to first-time adoption

Note I - Prior period errors
The Company has made certain errors in the accounting of Interechange income and related cost of incentive/cash back. During the current year, on transition to Ind AS, the Company has rectified these errors by restating the transition date balance sheet and balance sheet as at March 31, 2021.

Note II - Recognition of Right of use assets
Under the previous GAAP, rental expenditure for operating leases were recognised as expenditure on a straight-line basis over the lease period. During the current year, on transition to Ind AS, the Company has applied the principles of Ind AS 116 and recognised a right of use assets with a corresponding lease liability in the balance sheet by using the modified retrospective method effective from the transition date. Accordingly, the rental expenditure has been reversed and an amortisation charge on Right of use asset and interest on lease liability is recognised in the statement of profit and loss.

Under Indian GAAP, interest-free security deposit (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognized at fair value. Accordingly the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognized as ROU Asset. Consequently, the amount of security deposit as on 31 March 2021 has been decreased by Rs. 1.77 Mn (1 April 2020: Rs. 2.03 Mn) with a corresponding increase in ROU Asset.

Note III - Expected credit loss
Under previous GAAP, the Company measured financial assets at cost. As at the transition date, the Company recognised the provision for expected credit loss for certain financial assets as per the criteria set out in Ind AS 101.

Note IV - Effective interest rate
During the current year, on transition to Ind AS, the Company has carried the loans using effective interest rate.

Note V - Deferred tax assets (net)
The Company has recognised deferred tax assets (net) on Provisions for doubtful debts (other than unabsorbed depreciation and business losses), other temporary difference on account of rectification of prior period erros and on account of adjustments made on transition to Ind AS.

Note VI - Retained earnings
Retained earnings as at 1 April 2020 has been adjusted consequent to below Ind AS transition adjustments.

Ind AS Impact	Note No.	31 March 2021	1 April 2020
Total Equity as per previous GAAP		(447.33)	(692.03)
Correction on account of prior period adjustment	(a)	-	19.00
Provision for Expected credit loss	III	(120.01)	(113.78)
Recognition of depreciation on right of use assets, recogntion of interest on lease liability net of rental expenditure	II	(4.96)	(3.33)
Adjustment for fair valuation of Gratuity	VIII	0.68	(0.08)
Other adjustments		0.26	0.40
Tax effect of adjustments	V	106.83	95.51
Effective interest rate adjustment on borrowings	IV	9.03	44.75
Equity as per Ind AS		(455.51)	(649.57)

a. Prior period adjustment
The Company has made certain errors in the adoption on accounting policies, accrual of revenue and timing of cost of sales . During the current year, on transition to Ind AS, the Company has rectified these errors by restating the transition date balance sheet and balance sheet as at March 31, 2021.

Particulars	31 March 2021	1 April 2020
Timing of recognition of revenue	(119.88)	119.88
Timing of recognition of COGS on above revenue	100.88	(100.88)
Total	(19.00)	19.00

Note VII - Revenue
The revenue is grossed up with regard to the agent vs principal considerations in line with Ind AS 115 which was netted off under previous GAAP.

Note VIII - Defined benefit obligation
Both under Indian GAAP and Ind-AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind-AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are to be recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Whereas, the Company has recognised all the remeasurements to the Statement of profit and loss and decided to follow the same consistently.

PRSV & CO. LLP * Hyderabad * Chartered Accountants

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

Zaggle Prepaid Ocean Services Limited * Hyderabad

(All amounts are Rs. in Millions, unless stated otherwise)

44 Ratios as per the Schedule III requirements

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	31 March 2022	31 March 2021	01 April 2020
Current Assets	615.46	361.86	266.29
Current Liabilities	420.58	661.84	464.50
Ratio	1.46	0.55	0.57
% Change from previous year	168%	-5%	

Reason for change more than 25%:

The ratio has increased from 0.55 in March 2021 to 1.46 in March 2022, considering the increased trade receivables due to higher volume of business. Further current liabilities (such as borrowings and trade payable has decreased) due to better cashflow management by the Company during the year.

b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

Particulars	31 March 2022	31 March 2021	01 April 2020
Total debt	644.72	690.84	663.80
Total equity	-35.58	-455.51	-649.57
Ratio	-18.12	-1.52	-1.02
% Change from previous year	1095%	48%	

Reason for change more than 25%:

The ratio has decreased from 1.02 in April 2020 to 1.52 in March 2021 and further to 18.12 in March 2022, due to increase in business volumes in terms of products/new customers resulting into profits and corresponding decrease in carryfarword losses.

c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

Particulars	31 March 2022	31 March 2021	01 April 2020
Profit before tax	511.78	181.98	47.71
Add: Non cash operating expenses and finance cost	90.85	97.56	63.63
-Depreciation and amortizations	20.97	20.46	18.80
-Finance cost	69.88	77.10	44.83
Earnings available for debt services	602.63	279.54	111.34
Interest cost on borrowings	30.70	38.86	40.97
Principal repayments	348.37	21.53	31.99
Total Intrest and principal repayments	379.07	60.39	72.96
Ratio	1.59	4.63	1.53
% Change from previous year	-66%	203%	

Reasons for change more than 25%:

The ratio has increased from 1.53 in April 2020 to 4.63 in March 2021, on account of increase in profit during the year thereby significant amount being available to debt holders.

The ratio has decreased from 4.63 in March 2021 to 1.59 in March 2021, mainly on account of repayment of OCD by taking term loan from bank.

d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity

Particulars	31 March 2022	31 March 2021	01 April 2020
Net profit after tax	419.21	193.30	37.19
Total equity	-35.58	-455.51	-649.57
Ratio	-1178.29%	-42.44%	-5.73%
Change in basis points (bps) from previous year	1,13,586	3,671	
% Change from previous year	2677%	-641%	

Reason for change more than 25%:

The return on equity has increased by 3,671 bps in March 2021 as compared to April 2020 mainly due to increase in business volumes resulting into profit after tax and positive change in owner's equity.
The return on equity has increased by 1,13,581 bps in March 2022 as compared to March 2021 mainly due to increase in business volumes resulting into profit after tax and positive change in owner's equity.

e) Inventory Turnover Ratio = Cost of materials consumed divided by closing inventory

Particulars	31 March 2022	31 March 2021	01 April 2020
Cost of materials consumed	17.78	15.12	28.77
Closing inventory	1.12	2.69	0.23
Inventory Turnover Ratio	15.88	5.62	125.09
% Change from previous year	182%	-96%	

Reason for change more than 25%:

The ratio has decreased from 125.09 in April 2020 to 5.63 in March 2021, on account of increased consumption of virtual stock instead of physical stock.

The ratio has increased from 5.62 in March 2021 to 15.88 in March 2022,on account of increased consumption of stock vis a vis decrease in the overall inventory maintained by the company.

f) Trade Receivables turnover ratio = Credit Sales divided by Closing trade receivables

Particulars	31 March 2022	31 March 2021	01 April 2020
Credit Sales	3,712.55	2,399.66	683.33
Closing Trade Receivables	429.51	226.81	159.21
Ratio	8.64	10.58	4.29
% Change from previous year	-18%	147%	

Reason for change more than 25%:

The ratio has increased from 4.29 in April 2020 to 10.58 in March 2021, on account of the fact that despite of increase in the turnover, the resultant debtors balances did not increase proportionately.

Zaggle Prepaid Ocean Services Limited Hyderabad

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(All amounts are Rs. in Millions, unless stated otherwise)

g) Trade payables turnover ratio = Credit purchases divided by closing trade payables

Particulars	31 March 2022	31 March 2021	01 April 2020
Credit Purchases	1,435.08	296.67	61.53
Closing Trade Payables	107.35	191.04	159.67
Ratio	13.37	1.55	0.39
% Change from previous year	761%	303%	

Reason for change more than 25%:

The ratio has increased from 0.39 in April 2020 to 1.55 in March 2021 and further to 13.37 in March 2022, on account of improved payables position (company paid off efficiently) and maintained lower payable levels despite increase in the consumption.

h) Net capital Turnover Ratio = Sales divided by Net Working capital whereas net working capital= current assets - current liabilities

Particulars	31 March 2022	31 March 2021	01 April 2020
Sales	3,712.55	2,399.66	683.33
Net Working Capital	194.88	-299.98	-198.21
Ratio	19.05	-8.00	-3.45
% Change from previous year	338%	-132%	

Reason for change more than 25%:

The ratio has decreased from 3.45 in April 2020 to 8.00 in March 2021, on account of increase in turnover but no corresponding increase in the working capital.

The ratio has increased from 8.00 in March 2021 to 19.05 in March 2022, on account of significant change in sales coupled with changing of negative working capital into positive working capital as on the balance sheet date.

i) Net profit ratio = Net profit after tax divided by Sales

Particulars	31 March 2022	31 March 2021	01 April 2020
Net profit after tax	419.21	193.30	37.19
Sales	3,712.55	2,399.66	683.33
Ratio	11.29%	8.06%	5.44%
Change in basis points (bps) from previous year	324	261	
% Change from previous year	40%	48%	

Reason for change more than 25%:

The ratio has increased from 5.44 in April 2020 to 8.06 in March 2021 and further to 11.19 in March 2022,on account of increase in overall revenue from operations of the company which has resulted in better utilisation of capacity and lowering of fixed expenses.

j) Return on Capital employed (pre cash)=Earnings before interest and taxes(EBIT) divided by Capital Employed(pre cash)

Particulars	31 March 2022	31 March 2021	01 April 2020
Porfit before tax (A)	511.78	181.98	47.71
Finance Costs (B)	69.88	77.10	44.83
Other Income (C)	4.09	3.27	0.30
EBIT (D) = (A)+(B)-(C)	**577.57**	**255.81**	**92.25**
Capital Employed (Pre Cash) (J)=(E)-(F)-(G)-(H)-(I)	**445.25**	-180.81	-132.71
Total Assets (E)	901.94	513.92	394.54
Current Liabilities (F)	420.58	661.84	464.50
Current Investments (G)	-	-	-
Cash and Cash equivalents (H)	7.11	27.89	60.64
Bank balances other than cash and cash equivalents (I)	29.00	5.00	2.11
Ratio (D)/(J)	1.30	-1.41	-0.70
Change in basis points (bps) from previous year	27,120	-7,197	NA
% Change from previous year	192%	-104%	NA

Reason for change more than 25%:

The ratio has decreased from 0.70 in April 2020 to 1.41 in March 2021, on account of increase in finance cost and current liabilities including current maturities of long term borrowings.

The ratio has increased from 1.41 in March 2021 to 1.30 in March 2022, on account of significant rise in EBIT due to increase in business volume in terms of products/new customers.

As per our report attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Kumar Agarwal
Partner
Membership No: 214198

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
CIN: U65999TG2011PLC074795

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
Membership No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer

Place: Hyderabad
Date: September 29, 2022

Place: Hyderabad
Date: September 29, 2022

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

____

Raj P Narayanam

Executive Chairman

DIN: 00410032

Date: December 18, 2024

Place: Hyderabad

DECLARATION

We, the Board of Directors of the Company, certify that:

(i) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

(iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

____

Raj P Narayanam

Executive Chairman

DIN: 00410032

Date: December 18, 2024

Place: Hyderabad

I am authorized vide resolution passed by the Special Purpose Committee of the Board of Directors dated December 18, 2024 to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter(s) subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed:

____

Hari Priya

Company Secretary and Compliance Officer

Date: December 18, 2024

Place: Hyderabad

ZAGGLE PREPAID OCEAN SERVICES LIMITED

Registered Office

15th Floor - Western Block
Vamasiram - Suvarna Durga Tech Park
Nanakramguda Village, Serilingampally Mandal
GHMC Serilingampally Circle
Rangareddi District 500 032, Telangana, India

Corporate Office

B1-004, Ground Floor, Boomerang Building
C.T.S. No. 4A, Village Saki Naka
Andheri (East), Taluka Kurla
District Mumbai Suburban
Mumbai 400 072, Maharashtra, India

Email: companysecretary@zaggle.in | **Website:** www.zaggle.in
CIN: L65999TG2011PLC074795

Contact Person:

Hari Priya
Designation: Company Secretary and Compliance Officer
Address: 15th Floor - Western Block
Vamasiram - Suvarna Durga Tech Park
Nanakramguda Village, Serilingampally Mandal
GHMC Serilingampally Circle
Rangareddi District 500 032, Telangana, India

Tel: +91 40 2311 9049 | **E-mail:** companysecretary@zaggle.in

Lead Managers

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower, Rahimtullah Sayani Road Opposite
Parel ST Depot, Prabhadevi
Mumbai 400 025, Maharashtra, India

Equirus Capital Private Limited
12th Floor, C Wing, Marathon Futurex
N M Joshi Marg, Lower Parel
Mumbai 400 013, Maharashtra, India

Nuvama Wealth Management Limited
801-804, Wing A, Building No. 3
Inspire BKC, G Block
Bandra Kurla Complex, Bandra East
Mumbai 400 051, Maharashtra, India

Statutory Auditors to the Company

M S K A & Associates, Chartered Accountant
1101/B, Manjeera Trinity Corporate
JNTU-Hitech City Road, Kukatpally
Hyderabad 500 072
Telangana, India

Legal Counsel to the Company as to Indian law

S&R Associates

One World Center
1403 Tower 2B
841, Senapati Bapat Marg, Lower Parel
Mumbai 400013, Maharashtra, India

Legal Counsel to the Lead Managers as to Indian Law

Trilegal

One World Centre,
10th Floor, Tower 2A and 2B
Senapati Bapat Marg, Lower Parel
Mumbai 400013, Maharashtra, India

International Legal Counsel to the Lead Managers

Allen Overy Shearman Sterling (Asia) Pte Ltd
50 Collyer Quay
#09-01 OUE Bayfront
Singapore 049321

SAMPLE APPLICATION FORM

Zaggle	**ZAGGLE PREPAID OCEAN SERVICES LIMITED** **Registered Office**: 15th Floor – Western Block, Vamasiram – Suvarna Durga Tech Park, Nanakramguda Village, Serilingampally Mandal, GHMC Serilingampally Circle, Ranga Reddy District, 500 032, Telangana, India; **Tel.:** +91 2311 9049**;** **CIN:** L65999TG2011PLC074795; **Email:** companysecretary@zaggle.in; **Website:** www.zaggle.in; **LEI:** 984500D889CA06A88173 | **ISIN:** INE07K301024	**APPLICATION FORM** Form No.: Date:

Name of the Bidder:

QUALIFIED INSTITUTIONS PLACEMENT OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE ("ISSUE PRICE") INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE, AGGREGATING UP TO APPROXIMATELY ₹ [●] MILLION UNDERTAKEN IN ACCORDANCE WITH CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND IN RELIANCE UPON SECTIONS 42 AND 62 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY ZAGGLE PREPAID OCEAN SERVICES LIMITED (THE "COMPANY") (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ [●] PER EQUITY SHARE AND OUR COMPANY MAY OFFER A DISCOUNT OF UP TO 5% ON THE FLOOR PRICE, AS APPROVED BY THE SHAREHOLDERS.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which: (a) are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) are not prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws, including foreign exchange related laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable), (d) are eligible to invest in the Issue and submit this Application Form; (e) are resident in India; (f) a multilateral or bilateral development financial institution eligible to participate in the Issue under applicable laws, including the FEMA Rules (defined below) or a (g) Eligible FPIs (as defined herein below) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules"), the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 (the "SEBI FPI Regulations") and any other applicable law (other than individuals, corporate bodies and family offices), that are eligible to participate in the Issue ("Eligible FPIs), can submit this Application Form. Further, in terms of the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended, foreign venture capital investors ("FVCIs") are not permitted to participate in the Issue.

The Equity Shares offered in the Issue have not been and will not be registered, listed or otherwise qualified in any jurisdiction, except India and may not be offered or sold, and Bids may not be made by persons in any jurisdiction, except in compliance with the applicable laws of such jurisdictions. In particular, the Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in 'offshore transactions' as defined in, and in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdiction where those offers and sales are made. You should note and observe the selling restrictions and transfer restrictions that apply to the Equity Shares sold in the Issue contained in the sections titled "Selling Restrictions" and "Transfer Restrictions" in the accompanying preliminary placement document dated December 18, 2024 (the "PPD").

ONLY ELIGIBLE QIBs ARE PERMITTED TO PARTICIPATE IN THE ISSUE. ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE IN THE ISSUE, THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES READ WITH THE RESTRICTION SPECIFIED IN THE "ISSUE PROCEDURE" SECTION OF THE PPD, IN THE ISSUE, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIS DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE, AS PRESCRIBED IN THE FEMA RULES AND SHALL HAVE TO BE IN CONFORMITY WITH THE APPLICABLE PROVISIONS OF THE FEMA RULES ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBS SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES.

FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,
The Board of Directors

ZAGGLE PREPAID OCEAN SERVICES LIMITED
Registered Office: 15th Floor – Western Block, Vamasiram – Suvarna Durga Tech Park, Nanakramguda Village, Serilingampally Mandal, GHMC Serilingampally Circle, Ranga Reddy District, 500 032, Telangana, India

Dear Sirs,

STATUS (Please tick for applicable category)			
FI	Scheduled Commercial Bank and Financial Institutions	**IC**	Insurance Companies
MF	Mutual Funds	**VCF**	Venture Capital Funds
NIF	National Investment Fund	**FPI**	Eligible Foreign Portfolio Investor*
IF	Insurance Funds	**AIF**	Alternative Investment Funds**
SI-NBFC	Systematically Important Non – Banking Financial Companies	**OTH**	Others ________________ (Please specify)
Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "same group" or "common control", see "Application Form" under Issue Procedure section of the PPD. *Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue. ** Sponsor and Manager should be Indian owned and controlled.			

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares offered in the Issue, at the terms and price indicated below. We confirm that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and this Application Form. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a Promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the Promoters of the Company, directly or indirectly and this Application Form does not directly or indirectly represent the Promoter or promoter group or persons related to the Promoter. Further, we confirm that we do not have any rights under any shareholders' agreement or voting agreement entered into with Promoters or persons related to Promoters of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company.

We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules, nor an FVCI. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**SEBI Takeover Regulations**"). We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted a separate Application Form, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Application Amount and number of Equity Shares to be Allotted under each scheme. We undertake that we will sign and/ or submit all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We note that the Company is entitled, in consultation with Motilal Oswal Investment Advisors Limited, Equirus Capital Private Limited and Nuvama Wealth Management Limited (collectively, the "**LMs**" or the "**Lead Managers**"), in its sole discretion, to accept or reject this Application Form without assigning any reason thereof. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, the Placement Document (when issued) and the confirmation of allocation note ("**CAN**") (when issued) and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of Application Form and the Application Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Application Amount for the Equity Shares applied for in the Issue has been/will be remitted to the designated bank account set out in this Application Form only through electronic mode, along with this duly completed Application Form prior to the Issue Closing Date and such Application Amount has been /will be transferred from a bank account maintained in our name, and in case we are joint holders, from the bank account of the person whose name appears first in the Application Form. We acknowledge and agree that we have not/ shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the Lead Managers; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Application Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or in case of rejection of Bids or non-allocation of Equity Shares or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Application Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Application Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We further acknowledge, agree and consent that (i) our names, addresses, nationalities, contact details, email IDs, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Lead Managers; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Telangana at Hyderabad (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares offered in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of BSE Limited and National Stock Exchange of India Limited (together, the "**Stock Exchanges**") and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the Reserve Bank of India ("**RBI**") and other applicable laws. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020

By signing and/or submitting this Application Form, we hereby confirm and agree (i) that the representations, warranties, acknowledgements and agreements as provided in the sections entitled "Notice to Investors", "Representations by Investors", "Issue Procedure", "Selling Restrictions" and "Transfer Restrictions " of the PPD and (ii) the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the Lead Managers, each of whom is entitled to rely on, and is relying on, these representations and warranties in consummating the Issue.

By signing and/or submitting this Application Form, we also hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section entitled "Risk Factors" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the Lead Managers or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document (when provided), this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchange; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company, in consultation with the Lead Managers, and the submission of this Application Form and payment of the corresponding Application Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Book Running Lead Managers; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the Lead Managers. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations; (9) if we are participating in the Issue as an Eligible FPI, we are not an individual, corporate body, or family office; (10) we agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below; (11) we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares; (12) we have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares; (13) no action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction; (14) we satisfy any and all relevant suitability standards for investors in Equity Shares, (15) we acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws and that the Equity Shares are only being offered and sold only outside the United States in in "offshore transactions" as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made; and (15) we are located outside the United States (as defined in Regulation S) and we are not submitting this Application Form as a result of any "directed selling" efforts (as defined in Regulation S).

By signing this Application Form and checking the applicable box above, we hereby represent that we are located outside the United States and purchasing Equity Shares in an "offshore transaction" as defined in, and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made. We confirm that we have read and hereby make all the applicable representations, warranties, acknowledgements and agreements contained in the sections entitled "*Selling Restrictions*", "*Representations by Investors*" and "*Transfer Restrictions*" in the PPD.

We acknowledge that once a duly filled Application Form, whether signed or not, is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB.

BIDDER DETAILS (In Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
PHONE NO.		**FAX NO.**	
MOBILE NO.			

BIDDER DETAILS (In Block Letters)		
EMAIL ID		
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NO.	
FOR MF	SEBI MF REGISTRATION NO.	
FOR AIFs***	SEBI AIF REGISTRATION NO.	
FOR VCFs***	SEBI VCF REGISTRATION NO.	
FOR SI-NBFC	RBI REGISTRATION DETAILS	
FOR INSURANCE COMPANIES	IRDAI REGISTRATION DETAILS.	
FOR PENSION FUNDS	PFRDA REGISTRATION DETAILS.	

*Name should exactly match with the name in which the beneficiary account is held. Application Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Company and the BRLMs.
** In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.
*** Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

NO. OF EQUITY SHARES BID FOR		PRICE PER EQUITY SHARE (RUPEES)		APPLICATION AMOUNT (RUPEES)	
(In Figures)	(In Words)	(In Figures)	(In Words)	(In Figures)	(In Words)

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the Lead Managers will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

DEPOSITORY ACCOUNT DETAILS				
Depository Name (Please ✓)		National Security Depository Limited		Central Depository Services (India) Limited
Depository Participant Name				
DP – ID	I N			
Beneficiary Account Number			(16-digit beneficiary account. No. to be mentioned above)	

The demographic details like address, bank account details, etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purpose of refund, if any, only the bank details as mentioned below, from which the Application Amount has been remitted for the Equity Shares applied for in the Issue, will be considered.

PAYMENT DETAILS | REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER
By 3.00 p.m. (IST), [●], 2024

BANK ACCOUNT DETAILS FOR PAYMENT OF APPLICATION AMOUNT THROUGH ELECTRONIC FUND TRANSFER			
Name of the Account	M/S. ZAGGLE PREPAID OCEAN SERVICES LIMITED QIP ESCROW ACCOUNT	**Account Type**	Escrow Account
Name of Bank	AU Small Finance Bank Limited	**Address of the Branch of the Bank**	Plot No 13/A/B, Venkateswara CHS, Road No 12, MLA Colony, Banjara Hills
Account No.	2402268864069621	**IFSC**	AUBL0002688
LEI Number	984500D889CA06A88173	**Email and telephone no.**	+91 86865 12833

The Application Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of M/S. ZAGGLE PREPAID OCEAN SERVICES LIMITED QIP ESCROW ACCOUNT**,** Escrow Account. Payment of the entire Application Amount should be made along with the Application Form on or before the closure of the Issue Period, i.e., prior to the Issue Closing Date. **The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by them. The Company and the Lead Managers shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)

Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	

DETAILS OF CONTACT PERSON			
Name:			
Address:			
Tel. No:		Fax No:	
Mobile No.	____ Email: ____		

OTHER DETAILS	
PAN	
Date of Application	
Signature of Authorised Signatory (may be signed either physically of digitally)	

ENCLOSURES ATTACHED

- ☐ Copy of PAN Card or PAN allotment letter**
- ☐ FIRC
- ☐ Copy of the SEBI registration certificate as a Mutual Fund
- ☐ Copy of the SEBI registration certificate as an Eligible FPI
- ☐ Copy of the SEBI registration certificate as an AIF
- ☐ Copy of the SEBI registration certificate as a VCF
- ☐ Certified copy of certificate of registration issued by the RBI as an SI-NBFC/ a scheduled commercial bank
- ☐ Copy of the IRDAI registration certificate
- ☐ Intimation of being part of the same group
- ☐ Certified true copy of the power of attorney
- ☐ Other, please specify __________________

**A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.*
***Please note that the Bidder should not mention the GIR number or any other identification number instead of the PAN, unless the Bidder is exempted from requirement of obtaining a PAN under the Income-tax Act, 1961, as the application is liable to be rejected on this ground.*

Note 1: Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD.
Note 2: This Application Form may be rejected if any information provided is incomplete or inadequate, at the discretion of the Company, in consultation with the BRLMs.
Note 3: The duly filed Application Form along with all enclosures shall be submitted to the BRLMs either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in the PPD.

The Application Form and the PPD sent to you and the Placement Document which will be sent to you in electronic form, are specific to you and you may not distribute or forward the same and are subject to the disclaimers and restrictions contained or accompanying these documents.

(Note: The format of the Application Form included herein above is indicative and for illustrative purposes only and no Bids in the Issue can be made through the sample Application Form. The Company, in consultation with the BRLMs, shall identify Eligible QIBs and circulate serially numbered copies of the PPD and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of the PPD and the Application Form and not on the basis of the indicative format above.)