

VKL/C&L/2024/037

September 04, 2024

To,

Department of Corporate Relationship BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001 Scrip Code: 511431	Corporate Relationship Department National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Symbol: VAKRANGEE
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Dear Sir/Madam,

Sub: - Fifth Integrated Annual Report along with Independent Reasonable Assurance Statement from Grant Thornton Bharat LLP (GT).

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the 5th Integrated Annual Report and 34th Annual Accounts of the Company for the financial year 2023-24. The Integrated Annual Report has been sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrars and Transfer Agent/Depositories.

The Report is Vakrangee's 5th Integrated Annual Report for FY 2023-24 along with Independent Reasonable Assurance Statement from Grant Thornton Bharat LLP (GT). The report elaborates on the organisation's inclusive approach of creating value for stakeholders. The Report presents Company's governance, strategy, performance and outlook of business.

Our assurance engagement was performed in accordance with the International Standard on Assurance Engagements ('ISAE') 3000 issued by the International Federation of Accountants ('IFAC') and third version of AA1000 Assurance Standard ('AA1000AS v3') issued by Accountability, a body recognized as a 'Framework Developer' by World Economic Forum's ESG Ecosystem Map.

The Reasonable Assurance covers the key parameters for the period 1st April 2023 to 31st March 2024 such as:

- 21,653 Active Transacting Vakrangee Kendras
- 6,487 Vakrangee White Label ATMs
- 437 Master Franchisees
- Rs.55,209.9 crores – Annual Gross Transactions Value(GTV)
- 13.2 Crores Annual Number of transactions

The Company have adopted the Integrated Reporting framework of the International Integrated Reporting Council (IIRC). The Report is guided by the principles of the Framework of the International Integrated Reporting Council (IIRC). The content of the report is in accordance with the Global Reporting Initiative (GRI) standards.

It adheres to reporting requirements of Companies Act, 2013 and rules thereunder, the Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements), Indian Accounting Standards (IndAS). In addition, the National Guidelines for Responsible Business Conduct (NGRBCs), for Business Responsibility & Sustainability Report (BRSR) and UN-Sustainable Development Goals (UNSDGs) are also considered while developing this Report.

Integrated Annual Report of the Company for the financial year ended March 31, 2024 is also available on the Company's website at the below mentioned link:

https://vakrangee.in/annual_general_meetings.html

Thanking you,

Yours faithfully,

For **Vakrangee Limited**

Amit Gadgil
Company Secretary
ACS:49442

New Energy New Horizons

INTEGRATED
ANNUAL REPORT
2023-24



New Energy New Horizons



Fostering growth by ushering in new leadership dynamics and introducing novel ideas

At Vakrangee, we are going through a transformative phase. A transformation that brings an infusion of fresh blood, an infusion of vigour and enthusiasm. An infusion of fresh ideas that ignite minds.

Along comes exploring uncharted territories, venturing into new markets, pioneering cutting-edge tech and enhancing service delivery.

Thus, 'new energy and new horizon' is a testament to our resilience and hope for a brighter future with endless possibilities.

The New Energy is a catalyst for a radical transformation in our business world. Beyond the economic advantages, the new energy will foster a positive corporate image.

The excitement surrounding new energy is contagious. It inspires interesting collaborations and forging partnerships that will result in ground breaking solutions.

"New energy, New horizon" encapsulates our unwavering determination and optimism as we embrace a future brimming with limitless possibilities.

This impactful thought is contouring a paradigm shift and redefining how we operate and compete. By embracing this transformative force, our businesses will unlock a world of possibilities, drive innovation, and create a sustainable future for future generations.



764

Number of Exclusive District
Level Master Franchisees

15,000

Number of ATMs

US\$ 150 BN

Gross Transaction Value
(GTV)

**VISI
20**

100% Population

PAN India coverage through Last Mile
along with Digital BharatEasy

Vakrangee has emerged as One of the India's Largest Last Mile Rural Distributors in
INDIA Presence. Vakrangee is delivering real-time Banking & Financial Services
to the unserved & underserved rural, semi-urban and urban markets and en

The Assisted Digital Convenience stores (Physical Outlets) are called as "V
services and products and Digital platform is called as BharatEasy Mobile Su

*Vakrangee aims to be the most trustworthy Physical
We will keep expanding this network, until we are in close*

ION
30

3,00,000
Vakrangee Kendras

US\$ 1 BN
Revenue from Operations

**Building Digital
Platform**
BharatEasy Mobile Super App

n to be covered

Physical Vakrangee Kendra Outlets
by Mobile Super App Platform

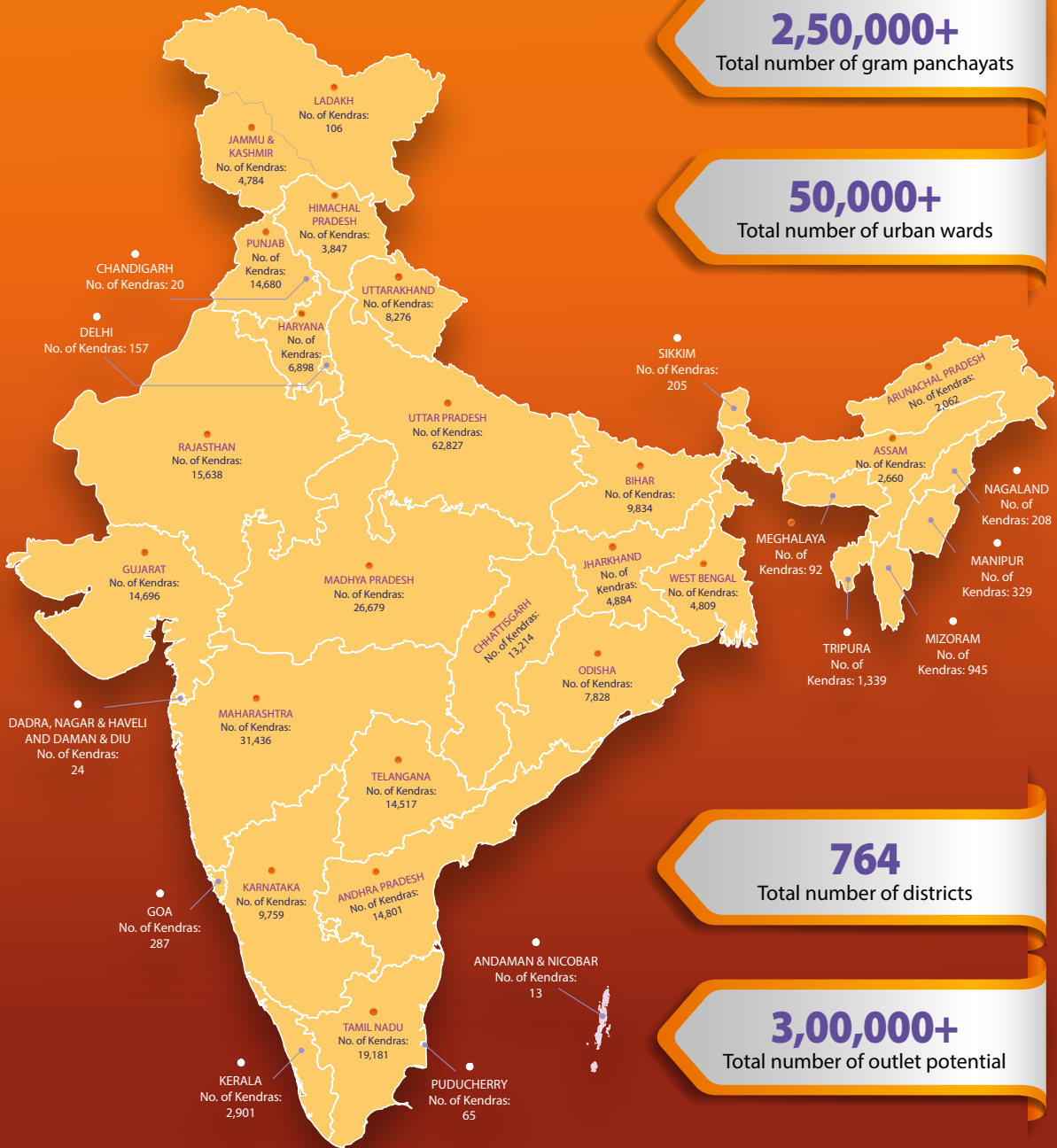
Platform with a Physical as well as Digital Eco-system in place with a PAN
es, ATM, Insurance, e-governance, e-commerce and Total Healthcare services
enabling Indians to benefit from financial, social and digital inclusion.

Vakrangee Kendra" which acts as the "One-stop shop" for availing various
per app.

*al as well as Online convenience-store across India.
e proximity to the last excluded person within the country.*

OVERALL MARKET POTENTIAL

No. of Vakrangee Kendra outlets: State-wise targets



Vision 2030: Growth Targets

Sr. No.	Particular	FY 2023-24	FY 2029-30 (E)
1	Number of Exclusive District Level Master Franchisees	437	764
2	Number of Active Transacting Outlets	21,653	3,00,000
3	Number of ATMs	6,487	15,000
4	Presence in Number of Districts / Postal Codes	571 / 5,444	Pan India Coverage

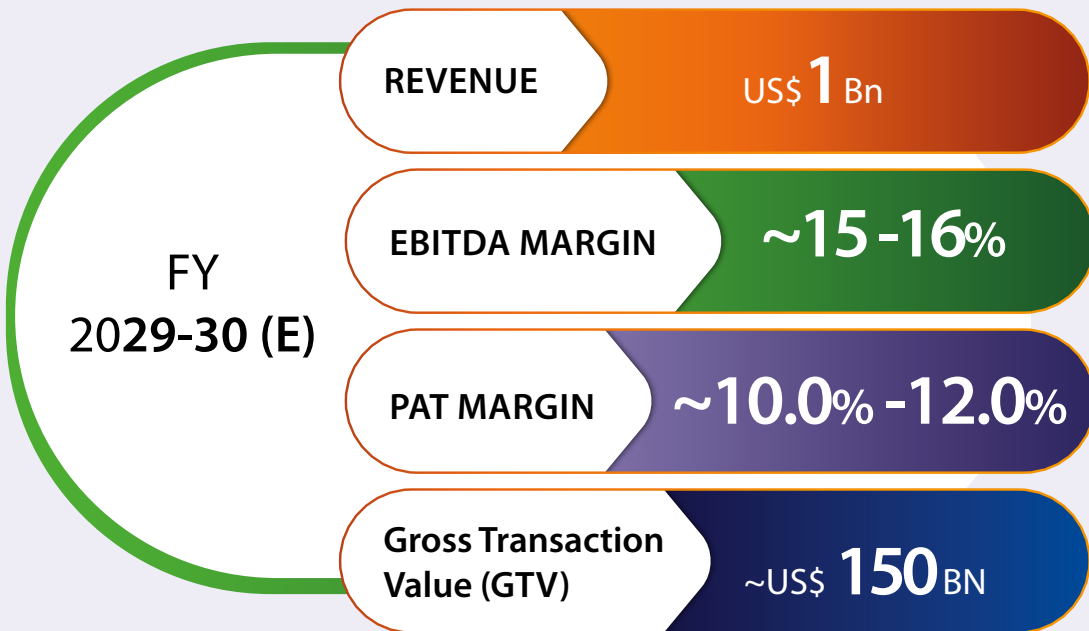
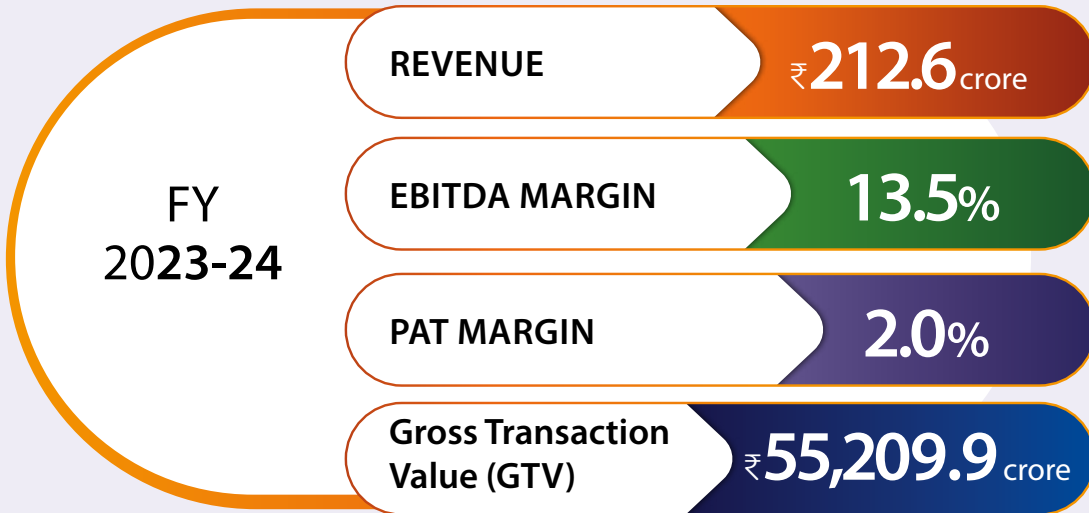
Detailed Expansion Plan

Sr. No.	Particular	As on March 31, 2024	FY 2024-25 (E)	FY 2025-26 (E)	FY 2026-27 (E)	FY 2027-28 (E)	FY 2028-29 (E)	FY 2029-30 (E)
1	Master Franchisee (Exclusive District Level Business Partner)	437	764	764	764	764	764	764
2	Vakrangee Kendra Outlets (Exclusive Standardised Outlet) : Same Look & Feel	21,653	37,000	57,000	85,000	1,30,000	2,10,000	3,00,000
3	No. of White Label ATMs	6,487	9,000	11,000	13,000	15,000	15,000	15,000





VISION 2030: FINANCIAL GROWTH PLAN



VAKRANGEE KENDRA PER STORE ECONOMICS

(Outlet on Maturity Basis – Semi-Urban/Rural Outlet)

A 12–18-month-old outlet is considered a ‘mature’ outlet.

Vakrangee Kendra with ATM

Sr. No.	Service	Monthly Amount (in ₹)
1	Banking & Financial Services Revenue	15,000
2	ATM Revenue	15,000
3	E-commerce & Other Services Revenue	10,000
Total Revenue		40,000



Vakrangee Kendra without ATM

Sr. No.	Service	Monthly Amount (in ₹)
1	Banking & Financial Services Revenue	15,000
2	E-commerce & Other Services Revenue	10,000
Total Revenue		25,000



ABOUT THE REPORT

The Integrated Annual Report for FY 2023-24 showcases Vakrangee Limited's strategic change in leadership, aiming to bring shifts in strategy, boost efficiency, drive innovation, and reshape culture, resulting in superior customer experiences and influencing financial outcomes while fostering adaptability and growth.

Thus, this report aims to provide a complete overview of how we have created financial and non-financial value for our stakeholders in terms of six capitals.

SCOPE

The reporting period covers from 1st April 2023 to 31st March 2024 unless otherwise noted. This report has been prepared in reference to the Integrated Reporting <IR> framework by the International Integrated Reporting Council (IIRC).

The report showcases a complete overview of how we have created overall financial and non-financial value for our stakeholders in relation to six capitals of <IR>. These six capitals are financial, manufactured, natural, human, intellectual and social and relationship capital. We aim to adopt an inclusive and strategic approach that considers the organisation's economic, social, and environmental impacts of the organisation while also empowering all our franchisees to create a robust business operation and long-term growth.

This report also details our engagement methods with identified key stakeholders and consultation on material topics with them. It highlights information on our corporate governance, risk management framework, and risk mitigation strategies.

REPORTING FRAMEWORK

This report is our fifth Integrated Annual Report, which adheres to the Integrated Reporting Framework by the International Integrated Reporting Council (IIRC). The Non-financial disclosures align with the Global Reporting Initiative (GRI) Standards. The Financial and statutory information presented in the report are aligned with leading frameworks, including compliance with the Companies Act, 2013, SEBI regulations (Listing Obligations and Disclosure Requirements), and Indian Accounting Standards (IndAS). Aligned with UN Sustainable Development Goals (UNSDGs) and SEBI guidelines for the Business Responsibility

and Sustainability Report (BRSR). By considering these various frameworks, this report underscores our commitment to sustainable development. It aims to offer a comprehensive view of our organisational performance and dedication to responsible and sustainable business practices.

REPORTING BOUNDARY

This report encompasses a wide array of data pertaining to the company's operations and their role in delivering value to our stakeholders. This report highlights our corporate and regional offices, guest house, warehouse, Active Transacting Vakrangee Kendras, and Master Franchisees, which serve as franchisee outlets facilitating the delivery of the company's services. All the Active Transacting Vakrangee Kendras have been operational for at least one year as of the reporting date.

REPORTING PERIOD

This Report covers information from the period of 1st April 2023 to 31st March 2024.

REPORTING STATEMENT

The contents of this report underwent meticulous review by our senior management under the guidance of the Board. Following this, a rigorous assurance process was conducted to uphold its integrity, accuracy, and comprehensiveness.

INDEPENDENT ASSURANCE


This report shows the performance of non-financial parameters across six capitals in terms of key performance indicators (KPIs). Grant Thornton Bharat LLP has provided a reasonable assurance on selected KPIs for FY 2023-24. They are mentioned in the assurance statement, which also forms part of the Report.



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Our new leadership team embodies a blend of innovative thinking and strategic acumen. Their infectious, fresh energy and visionary approach perfectly align with our Company's values and will undoubtedly guide us towards new horizons, ensuring continued growth and success. They are the right custodians of the Company, marching progressively towards its articulated goal. 

Chairman Emeritus



OVERVIEW OF OUR INTEGRATED REPORT

Our transparent reporting promotes accountability and instils trust.

The emergence of Integrated Reporting and Integrated thinking has brought about a change in the way businesses convey information and generate value. In 2020, we published our first integrated report by the IR framework guidelines established by the International Integrated Reporting Council (IIRC). Our Annual Integrated Report provides a comprehensive overview of our Company, including detailed information about our financial and non-financial performance and our impact on various capitals. We have also released reports presenting factual data and catering to specific audiences.





We proudly announce our recognition as one of the 'TOP 100 Franchise Opportunities for 2023' by Franchise India. We have been bagging this award for the past 3 years and this is the Fourth consecutive year of the 'Top 100 Franchise Opportunities Award'



Adding one more feather to the cap is the E-governance award at the Rajasthan DigiFest for our significant contribution to the successful implementation of the E-Mitra project in the state. We thank The Government of Rajasthan and the Department for Information Technology and Communication for appreciating our efforts!



We have received an award for outstanding performance and Pan India 1st Ranking for maximum CASA balances in the Accounts Opened & Pan India 2nd Ranking for per BC average payout in the year 2021-22!



We are happy to announce that we received an 'ESG Performance Award in Financial Services' at the 2nd Annual ESG Summit & Awards 2022 held on 18th November 2022 at Radisson, Mumbai.



Assurance statement for Integrated Report 2023-24 It includes assurance on non-financial data presented in Integrated Annual Report for the financial year 2023-24.



Human Rights: Due-Diligence & Impact Assessment. It showcases our commitment to protecting human rights, along with our due diligence procedures and assessing the impact of our business activities.



Integrated Approach Climate Change & Business Strategy Assessing & Managing Climate Related Risk/ Opportunities across Business Operations

It evaluates the potential risks and opportunities related to climate change and examines our strategy for addressing climate-related issues.



We achieved 100% Green Consumer Certification Through Tata Power.



Update on Integrating UN SDG into Business Strategy & Setting Performance Targets
It showcases our approach for integrating SDGs into our operations and highlights our specific targets and performance in relation to these SDG targets.

ACHIEVEMENTS ON GLOBAL ESG RATINGS

We remain steadfast in our dedication to ethical standards and social responsibility. We actively drive advancement and stimulate growth by leveraging entrepreneurial spirit and innovation. Our efforts focus on enhancing financial and digital literacy within underserved communities at the bottom of the socioeconomic ladder.



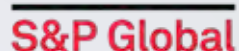
We have proven our ability to assess our performance using industry-specific ESG criteria, which is crucial for enhancing business sustainability and financial relevance. Numerous accolades from diverse platforms underscore our dedication to enhancing corporate governance and transparency. Globally, we are acknowledged for our outstanding ESG performance and sustainable business practices.



Sustainalytics ESG Risk Rating

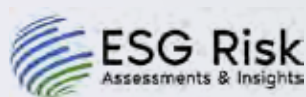
Sustainalytics, a leading global firm specialising in ESG research, ratings, and analytics, holds a prominent role as the Rating partner for the National Stock Exchange (NSE). We are proud to rank among the top firms in the Software and Services category out of 1,111 global companies. Additionally, achieving the 59th global ranking out of 16,216 companies (Global Universe) underscores our commitment to robust governance and proactive management of ESG risks. This recognition inspires us to sustain our efforts in ESG risk management while identifying opportunities for further enhancement in the future.

Sustainability Award Bronze Class 2022



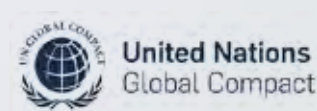
Sustainability Yearbook Award- S&P Global

We are honoured to be featured in the Sustainability Yearbook 2022 by S&P Global, where we attained the "S&P Global Bronze Class" designation and a commendable ESG Score of 78 in the Corporate Sustainability Assessment (CSA) survey. This reflects our steadfast commitment to corporate responsibility and ethical business practices, underscoring our dedication to sustainability across our operations.



Leadership Award from ESG Risk AI

We are proud to be recognised with the India Leadership Award in "Leadership in Data Privacy and Security" by ESG Risk AI. This accolade acknowledges our commitment to data privacy and security. Our comprehensive data security program ensures compliance and safeguards data safety, including our proprietary VKMS platform for franchisees. Additionally, our robust privacy governance model and dedicated data privacy program, supported by senior management and stakeholders, further demonstrate our proactive approach to maintaining high standards in data protection.



Participant and Member of UNGC

The United Nations Global Compact (UNGC) is a voluntary initiative encouraging global businesses to adopt sustainable and socially responsible policies, and report on their implementation. It promotes integrating universal principles of human rights, labour standards, environmental stewardship, and anti-corruption measures into corporate strategies and operations. As a proud signatory and active participant of the UNGC, we uphold these principles through our commitment to the ESG Framework. Our membership underscores our ongoing efforts to implement policies that prioritise environmental sustainability and social responsibility.

WOMEN'S EMPOWERMENT PRINCIPLES

United Nations Women Empowerment principles (UNWEP)

The United Nations Women's Empowerment Principles (UNWEPs) are guidelines created by the UN Global Compact and UN Women to advance gender equality and empower women across workplaces, marketplaces, and communities. These principles align with international labour and human rights standards, emphasising corporate responsibility in promoting gender equality. As a proud Signatory member of UNWEPs, we affirm our commitment to equality, understanding its moral and business benefits. Implementing the seven steps outlined in the WEPs will help us create an inclusive environment and capitalise on opportunities for growth and empowerment.

HIGHLIGHTS OF VALUE CREATION IN FY 2023-24

Advancing towards universal access to essential services



Total Income

21,492.10
INR lakhs

PAT

435.26
INR lakhs

EBITDA

2,872.08
INR lakhs

Cash Profit

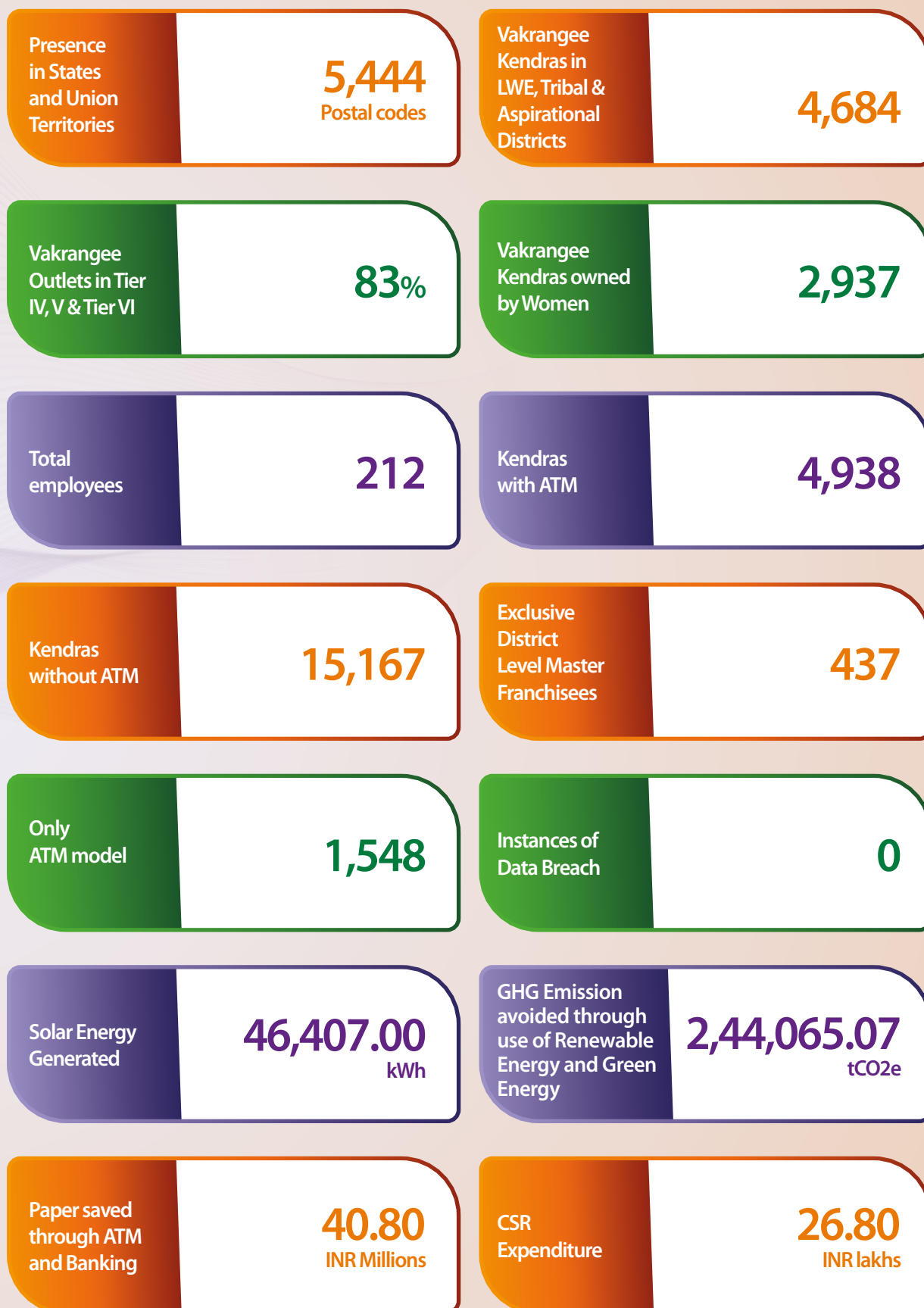
2,004.34
INR lakhs

Total active transacting Vakrangee Kendras

21,653

Presence in States and Union Territories

31
States



REWARDS AND RECOGNITION

The prestigious accolades we've earned signify our dedication to a thriving and expanding organisation. Below, we outline a few of our recent accomplishments:



We proudly announce our recognition as one of the 'TOP 100 Franchise Opportunities for 2023' by Franchise India. Vakrangee has been bagging this award for the past 3 years and this is the Fourth consecutive year of the 'Top 100 Franchise Opportunities Award'



We are proud to receive a 1st Rank Award for Outstanding Performance in PMJDY Account Opening (04.03.2024 to 23.03.2024) at the Union Bank Corporate Business Correspondents Conclave.



In 2022 we have been recognised by Sustainalytics as an ESG Global 50 Top Rated company. We have been identified as a top ESG performer out of more than 4,000 comprehensive companies that Sustainalytics cover in the global universe.



We have received an 'ESG Performance Award in Financial Services' at the 2nd Annual ESG Summit & Awards 2022 held on 18th November, 2022 at Radisson, Mumbai.



We have received the 'BEST EMPLOYEE ENGAGEMENT STRATEGIES AWARD' at the HR Tech Summit & Awards 2022 held at the ITC Maratha, Mumbai.



We have received an award for outstanding performance and Pan India 1st Ranking for maximum CASA balances in the Accounts Opened & Pan India 2nd Ranking for per BC average payout in the year 2021-22!



We have received an E-governance award at Rajasthan DigiFest for successful implementation of E-Mitra project.

We are members of the following major trade and chamber of association.



Associated Chambers of Commerce and Industry of India (ASSOCHAM)



Confederation of ATM Industry (CATMI)



Signatory member of United Nations Women Empowerment principles (UN WEP)



CSC e-Governance Services India Limited



Signatory member of United Nations Global Compact (UNGC)



Member of BCFI



Member of NPCI



MESSAGE FROM THE CHAIRMAN EMERITUS

Our new leadership team embodies a blend of innovative thinking and strategic acumen. Their infectious, fresh energy and visionary approach perfectly align with our Company's values and will undoubtedly guide us towards new horizons, ensuring continued growth and success. They are the right custodians of the Company, marching progressively towards its articulated goal.

Dear Shareholders,

I hope this message finds you in good health and high spirits. It is with immense pleasure and heartfelt gratitude that I address you today as the Chairman Emeritus of this esteemed organisation.

As I transition into this honorary role, I am filled with a profound sense of pride and nostalgia. Reflecting on my tenure as Managing Director & Group CEO, I am reminded of the countless milestones we achieved together. We have successfully navigated through challenges, transformed them into opportunities, and turned dreams into reality. I was privileged to lead this Company for many years, drive its growth, and shape its vision.

As I step back from day-to-day operations, I remain deeply committed to supporting the organisation in my new capacity. I will continue offering guidance and insights, drawing from my experiences to contribute to our shared vision.



The new saga begins

As I pass the baton to the next generation of leaders, I am confident that the Company is in exceptionally capable hands.

As we begin a new chapter in our illustrious journey, I welcome Ms. Divya Nandwana, Chairperson; Mr. Vedant Nandwana, Managing Director and Mr. Ammeet Sabarwal, Executive Director and Group CEO, who brings fresh perspectives, new energy, and a deep drive for excellence.

This changeover marks an exciting new phase for the Company. Our new leadership team embodies a blend of innovative thinking and strategic acumen. They possess a profound expertise in our business sector, garnered through extensive experience within our industry and a deep understanding of the Company's operations. Moreover, they have been instrumental in shaping the Company's trajectory, contributing significantly to its growth and strategic evolution. Further, they have immense talent and experience with a united commitment to drive the Company to the next level of growth while remaining true to its core ethics & historic values. Their infectious, fresh energy and visionary approach perfectly align with our Company's values and will undoubtedly guide us towards new horizons, ensuring continued growth and success. They are the right custodians of the Company, marching progressively towards its articulated goal.

We are strategically positioned.

Due to our strategic positioning and expansive network, Vakrangee is uniquely placed to leverage the growing fintech landscape. This growth is a testament not only to strategic government initiatives but also to the vibrant entrepreneurial spirit that defines India's fintech sector. By harnessing these dynamics, we are poised to unlock unprecedented value for our stakeholders and drive transformative progress.

Our comprehensive 'Sab Kaam, Ek Dukaan' model for various products and services across BFSI and E-Commerce segments and our expansive and entrenched presence in rural India align seamlessly with the current fintech and Assisted E-Commerce growth trends. As we work towards establishing India's largest last-mile distribution platforms, we are building a synergistic ecosystem that integrates physical and digital solutions nationwide. This strategic approach positions us perfectly to emerge as the partner of choice for the various Business Partners, generate substantial value and meet the evolving needs of our stakeholders.

We are pleased to announce that we plan to introduce our private-label and white-label products within the Apparel and Retail segments. This initiative reflects our commitment to diversifying our offerings and strengthening our market presence. By expanding into these new categories, we aim to deliver innovative solutions and enhance our overall portfolio.

Vakrangee is dedicated to creating exceptional value for our stakeholders and contributing significantly to India's economic resurgence. By capitalising on the opportunities presented by the Financial, Social and Digital Inclusion Initiatives, we are advancing our mission to empower the underserved and unbanked and amplifying our positive impact on society. As a key participant in this transformative journey, we are enthusiastic about the potential to drive meaningful change and foster inclusive growth.

Social Impact: Inducing Change Through Inclusivity

Our journey at Vakrangee is defined by both our financial achievements and our steadfast commitment to uplifting the communities we serve. The Vakrangee brand embodies the spirit of community advancement, championing local entrepreneurship and enhancing financial, digital, and social inclusion.

Our mission is to ensure that every Indian has the opportunity to partake in these inclusions and access the global marketplace.

Leveraging our extensive network of last-mile retail outlets, we are dedicated to energising local economies, improving individuals' quality of life, and alleviating poverty. Our business strategy is intricately connected to our capacity-building and job-creation focus. We provide essential training and certification in Banking and Insurance Services, which enhances employability and empowers individuals to drive positive change within their communities.

By empowering individuals to contribute to their local economies, we foster sustainable community development and support national growth. This reinforces our role as a proactive participant in India's social and economic transformation.

Expanding our Reach: Harnessing Entrepreneurial Drive for Faster Growth

At the core of our growth and success lies the entrepreneurial spirit that energises our district-level master franchisees and franchisees. Their enthusiasm, commitment, and culture of innovation drive our progress. Owing to their dedication, we are well-positioned to scale rapidly and extend our reach across India.

As we prepare for another year filled with challenges and opportunities, we remain steadfast in our commitment to enhancing performance through entrepreneurship and accelerating growth via our Master Franchisees and Franchisees Network. Our focus will continue to be on building a brighter, more inclusive, and prosperous future for all our stakeholders.

We also recognise that our greatest asset is our people. We encourage our employees to take ownership, engage in creative problem-solving, and confront challenges with courage. The success of Vakrangee is a testament to the collective effort

and passionate pursuit of our dedicated workforce.

Concluding note

I have been extremely lucky to have been gifted with a team that shared my vision and ably shouldered the responsibility of building and growing the organisation. We have laughed and cried together. We have rejoiced in achievements and failures in equal measure. We have endured challenges and experienced immense pressure with a smile. We have put the Company before ourselves. Only to position Vakrangee in its rightful podium position.

I extend my deepest gratitude to everyone who has been part of this remarkable journey. Your commitment, hard work, indomitable zeal and unflinching support have been invaluable in creating a very robust foundation. The legacy we have built together is a testament to our collective vision and relentless pursuit of excellence in e-governance. Without each one of you, Vakrangee would not have been able to operate at its current stature.

With a profound sense of optimism and joy, I entrust our Company's future to the next generation of leaders.

Looking ahead, the opportunities for growth and innovation are boundless. I am confident that the Company will scale new heights with the new energy, fresh perspectives and dynamic leadership. The new team will embrace challenges and opportunities with equal passion and commitment, which have been the cornerstones of our journey.

As we continue to harness the power of entrepreneurship, we are excited about the journey ahead. Let us continue to "navigate the course" and script another incredible story together.

Best Regards,

Dinesh Nandwana

Chairman Emeritus



MESSAGE FROM THE CHAIRPERSON

By implementing our district-level master franchisee model, we have successfully ignited a culture of innovation and entrepreneurship at the grassroots level.



Dear Stakeholders,

With immense gratitude and a profound sense of responsibility, I assume the role of Chairperson of this esteemed organisation. I am deeply humbled by the opportunity entrusted to me and am excited about the journey ahead.

I know I have very big shoes to fill, especially since my predecessor has set an exceptionally high standard for our company through his visionary leadership, strategic acumen, and unwavering commitment to excellence. His achievements and the legacy they leave behind are both inspiring and formidable.

Recognising this, I approach my new role with a deep sense of respect for the groundwork that has been laid and the milestones that have been achieved. It is clear that the bar has been set high, and the expectations are substantial. The impact of their leadership has been transformative, setting a benchmark that I am determined to meet and, where possible, surpass.

As we reflect on a dynamic and transformative fiscal year, I am delighted to share this report, a testament to Vakrangee's steadfast dedication to innovation and entrepreneurship.

FY24 was marked by a remarkable blend of resilience, dedication, and entrepreneurial spirit, making it a milestone year for us. We adeptly navigated emerging challenges and embraced new opportunities, leading to a notable acceleration in our growth trajectory.

Igniting Success through Entrepreneurial Spirit: Our Master Franchisees & Franchisees

In any extraordinary venture, passionate entrepreneurship is an unmistakable hallmark of success, and Vakrangee exemplifies this truth. Our work and growth over the years reflect our core belief in the transformative power of entrepreneurship. We leverage this spirit to drive our collective progress and success.

Our strategic focus on empowering local entrepreneurs as master franchisees has proven to be a transformative initiative. By implementing our district-level master franchisee model, we have successfully ignited a culture of innovation and entrepreneurship at the grassroots level. This approach empowers local entrepreneurs to manage and expand their district-level Kendra networks, fostering a deep sense of ownership and commitment.

Our incentives and performance commissions further fuel their entrepreneurial enthusiasm, driving them to excel in their roles. These master franchisees are integral to our operations, handling regulatory compliance, providing essential support, acquiring new franchisees, and ensuring the overall quality of our network. Their efforts are crucial to our strategic expansion and long-term success.

By entrusting local entrepreneurs with significant responsibilities, we enhance their business acumen and ensure that our network remains robust and dynamic. Their dedication and hard work are the cornerstones of our growth strategy, and we are committed to supporting them in every possible way.

Our ambitious goal for the end of this fiscal year is to achieve complete district coverage through our master franchisee network. By empowering local entrepreneurs, we are not only driving our growth but also significantly contributing to local economic development and creating avenues for entrepreneurial success. This approach illustrates our strategy's 'how,' 'why,' and 'so what'—nurturing local entrepreneurship to achieve remarkable success.

Thank You. Our Esteemed Stakeholders

Our growth and impact trajectory is a testament to our unwavering dedication to cultivating entrepreneurial excellence across our vast Master Franchisee and Franchisee ecosystem. As we reflect on our accomplishments over the past year, we are filled with a sense of pride and gratitude - not only for our achievements but also for the strong partnerships we've forged and the communities we've uplifted.

Our success is a direct result of the collective efforts of our stakeholders, including our passionate team members, resilient franchisees and master franchisees, loyal customers, and trusted partners. Your unwavering trust and support propel us forward, driving our commitment to innovation, growth, and creating a more inclusive and prosperous future for all.

Charting the Path Ahead

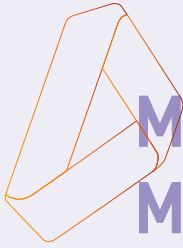
Looking ahead, we reaffirm our commitment to fostering entrepreneurship, innovation, and stakeholder value. Our focus remains on enabling our master franchisee and franchisee network to thrive and innovate. We appreciate your continued support and look forward to a future of shared success and growth.

As we look forward to the future, we are grateful for your ongoing belief in us. Together, let's continue this journey and shape the next chapter of Vakrangee's success. Here's to another year filled with innovation, growth, and shared achievements.

Sincerely,

Divya Nandwana

Chairperson



MESSAGE FROM THE MANAGING DIRECTOR

Our expansion strategy is both ambitious and firmly rooted in our core strengths. We are set to establish a network of 300,000 outlets across India by 2030, which will drive our revenue to exceed US\$ 1 Billion.



Dear Stakeholders,

It is with great enthusiasm and a deep sense of responsibility that I address you today as the new Managing Director of Vakrangee Limited. I am honoured to lead this innovative team and eager to build upon the incredible work already being done to transform how various products and services are delivered and experienced at the grass root levels.

As we stand at the forefront of a digital revolution, our mission to enhance service delivery and transform citizen engagement through technology has never been more vital. We are not just implementing solutions; we are shaping the future of financial, social & digital inclusion.

As we conclude a highly successful financial year, I am delighted to present the achievement, strategic vision and blueprint for the future of Vakrangee Limited through this annual report. It outlines our ambitious plans for the upcoming period.

Strategic Growth Initiatives: Acquisition of Vortex Engineering Private Limited

We have successfully completed the acquisition of ~79% of the equity share capital of Vortex Engineering Private Limited from the International Finance Corporation (IFC), Tata Capital Innovation Fund, Aavishkaar India Investors, and other shareholders. Additionally, we are in the process of acquiring another 14% of the equity share capital from remaining shareholders, which will increase our total shareholding in Vortex Engineering to around 93% upon completion. This strategic investment is pivotal as it provides us with the essential backward integration, enabling us to unlock future growth opportunities, capitalise on cost synergies, and leverage advanced technology know-how.

Vortex Engineering Private Limited, is pioneer in low power ATMs, is an India-based technology firm incubated by IIT-Madras. Its headquarters and manufacturing facility are in Chennai, India, with an impressive annual production capacity exceeding 12,000 ATMs. Interestingly, Vortex holds nine patents in ATMs and cash dispensers, showcasing its innovation in "Make in India – Atma Nirbhar Bharat" initiatives.

Notably, the Company manufactures its cash dispensers, a core component of ATMs, and offers the lowest life cycle cost compared to competitors. Furthermore, Vortex has developed 'PERFO,' an advanced remote ATM monitoring software tool. 'PERFO' is a cross-platform, cross-vendor solution that underscores the company's technological expertise.

Journey towards 2030: Embracing an Inclusive, Sustainable Future

At the heart of our mission is a commitment to driving holistic and sustainable development through financial inclusion. Our Vision 2030 document is a comprehensive roadmap, guiding us towards a future marked by inclusive growth and substantial impact. This strategic plan lays out our goal to establish a Pan India Presence to reach 100% of the country's population. Our targets include achieving US\$ 1 Billion in revenue and US\$ 150 Billion in Gross Transaction Value (GTV), all while maximising shareholder value and making a meaningful contribution to the communities we serve.

Our expansion strategy is both ambitious and firmly rooted in our core strengths. We are set to establish a network of 300,000 outlets across India by 2030, which will drive our revenue to exceed US\$ 1 Billion. This ambitious goal reflects our commitment to scaling our operations while enhancing our service footprint and impact across the nation.

Environmental responsibility is integral to our vision for the future. Our sustainability strategy is focused on achieving net zero emissions by 2035. Additionally, we are committed to reducing our absolute scope 1 and 2 greenhouse gas (GHG) emissions by 25% from a 2020 baseline by 2025. This approach underscores our dedication to fostering a sustainable future while continuing to grow and expand our operations.

Way forward

As we advance, our focus remains on strengthening our position both organically and inorganically. We are committed to boosting sales at each Kendra and expanding our reach to the last mile, covering each & every gram panchayat of the Country. Our efforts will include increasing both online and offline transactions while nurturing strong relationships with our customers and franchisee partners. Central to our strategy is a dedication to sustainability, product development, and innovation. With one of the most robust R&D teams in India, we are well-equipped to create sustainable products that meet the evolving needs of our diverse customer base. Our goal is to drive growth while maintaining our commitment to environmental responsibility and long-term viability.

Looking ahead, our priority is to offer the right products to our consumers at the right price points while reaching close to them through our outlets, ensuring the best value proposition and sustaining our relevance in the business. Deeply thankful to all our team members, business partners, investors, customers, and all other stakeholders for their unwavering support and commitment throughout this journey.

With warm regards,

Vedant Nandwana

Managing Director



MESSAGE FROM THE EXECUTIVE DIRECTOR & GROUP CEO



In FY24, we reached significant milestones that reinforced our leadership position in the industry, demonstrating our resilience, operational strength, and dedication to delivering exceptional long-term results.

Dear Stakeholders,

It is with immense gratitude and anticipation that I step into the role of Executive Director and Group CEO of Vakrangee Limited. I am honoured to lead this dynamic organization.

In an era where digital transformation is not just an option but a necessity, our ultimate purpose is to ensure that every Indian has the opportunity to benefit from financial, digital and social inclusion and has access to the global marketplace through the usage of cutting-edge technology. As we navigate this rapidly evolving landscape, my commitment is to ensure that our solutions not only meet the current needs but also anticipate future challenges and opportunities.

At Vakrangee, we follow a franchisee-based model whereby the franchisee is a member of the local community. We direct our efforts towards empowering rural entrepreneurship, employment generation as well as skill development, thereby bringing urban convenience at the doorsteps of rural dwellers. I am delighted to share

that our annual performance has been nothing short of excellent, demonstrating the strength of our brand and the unique positioning of our business model.

Progress in Figures: Scaling Performance, Expanding Horizons

We are proud to share our audited Financial Results for the fiscal year 2023-24, a period marked by transformative growth, strategic achievements, and a steadfast commitment to creating value for our stakeholders.

In FY24, we reached significant milestones that reinforced our leadership position in the industry, demonstrating our resilience, operational strength, and dedication to delivering exceptional long-term results.

Our Total Income for the fiscal year stands at Rs. 214.9 crore, reflecting an 8.2% increase from the previous year. More notably, our Profit After Tax (PAT) for FY24 reached Rs. 2.2 crore, a substantial turnaround from our break-even will drive our revenue to exceed US\$ 1 Billion. This ambitious goal reflects our commitment to scaling our operations while enhancing our service footprint and impact across the nation.

Environmental responsibility is integral to our vision for the future. Our sustainability strategy is focused on achieving net zero emissions by 2035. Additionally, we are committed to reducing our absolute scope 1 and 2 greenhouse gas (GHG) emissions by 25% from a 2020 baseline by 2025. This approach underscores our dedication to fostering a sustainable future while continuing to grow and expand our operations.

Our Dedication to Sustainability

Aligned with our steadfast commitment to sustainability, we have embarked on a transformative journey towards environmental and social responsibility. By adopting global best practices, we aim to create long-term value for all our stakeholders.

As India's leading network of last-mile retail outlets serving underserved markets, we are uniquely positioned to make a meaningful impact within the communities we serve. We fully embrace this responsibility and are dedicated to leveraging our influence for positive change.

Our sustainability initiatives are deeply rooted in our core values of responsible corporate citizenship, which have been our guiding principles since our inception. We recognise that sustainability is not only a moral obligation but also a crucial business imperative, intrinsically linked to the well-being of communities we seek to uplift.

We are excited to share the significant strides in our sustainability efforts. We have achieved top rankings in the Sustainalytics ESG Risk ratings, being recognised as the leading company in the Software and Services industry segment. This honour positions us among the top-rated companies globally in the ESG Global 100 by Sustainalytics from a pool of over 4,000 companies assessed.

S&P Global has also validated our dedication to sustainability, reflected in our impressive ESG Score of 78 in the Corporate Sustainability Assessment (CSA) survey. This recognition highlights our ongoing commitment to enhancing corporate governance and transparency standards. Additionally, we proudly announce that Vakrangee has become a Signatory of the United Nations Global Compact, aligning ourselves with the United Nations Sustainable Development Goals.

We are immensely proud of the recognition we have garnered for our exceptional ESG performance and our unwavering dedication to sustainable business practices. These prestigious accolades underscore our relentless pursuit of excellence in corporate governance, transparency, and sustainability. As we continue our sustainability journey, we remain committed to making a positive impact, advancing sustainable practices, and creating enduring value for all our stakeholders.

In closing, I want to express my sincere appreciation to our shareholders, partners, and employees for their unwavering support and dedication. It is your relentless commitment that drives Vakrangee forward, propelling us to achieve new milestones and exceed expectations. Together, let us make the move and start a movement that shapes the future of the Indian e-governance industry.

With warm regards,

Anmeet Sabarwal

Executive Director & Group CEO

ABOUT VAKRANGEE



Incorporated in 1990, we have emerged as one of India's largest Last Mile Distribution Platforms with a Physical as well as Digital Eco-system in place with a PAN INDIA presence. We deliver real-time banking & Financial Services, ATM, insurance, e-governance, e-commerce (including Healthcare services) and logistics services to the unserved rural, semi-urban and urban markets and enable Indians to benefit from financial, social and digital inclusion.

We have emerged as the "Go To Market Platform" for various Business verticals including Fintech and Digital platforms. The Assisted Digital Convenience stores (Physical Outlets) are called "Vakrangee Kendra", which acts as the "One-stop shop" for availing various services and products, and the Digital platform is called the BharatEasy Mobile Super app.



Vision

We aim to be the most trustworthy Physical as well as Online Convenience Store across India. We will keep expanding this network until we are in close proximity to the last excluded person within the country.



Mission

We intend to become India's No. 1 retailer by offering innovative ideas and proven modern technologies for facilitating universal financial, digital and social inclusion.



Brand Promise

We aim to be the most trustworthy local convenience store across India. We promise to give every Indian their rightful access to a wide range of modern-day products and services that are fairly priced and of high quality. We also aim to be present within a short travelling distance of every Indian and will continue to expand our network until we are close to the last excluded person within the country.

Our Brand Principles

At Vakkrangee, we aim to integrate our brand principles into every facet of our business operations. We firmly believe that these principles serve as the foundation, enabling us to operate efficiently and ethically while delivering an exceptional customer experience that sets us apart from the competition.



Trust

The value that binds all our stakeholders – Government, Banks, Partners, Businesses and franchisees.



Perseverance

The attitude we have to accomplish the unprecedented feat of creating the world's largest retail network, even in the most remote and inhospitable areas without electricity and connectivity.



Unyielding Rigour

The way we train our people and set high standards of quality in our systems and processes are the backbone of our success. We take ordinary individuals and train them with skill sets that help them yield remarkable results.



Entrepreneurial

An entrepreneurial spirit in our approach to business – both in our employees and our franchisees – our key business partners.



Prudent

Our basic approach to scalability, security, confidentiality, planning, risk management and value creation.



THE JOURNEY

In our journey over three decades, from just an investment and consultant company, we have evolved into a leading player in digital and financial inclusion initiatives, providing services to rural and remote areas. By leveraging technology, we have expanded our reach across India, establishing a vast network of Vakrangee Kendra outlets catering to diverse customer needs.

Our company has transformed from an e-governance systems integrator to a retail-led franchisee model that is unparalleled in excellence.

We have also enhanced our offerings by launching the BharatEasy Mobile Super App, creating a comprehensive digital ecosystem. Furthermore, in 2022, we introduced the master franchisee program, a pivotal addition to our operations. This program

1990-2011

Emerged Leader in E-Governance Business

- Vakrangee Ltd: Incorporated as a System Integrator for E Governance Projects
- Worked on Key Mission Mode projects of the Government such as:
 - Central Election Commission
 - MCA-21 for Ministry of Corporate Affairs
 - Rashtriya Swasthya Bima Yojna (RSBY)
 - Digitisation of Land and Revenue records
- Worked on Project Passport SevaKendra (PSK)
- Won UID Enrolment Project for enrolling Aadhaar

2012-2018

Building Kendra Business along with E-Governance

- Ventured into G2C & B2C services through Common Service Centres
- Received the BC Banking mandate and started BC Point Banking services through these Centres
- Non-Exclusive Store in Store Format outlets
- Emerged National Business Correspondent partner to major PSU banks
- Executed projects such as PMJDY –Financial Inclusion and UIDAI Aadhaar Enrolment services through these Outlets
- Received RBI license for White Label ATMs
- Added Various B2C services such as Assisted e-commerce, Bus ticket booking, mobile and DTH recharge

plays a crucial role in overseeing and ensuring compliance for all franchisees, providing active on-ground support to existing outlets, and driving the acquisition of new franchisees. This initiative reinforces our commitment to maintaining end-to-end monitoring and operational efficiency within our franchisee network.



2019-2022

Nextgen Vakrangee Kendra Business

- Planned as an exclusive store model with Standardised Consumer & Service experience
- Launched NextGen Kendra with standard branding, Exclusive store layout as well as signage
- Multi-line of services –Banking, E-Governance, Insurance, E-Commerce, Total Healthcare & optional ATM service
- Tie-up for Banking Business Correspondent with Private Banks such as SBM Bank (India) Ltd. & NSDL Payments Bank Ltd.
- Launch of Digital Platform: Bharat Easy Super Mobile App

2023 onwards

Nextgen Vakrangee Kendra & Digital App Business

- Demerger to unlock the potential of the Core Vakrangee Kendra and Digital App Business
- Kendra Business is Retail centric Consumer facing business. It is an Asset Light Franchisee led business model
- Appointing Exclusive District Level Master Franchisees across the country. Plan to achieve 100% District coverage by March 2025
- Clear Focus on expanding and Building India's Largest Last Mile Rural distribution platform



COMPREHENSIVE SERVICE OFFERINGS

We offer our customers a wide range of services that promote Digital, Financial and Social Inclusion. Our Kendras have undergone a major transformation over the years. These have evolved from non-exclusive stores offering a single line of services to multi-speciality, exclusive stores offering multi-line services with an enviable presence in the marketplace. With a strong presence in the marketplace, we operate on an asset-light, franchise-based business model tailored to meet the needs of our stakeholders.

The Vakrangee Kendras, also recognised as assisted digital convenience stores, function as comprehensive solutions offering diverse services. Over time, these Kendras have experienced significant evolution, progressing from non-exclusive outlets offering limited services to exclusive, multi-speciality stores providing a wide range of services.

Today, these Kendras facilitate real-time banking, ATM, insurance, e-commerce, healthcare, travel, telecom, bill payment, and e-governance services. Serving both urban and rural locales, they serve as social equalisers, ensuring equitable access to products and services across all societal segments.

Moreover, we acknowledge the significance of nurturing an entrepreneurial ethos in the contemporary dynamic business landscape to enhance performance and expedite expansion. To harness this vitality, it has adopted a master franchisee model, which, in conjunction with Kendra franchisees, constitutes a robust and flourishing phygital network. Empowered by this model, local

entrepreneurs oversee and expand their Kendra networks, utilising their expertise and commitment to stimulate business growth within their regions.

Performance-based incentives and commissions drive master franchisees and franchisees to excel, playing a vital role in the organisation's overall success. The objective is to attain complete district coverage through our master franchisee network, facilitating the accomplishment of long-term goals ahead of schedule.

To support the efforts of master franchisees and franchisees, we invest in advanced technology and infrastructure. By providing the necessary tools and resources, we ensure that our entrepreneurial network delivers exceptional service, creates seamless consumer experiences, and solidifies our position as a leader in the phygital market.

We have also introduced the BharatEasy App, a Mobile Super App designed specifically for rural India to extend the outreach. This platform aims to deliver online shopping, healthcare, demat account opening, credit score rating, and PAN card application services. The app integrates seamlessly with Vakrangee's extensive physical store network, offering on-ground assistance in semi-urban and rural regions.

Thus, by prioritising entrepreneurship, innovation, and technological advancements, we drive strong performance and accelerate growth, solidifying our position as a prominent player in the ever-evolving business scenario.



BFSI & ATM SERVICES	
Banking	Account Opening Cash Withdrawal/ Deposit Services Other Banking services
Financial Services	Opening of Online Demat & Trading Account Domestic Money Transfer (DMT) Lead Generations of Personal / Business Loans Pan Card Service CIBIL Score service
ATM	Financial Transactions Non-Financial Transactions
Insurance	Life Insurance General Insurance Health Insurance
E-COMMERCE SERVICES	
Online Shopping	Online Shopping of goods
Total Healthcare Services	Telemedicine services Online Shopping of Medicines
Recharge and bill payment	Mobile/DTH Recharge Bill Payments E-Mitra services in Rajasthan
Assisted Online Travel Services	Bus Ticket Booking Flight/Hotel Ticket Booking
Online Agriculture Product & Services	Online Agriculture Product & Services

Expanding footprints

We are deeply committed to extending digital financial and social inclusivity to all corners, especially to the unserved and underserved populations. Our overarching goal is to empower individuals by granting them access to vital services and promoting digital literacy, thus driving socio-economic development.

Through our innovative master franchisee model, we have experienced remarkable growth and expansion. This approach has proven pivotal in fostering grassroots entrepreneurship and fostering innovation. By empowering local entrepreneurs as master franchisees, we have effectively broadened our influence, establishing a diverse network of Kendras designed to cater to each community's unique requirements.

From a humble beginning in the nineties, we have been able to spread our operations in most of the states and union territories, covering most of the pin codes with a strong presence in remote and rural areas. We are still growing and expanding our network to cover all the districts of India by 2030.

Our overall objective is to deepen our presence in India and enhance our service portfolio to create a seamless customer experience. Through our physical Vakrangee Kendra network and BharatEasy Super App, our target is to reach 3 lakh+ outlets along with a minimum of 15,000+ ATMs.

21,653

Active Transacting Kendras

31

States and Union Territories

571

Districts

70%

for Tier 4 and 6

437

Exclusive District level
Master Franchisees

STRATEGIC ALLIANCES

We believe in working with the best in business who help our organisation reach its true potential. In turn, we also enable our partners to tap into the unexplored markets within India. Thus, by forming strategic alliances across diverse sectors, we deliver a comprehensive suite of offerings to customers, spanning banking, ATM services, insurance, financial services, logistics, online shopping, total healthcare services, travel services, telecommunications, bill payments, and e-governance services. Moreover, we actively support our partners in expanding their reach to India's underserved and unserved markets.

BANKING SERVICE PARTNERS

Other PSU Banks

INSURANCE SERVICE PARTNERS

TELECOM AND BILL PAYMENT SERVICE PARTNERS

FINANCIAL SERVICE PARTNERS

LENDINGKART
Think Cash, Think Lendingkart Group!

**ADITYA BIRLA
CAPITAL**

Lenden
club
BY INNOVEM SOLUTIONS

GOODWILL
EQUIPMENT LEASING

TransUnion ^{tu} **CIBIL**

EKO/-

5paisa.com

JIFFY
Global

ATM SERVICE PARTNERS

Vakrangee
ATM
White Label ATM Operator

ASSISTED ONLINE SHOPPING SERVICE PARTNERS

amazon
(Available only on BharatEasy
Mobile Super App)

DIGIFY

DECATHLON

ASSISTED ONLINE HEALTHCARE SERVICE PARTNERS

DocOnline
GET HEALTHCARE ANYWHERE

ASSISTED ONLINE TRAVEL SERVICE PARTNERS

tsi yatra
Simplify all Travel & Hospitality

redBus

ONLINE AGRICULTURAL PRODUCTS AND SERVICES PARTNERS

BigHaat

BharatEasy

Mobile Super App

BharatEasy, aiming to be India's super app, strives to simplify life through a comprehensive mobile platform. Users can access a multitude of services, potentially eliminating the need for multiple apps. From online shopping and bill payments to travel bookings and healthcare consultations, BharatEasy offers a convenient solution, especially for those in underserved rural areas.

The app's core strength lies in its variety. Whether you need a DTH recharge or movie tickets or want to explore investment options in mutual funds, BharatEasy caters to diverse needs. It even boasts a telemedicine platform, providing remote access to doctors, a significant benefit for those with limited healthcare facilities nearby.

We launched an upgraded Beta Trial Version of the "BharatEasy" Mobile Super App. Through this, we have evolved into the unique O2O (Online to Offline) platform, whereby assistance is available through the Physical Kendra network along with Digital Online Services. This cutting-edge business platform combines a wide array of consumer products and services under one convenient umbrella. With its seamless, integrated, and contextualised experience, our app aims to become indispensable to consumers' daily lives. The BharatEasy Mobile Super App offers a multitude of services catering to diverse needs and preferences.

Currently, online healthcare and shopping functionalities are active, with promises to expand services soon. While user reviews can help gauge its effectiveness, BharatEasy's potential to transform daily routines, particularly in rural India, makes it an app to keep an eye on.

The mobile super app platform leverages the established strength of our physical presence across India. Here's how:

- **Trusted Brand:** Vakrangee Kendras is well-known and has a positive user reputation. A high Net Promoter Score (NPS) of 68% (according to Redseer Research) indicates customer satisfaction.
- **Ready-Made User Base:** BharatEasy instantly gains access to Vakrangee's active customers, a significant head start in user acquisition.
- **Widespread Network:** With 21,653 outlets across India, Vakrangee provides on-the-ground support for app users. This can be crucial for assistance, especially in areas with lower digital literacy.
- **Boosting Awareness:** The existing Vakrangee network acts as a massive marketing channel, creating awareness about the BharatEasy app and its benefits.

These factors, combined with the ongoing beta trial's success metrics, position BharatEasy for a strong launch and impactful growth. As we continue to refine and enhance our platform, we remain committed to delivering an exceptional user experience. Our goal is to offer a personalised, intuitive, and efficient app that caters to the evolving needs of our valued users. With the BharatEasy Mobile Super App, we are dedicated to providing a seamless and convenient solution that enhances everyday life.



Customer



Strong Value Proposition

- All in One Super App Platform
- Access to Physical Store network - Trust & Comfort for Customers especially in Rural India

Unique Convenience Features: Leveraging the Vakrangee Eco-System

- Store Pick UP Facility
- Pay at Store (Cash)
- Order Retrun facility
- Courier Pick up/Drop Facility
- Physical Assistance Available
- Grievance/Helpdesk Facility

Service Partners

- Super App: Multi Category Offering
- Online shopping
- Total Healthcare
- Banking/Insurance/Money Transfer
- Bill Payments/Recharges
- Loan Products/Mutual Funds
- Travel/Entertainment/Events
- Agri Products
- Courier Services
- Online Education



Vakrangee Kendra Network

- Master Franchisees - 437
- Store Network - 21,653 outlets



SUSTAINABILITY IMPACT & ESG

Our sustainability initiatives have been meticulously designed with the United Nations' Sustainable Development Goals, signifying a commitment to integrating these objectives into the operations. The overarching aim is to proactively address global challenges such as poverty, inequality, climate change, environmental degradation, and prosperity and promote peace and justice through our endeavours.



Environment

In our commitment to environmental preservation, we have undertaken the responsibility of conserving the environment to shape a better world for present and future generations. With a focus on reducing carbon footprints, leveraging disruptive technology, and promoting responsible consumption and production, we are committed to sustainable practices. We have been an early advocate for paperless banking and ATM services within our extensive network of Vakrangee Kendra outlets. This initiative has since been expanded to encompass other services, aiming to cultivate an ecosystem that minimises the use of environmentally harmful products. Furthermore, we actively promote the adoption of alternative energy sources and continue to explore innovative approaches to enhance our utilisation efficiently.



Social

At Vakrangee, the commitment to giving back to society and uplifting underprivileged communities is deeply ingrained in our ethos. We aspire to contribute significantly to economic growth, playing a part in enhancing the global living standards. Demonstrating a consistent effort to act responsibly and uphold social consciousness, we implement a phygital model of operations, extending financial and digital literacy to the underserved strata of society. By actively bridging the gap between India's urban and rural populations, we serve as a pivotal equaliser, fostering inclusivity and empowerment across the nation.



Corporate Governance

Rooted in a rich legacy of fair, ethical, and transparent governance practices, we established a firm foundation for our robust corporate governance philosophy. We firmly believe that sound corporate governance is pivotal in transforming organisations, fostering ethics, accountability, and transparency, thereby generating value for all stakeholders. Our unwavering commitment to enhancing our corporate governance practices and transparency is evidenced by our extensive acknowledgment on the global stage. We have garnered international recognition across various platforms for our exceptional performance in environmental, social, and governance (ESG) metrics, underscoring our dedication to long-term business sustainability.

A global leader in Sustainability (ESG)



ESG Global 50 Top Rated company by Sustainalytics in 2022.



Globally ranked No.1 in the Sustainalytics ESG Risk rating rankings assessed in the Software and Services industry across worldwide.



- Vakrangee Limited has been honoured to be included in Sustainability Yearbook 2022, published by S&P Global.
- Vakrangee has earned a “S&P Global Bronze Class” spot in the yearbook.
- Vakrangee has score 78 ESG Score (S&P Global Scores) in the Corporate Sustainability Assessment (CSA) survey.

Important: Sustainalytics retains control of the badge image and reserves the right to terminate access and use of the badge designation and image at any time pursuant to the terms and conditions outlined in the licence contract.

Vision 2030 Sustainability Impact & ESG

Commitment for Net Zero Emissions



- » We are committed to set science-based emissions reduction targets across all relevant scopes in line with 1.5°C emissions scenarios.
- » We are committed to reach net-zero value chain emissions by 2035.
- » Our short-term yearly targeted goal is a 5% reduction per year in absolute Scope 1 and 2 GHG emissions from our operations compared to a 2020 baseline.
- » Currently, we are targeting 25% reduction in absolute Scope 1 and 2 GHG emissions from our operations, compared to a 2020 baseline, by 2025.
- » Additional focus is to reduce Scope 3 Emissions, which are indirect emissions throughout the company’s value chain through offering and using services and products.

Commitment for Higher Disclosures



- » Our Integrated Report is guided by the principles of the Framework of the International Integrated Reporting Council (IIRC) and is in complete alignment with Global Reporting Initiative (GRI) standards.
- » Independent Assurance : Performance of six capitals have been reported in terms of Key Performance Indicators (KPIs). Grant Thornton Bharat LLP has provided a reasonable assurance on selected KPIs.

Focus Towards Gender Equality



- » Vakrangee has always been a Responsible and Socially conscious company. Gender Equality is fundamental to our philosophy and core DNA of being a social equalizer. We strive to build a workplace culture with gender Diversity and believe it is core to the success and growth of our company.
- » We have designed our targets to reach a 1:1 ratio of male and female across the organisation by 2025.
- » We consider gender equality as an integral part of our non-discrimination commitment.
- » Our Nomination, Remuneration and Compensation Committee ensures gender pay equality at our organisation and our subcommittee, “Pay Equity Committee”, is solely dedicated to designing, implementing, monitoring, and reviewing gender pay equality programs.



VAKRANGEE BUSINESS MODEL:

LONG TERM SUSTAINABLE & PROFITABLE

With the development of the Digital Economy, India is fastly moving towards Digital Payment Mechanisms and Emerging as a Cashless Society.

With the fast pace of digital payment penetration, Cash transactions such as ATM & Banking transactions are expected to witness slow down. Therefore, there would be profitability & viability challenges for standalone business models such as only White Label ATMs, only Banking (AEPS) provider, only Money Transfer providers which are dependent on cash transactions.

Vakrangee is future ready with a clear focus on building long term sustainable & profitable business model.

- » Non-Cash based Banking Offering such as Account Opening, Loan Product, Insurance Services, Fixed Deposits & NPA Recovery
- » No dependency on single line of product or services such as ATM or Banking Services
- » Wide portfolio of product & services such as Online Shopping, Total Healthcare Services, Bill Payments, Online Travel Services, Mobile Recharges, CIBIL Score services, Pan Card Services, Online Opening of Demat & Trading Account Opening Services and many more
- » Highest commission in the industry

Benefits of Vakrangee Over other Players

Sr. No.	Particular	Vakrangee	Only WLA Peers	Only DMT & AEPS Peers
1	Multiple Line of Product & Services	✓	✗	✗
1.1	Non-Cash based Banking Offering	✓	✗	✗
1.2	Online Shopping & Other E-Commerce Services	✓	✗	✗
2	Highest Commission in the industry	✓	✗	✗



OUR BUSINESS STRATEGY IS HEAVILY FOCUSED ON TECHNOLOGICAL INNOVATIONS. WE BELIEVE IN THE POWER OF TECHNOLOGICAL BREAKTHROUGH AND HAVE TAKEN VARIOUS KEY INITIATIVES.





TECHNOLOGY STRATEGY

We are using our 'Phygital' model to build India's largest network of last mile retail touch points to deliver real-time banking, insurance, financial services, e-governance, e-commerce, and ATM services to the underserved rural, semi-urban and urban markets. We have our business evidently moving towards our new age India with opportunities to leverage digitization for improved comfort and refined consumer experience.

Customer Experience

For customers, our goal is to become their go-to store for everyday needs and convenience services. Our goal is for our customers to relate to our motto of "Sab Kaam Ek Dukaan" or "Ab Poori Duniya Pados mein".

We are currently working on developing and expanding our 'Phygital model' for better service efficiency and customer experience. We are incorporating the latest technologies like AR and VR, Artificial Intelligence led Conversational Generative AI and Chatbot capabilities in our application for our customers and stakeholders.

Our last mile services working to improve the quality of life and customer satisfaction is growing exponentially geographically and offering service diversity. We strive to bring in innovation through diversification of services and technology, for catering to the needs of the ever changing and adapting society.



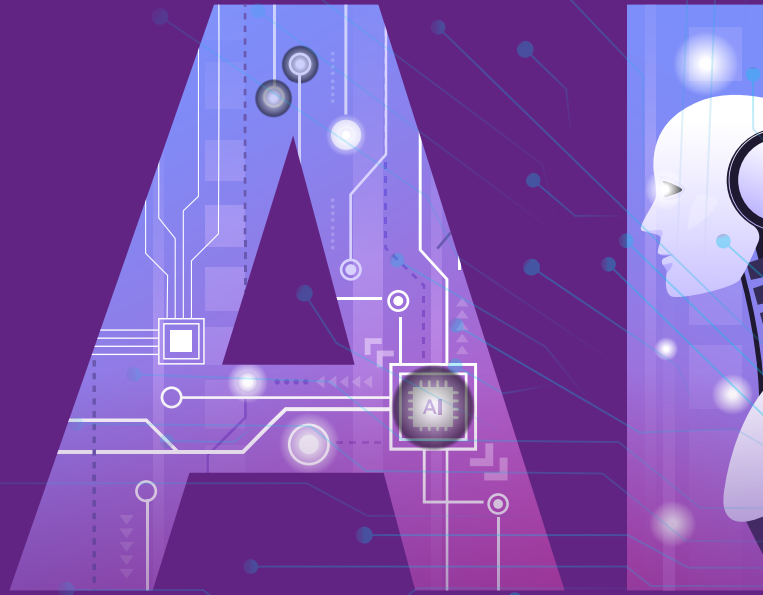
We strive to create a customer centric company by ensuring that our offerings and operations are driven by what is best for the customer and which ultimately would be best for the company. A consistent and high quality service delivery would be ensured for best customer experience at Vakrangee kendras.

Cloud Migration

We have embarked on our journey to Cloud platform. Our BharatEasy mobile Super app has been developed on cloud to ensure that we scale and be agile to changing market environment. We would continue to build applications on cloud and automate the development journey using DEVOPS philosophy. Design by cloud would be fundamental design principle of our technology strategy. We are also in process to migrate our in-house Vakrangee Kendra Management System (VKMS) portal to cloud platform for better efficiency, productivity and availability.

Big Data and Predictive Analytics

We are in process to manage ETL Data warehouse and Create Big Data Lake which would be single source of truth for structured, unstructured and semi structured data. We would run Services for Business Intelligence (BI) reporting and predictive analytics. We are building customer data platform on which we can run analytics to understand customer behavior, buying pattern and transaction to provide personalized customer experience and recommendation.



Artificial Intelligence and Machine Learning

Artificial intelligence (AI) and Machine Learning (ML) are integral components of any corporate strategy due to their ability to process high volumes of data. Using these technologies, we are expanding our Phygital model which further supports speed and convenience to all the stakeholders. By automating and enhancing data preparation, data visualization, predictive modelling, and other complicated analytical operations that would otherwise be labor-intensive and time-consuming, AI and ML makes big data analytics simpler and efficient. AI and ML are being leveraged to improve our product lines, design advanced business solutions, pull relevant information from big piles of data to improve the accuracy, assist in assignment of resources, maximize automation of existing processes, and save countless human hours.

Conversational Generative AI and Chatbot

Generative AI like ChatGPT have disrupted the market with their capability to have intelligent conversation. Generative AI refers to a subset of artificial intelligence techniques and algorithms that focus on generating new content, that resembles or mimics human-generated content. It involves training machine learning models to learn patterns and generate new data based on the patterns it has learnt.

Chat bots identify the context in the text chat by the customer and stakeholder and respond to it in the most appropriate way. With this, our stakeholders will be able to get answers to their questions and develop better understanding to the aspects. We are planning to leverage ChatGPT capabilities to be integrated with Chatbot for customer servicing, Franchisee acquisition, helpdesk management for franchisee operations and internal users.

Internet of Things (IoT)

Internet of Things (IoT) is a disruptive technology that connects multiple devices. These smart devices can relate to one another, incase if an intrusion is detected, the security team can quickly take other appropriate measures. We are adopting this technology in improving process efficiency, utilization of assets and productivity. IoT would enable us to monitor ATMs, electric surveillance, and logistics in the most efficient manner.

ONDC

We are in the process to design and launch our Buyer Application on ONDC platform to provide ecommerce shopping experience to franchisee and customers in rural market. We can replicate the model on our Bharat Easy Super App to provide ONDC experience directly to customer. We will also be registering as Seller on Seller App of ONDC to sell our services which are available on BharatEasy Mobile Super App. We will be developing a dedicated seller app which can provide a streamlined and optimized experience for local sellers near our Vakrangee Kendras. This will improve our reach and discoverability across multiple platforms.

Augmented Reality and Virtual Reality as a Mixed Reality

Virtual Reality (VR) offers users to experience spatial presence while Augmented Reality (AR) helps simulate things that are not present in the real world. It creates a world where consumers can avail our services without leaving the virtual world. The technology provides a simplified and comfortable phygital experience, which help us in retention and growth of our business. The advantage of this technology is that the customer can experience the product or services before buying and without its physical availability. Our phygital model fuses both the real physical world trust and connection, and virtual world efficiency, accessibility and speed with AR and VR. All the employees at our firm are trained on these technologies.



BOARD OF DIRECTORS (TILL 12TH AUGUST 2024)



RAMESH JOSHI, *Non-Executive Chairman*

Ramesh Joshi has vast experience in Central Banking & Capital Market and is a graduate in Economics and Law from the University of Nagpur. In his long and illustrious career sprawling over 40+ years in the apex Bank, he has held several leadership positions in the Reserve Bank of India (RBI), such as General Manager Exchange Control Dept., Rural Planning & Credit Dept., and also served as Chief General Manager until year 2000, in the financial regulator of the Country. We are also in the business of financial services such as Banking and ATM which is also regulated by RBI and his vast experience in same industry in which our company is into and also has the financial experience which help us in our business, processes, audit and other corporate governance practices. He has been Nominee Director on behalf of RBI on the Boards of various banks and financial Institutions viz, State Bank of Mysore, (1996-1998) Ind Bank Mutual Fund, Interconnected Stock Exchange of India Ltd, Malaprabha Gramin Bank, Karnataka State Financial Corporation and Maharashtra State Financial Corporation and he was Chairman of the RBI officers Co- Operative Society Ltd. He retired as an Executive Director of SEBI in the year 2002. He was on the Panel of Arbitrators for NSE, BSE, and MCX. He has travelled abroad widely and currently is serving as a senior corporate consultant to multiple companies.



DINESH NANDWANA, *Managing Director and Group CEO*

Dinesh Nandwana holds a Chartered Accountant degree from the Institute of Chartered Accountants of India. He drives and oversees the overall business since our inception in 1990. He has been instrumental in moulding Vakrangee from a modest consultancy Company to a prominent force to be reckoned with. He has scaled our Company to a new orbit of growth. Astute and dynamic leadership qualities back his vast experience. Under his vision, we have set a track record for consistent and sustainable growth. As a frontrunner of the organisation, he ensures a tone of integrity and ethics across the operations and establishes the highest standards of corporate governance.



DR. NISHIKANT HAYATNAGARKAR, *Whole Time Director*

Dr. Nishikant Hayatnagarkar is a Doctorate in Computer Science from IIT-Powai, Mumbai. He has been associated with the company since 1994. Renowned in the field of microchip designing, Dr. Nishikant has developed a voice recognition system, which is widely used in various applications like Tele Banking Tele Gas Booking, amongst others. He has also designed and developed a Multilingual Keyboard. He is a consultant to Media Labs Asia – Kamal Rekhi School for Information Technology (IIT Mumbai) for the development of a Multilingual data input device – Marathi language Keyboard (Key – Lekh) and E-Lekh (Tablet based Marathi language Input).



AVINASH VYAS, *Non-Executive Independent Director*

He has extensive experience in audit certification for externally aided projects funded by foreign agencies such as the World Bank and its extended arms, JICA-Japan international cooperation agency, KFW Germany amongst others. He holds a bachelor's degree in Commerce and is L.L.B. (professional) which adds to his business acumen. He serves as Chief Financial Officer (CFO) for Dinker Industries OPC Private Limited. His expertise into the financial industry sector and our business industry is also the same which helps a lot to our business.



SUJATA CHATTOPADHYAY, *Non-Executive Independent Director*

Sujata Chattopadhyay is a Fellow member of the Institute of Cost Accountants of India and the institute of Company Secretaries of India and an Insolvency Professional and also hold a Bachelor degree in law (L.L.B) which adds to her professional acumen. She has 35 years of rich experience across various industries and geographies. Presently in full time practice as a Company Secretary and Insolvency Professional. She is an Independent Director at Steel Exchange India Limited, and Industrial Investment Trust Limited, IITL Projects Limited and Resident Director of Felguera Gruas India Private Limited.



HARI CHAND MITTAL, Non-Executive Independent Director

Hari Chand Mittal is a postgraduate with a degree in Master of Commerce and a certified associate from Indian Institute of Bankers. In his long and illustrious career of more than 37 years with Union Bank of India, he has held several leadership positions including Mumbai and then entire Maharashtra under Pune Zone as Field General Manager, from where he retired on 31 July 2019. He possesses vast exposure and practical experience in various fields of banking administration, enriched by deep understanding of operations as well as finance, ranging from MSME, Retail, Agriculture and other fields like Foreign Exchange, Import / Export & Financial Inclusion.

He has not only been a passionate banker but also a devoted administrator, motivational speaker, guide, mentor, leader, evaluator, team builder, friend, visionary and crisis manager throughout his career.

He had also served as an Independent Director on the Board of Directors of Chandigarh Smart City Ltd, (for one year), Local Govt Department, Union Territory, Chandigarh.



SUNIL AGARWAL, Non-Executive Independent Director

Sunil Agarwal has completed his Bachelor of Commerce and has over 35 years of strong experience in business management and administration. He is a successful businessman with good leadership qualities to control massive projects and explore new business opportunities.



B.L. MEENA, Non-Executive Independent Director

B. L. Meena has rich experience of having worked in different Government departments in the field of audit and accounting, including being FNCO (Financial Controller) of Indian Railway Traffic Service where he served for 28 years. He has vast experience in the field of audit and accounting and is the guiding force to our Company specially in the areas of audit and accounting. He also helped us in setting up processes for the accounting and corporate affairs.



L K SHAMSUNDER,, Non-Executive Non-Independent Director Nominee Director

L K Shamsunder is presently serving as Zonal Manager, LIC of India, South Central Zone. He holds Bachelor's degree in science, besides being a Fellow from Insurance Institute of India. He also holds a Diploma in Health Insurance, Compliance Governance & Risk Management, and Medical Underwriting. Prior to this position, Mr. L K Shamsunder worked as Director, Zonal Training Centre, Hyderabad. He also held the position of Executive Director (Corporate Communications), Mumbai. In his career spanning over 35 years, he has handled various marketing and administrative assignments. He has exposure in global insurance market also as he worked as General Manager, LIC (International), Bahrain from 2010 to 2013. He has successfully led marketing activities of South-Central Zone as Regional Manager (Marketing). His diverse work experience includes assignments as Faculty Member at National Insurance Academy, Pune, Regional Manager (B&AC) in South Central Zone and Western Zone. He has spearheaded two divisions – Secunderabad and Jorhat as Senior Divisional Manager. He speaks 5 languages – Telugu, English, Kannada, Tamil and Hindi. He also loves reading books and follows cricket enthusiastically. He is fond of listening to old Telugu and Hindi film songs.



NEW BOARD OF DIRECTORS (W.E.F 12TH AUGUST 2024)



DIVYA NANDWANA, Executive Chairperson

Divya Nandwana is an accomplished professional with a strong foundation in technology and extensive experience in management consulting and strategic leadership.

She holds a Bachelor of Technology degree from Indian Institute of Technology (IIT) Guwahati, where she developed a keen analytical mindset and a passion for innovative problem-solving. She has also done an Executive Leadership Programme from Stanford Graduate School of Business.

Divya gained international experience at Taiyo Pacific Partners LLP in Kirkland, Washington, USA. This opportunity allowed her to expand her understanding of global business practices and investment management strategies. Prior to joining Vakrangee, she has worked at KPMG India in the consulting division. Over her two-year tenure, she became an integral part of the Management Consulting, Strategy, and Operations team.

In July 2016, she joined Vakrangee wherein she initially headed the ATM Business Vertical. As she advanced in her role, she also took on the responsibility as Head of Technology, where she spearheaded the integration of advanced technology solutions to drive digital transformation across the organization.



VEDANT NANDWANA, Managing Director

Vedant Nandwana is a seasoned finance professional with an impressive blend of academic excellence and professional credentials. He holds a Chartered Accountant (CA) degree from Institute of Chartered Accountants of India and a Chartered Financial Analyst (CFA) designation from the CFA Institute, USA.

Since joining Vakrangee in 2018, Vedant has played a significant role in the company's growth and strategic direction. Initially, he led the Banking Vertical and was instrumental in driving the company's core strategy. His expertise and leadership have contributed to Vakrangee's success in these areas.

Prior to his tenure at Vakrangee, Vedant gained valuable experience at KPMG India, where he worked for three years in the auditing and assurance division. During his time at KPMG, he was involved in auditing a diverse range of clients within the Financial Services sector, including Venture Capital Funds and some of the largest private banks in India.

Vedant's career reflects a blend of strategic insight and technical expertise, underpinned by a robust foundation in both domestic and international financial standards.



AMMEET SABARWAL, Executive Director & Group CEO

Ammet Sabarwal is a finance professional with over more than 15 years of experience in the field of Business Strategy, Corporate Sustainability, Investor Relations, Corporate Communications. He has been associated with Vakrangee since 2015. At Vakrangee, he was earlier heading company's core strategy that is tasked to build India's largest network of last-mile retail outlets to deliver real-time banking, insurance, e-governance, e-commerce and logistics services.

Prior to Vakrangee, he was the CEO and Director at Dickenson Seagull IR, a well-respected strategy consulting company. Here he advised several mid-cap companies for their Investor Relations and fund-raising requirements.

Ammet Sabarwal holds a Bachelor of Engineering (BE) degree in Information Technology and a Master of Business Administration (MBA) degree in Finance.



HARI CHAND MITTAL, Non Executive Independent Director

Hari Chand Mittal is a postgraduate with a degree in Master of Commerce and a certified associate from Indian Institute of Bankers. In his long and illustrious career of more than 37 years with Union Bank of India, he has held several leadership positions including Mumbai and then entire Maharashtra under Pune Zone as Field General Manager, from where he retired on 31 July 2019. He possesses vast exposure and practical experience in various fields of banking administration, enriched by deep understanding of operations as well as finance, ranging from MSME, Retail, Agriculture and other fields like Foreign Exchange, Import / Export & Financial Inclusion. He has not only been a passionate banker but also a devoted administrator, motivational speaker, guide, mentor, leader, evaluator, team builder, friend, visionary and crisis manager throughout his career. He has also been appointed as Independent Director on the Board of Directors of Chandigarh Smart City Ltd by The Advisor to the Administrator, Union Territory, Chandigarh-cum-Chairman CSCL, vide notification No 15157-FII(9)-2020/15529 dated 10.12.2020 issued by Principal Secretary/Home-cum-Local Govt, Chandigarh Administration, Local Govt Department, Union Territory, Chandigarh.



SAVITA KENI, Non-Executive Independent Director

Savita Keni is a distinguished banking professional with over three decades of extensive experience in various facets of the banking industry. Having retired as the General Manager of Bank of Baroda, she has established herself as a leader with a deep understanding of the complexities and dynamics of modern banking.

She is a science graduate, further complemented by her certification as an Associate of the Indian Institute of Bankers (CAIIB).

Throughout her illustrious career, she has gained a wealth of experience across multiple key areas, including corporate and mid-corporate finance, MSME finance, stress asset management, and disciplinary proceedings. Her expertise in these fields has been honed through her leadership in various high-impact roles within the banking sector.

Savita's international experience is notable, having served as the AGM and Branch Head at Abu Dhabi, and later as the Deputy Territory Head for the Middle East at Dubai, UAE. Her strategic vision and leadership were instrumental in managing and expanding the bank's operations in these regions.

In addition to her international assignments, Savita held several senior leadership positions domestically, including roles as Vertical Head, Regional Head, and Deputy Zonal Head. Her ability to lead diverse teams and drive growth in challenging environments has been a hallmark of her career.



S. N. KAUSHIK, Non Executive Independent Director

Hari Chand Mittal is a postgraduate with a degree in Master of Commerce and a certified associate from Indian Institute of Bankers. In his long and illustrious career of more than 37 years with Union Bank of India, he has held several leadership positions including Mumbai and then entire Maharashtra under Pune Zone as Field General Manager, from where he retired on 31 July 2019. He possesses vast exposure and practical experience in various fields of banking administration, enriched by deep understanding of operations as well as finance, ranging from MSME, Retail, Agriculture and other fields like Foreign Exchange, Import / Export & Financial Inclusion.

He has not only been a passionate banker but also a devoted administrator, motivational speaker, guide, mentor, leader, evaluator, team builder, friend, visionary and crisis manager throughout his career.

He had also served as an Independent Director on the Board of Directors of Chandigarh Smart City Ltd, (for one year), Local Govt Department, Union Territory, Chandigarh.



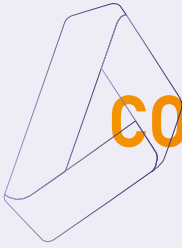
SUJATA CHATTOPADHYAY, Non-Executive Independent Director

Sujata Chattopadhyay is a Fellow member of the Institute of Cost Accountants of India and the institute of Company Secretaries of India and an Insolvency Professional. She has 30 years of rich experience across various industries and geographies. Presently in full time practice as a Company Secretary. She is an Independent Director at Polygenta Technologies Limited, Steel Exchange India Limited, and Industrial Investment Trust Limited, IITL Projects Limited and Resident Director of Felguera Gruas India Private Limited.



L K SHAMSUNDER, Non-Executive Non-Independent Director Nominee Director

L K Shamsunder is presently serving as Zonal Manager, LIC of India, South Central Zone. He holds Bachelor's degree in science, besides being a Fellow from Insurance Institute of India. He also holds a Diploma in Health Insurance, Compliance Governance & Risk Management, and Medical Underwriting. Prior to this position, Mr. L K Shamsunder worked as Director, Zonal Training Centre, Hyderabad. He also held the position of Executive Director (Corporate Communications), Mumbai. In his career spanning over 35 years, he has handled various marketing and administrative assignments. He has exposure in global insurance market also as he worked as General Manager, LIC (International), Bahrain from 2010 to 2013. He has successfully led marketing activities of South-Central Zone as Regional Manager (Marketing). His diverse work experience includes assignments as Faculty Member at National Insurance Academy, Pune, Regional Manager (B&AC) in South Central Zone and Western Zone. He has spearheaded two divisions – Secunderabad and Jorhat as Senior Divisional Manager. He speaks 5 languages – Telugu, English, Kannada, Tamil and Hindi. He also loves reading books and follows cricket enthusiastically. He is fond of listening to old Telugu and Hindi film songs.



CORPORATE STRUCTURE





KEY MANAGEMENT

Our senior management team consists of the people who demonstrate exceptional leadership and are the key behind consistently providing a definite management focus to the Company. The senior management is the backbone for our goals, focused deliverables, continuous success and steady growth.

Dinesh Nandwana *Chairman Emeritus*

Dinesh Nandwana is a visionary entrepreneur with over 30 years of extensive experience in the business world. He holds a Bachelor's degree in Commerce and is a Chartered Accountant from the Institute of Chartered Accountants of India. Dinesh Nandwana has consistently demonstrated exceptional leadership and strategic acumen throughout his career.



As the founder, he has been the driving force behind the company remarkable journey since its inception. His deep understanding of business intricacies and his unparalleled execution capabilities have been instrumental in the successful moulding Vakrangee from a modest consultancy company to a prominent force to be reckoned with. He has scaled the Company to a new orbit of growth. He is also known for establishing the highest standards of corporate governance, fostering a culture of integrity and ethics throughout the organization.

Throughout his illustrious career, Mr. Nandwana has been recognized for his remarkable contributions to the industry. In 2017, he was honoured with the CA Entrepreneur Path Breaker Award by the Institute of Chartered Accountants of India. Additionally, his leadership was acknowledged by the former President of India, Late Shri Shankar Dayal, with a special memento in 1996. In 1997, Mr. Nandwana earned the 'CA Business Leader - SME (3rd Rank)' award from the Institute of Chartered Accountants of India.

Divya Nandwana

Executive Chairperson



Divya Nandwana is an accomplished professional with a strong foundation in technology and extensive experience in management consulting and strategic leadership.

She holds a Bachelor of Technology degree from Indian Institute of Technology (IIT) Guwahati, where she developed a keen analytical mindset and a passion for innovative problem-solving. She has also done an Executive Leadership Programme from Stanford Graduate School of Business.

Divya gained international experience at Taiyo Pacific Partners LLP in Kirkland, Washington, USA. This opportunity allowed her to expand her understanding of global business practices and investment management strategies. Prior to joining Vakrangee, she has worked at KPMG India in the consulting division. Over her two-year tenure, she became an integral part of the Management Consulting, Strategy, and Operations team.

In July 2016, she joined Vakrangee wherein she initially headed the ATM Business Vertical. As she advanced in her role, she also took on the responsibility as Head of Technology, where she spearheaded the integration of advanced technology solutions to drive digital transformation across the organization.

Vedant Nandwana

Managing Director



Vedant Nandwana is a seasoned finance professional with an impressive blend of academic excellence and professional credentials. He holds a Chartered Accountant (CA) degree from Institute of Chartered Accountants of India and a Chartered Financial Analyst (CFA) designation from the CFA Institute, USA.

Since joining Vakrangee in 2018, Vedant has played a significant role in the company's growth and strategic direction. Initially, he led the Banking Vertical and was instrumental in driving the company's core strategy. His expertise and leadership have contributed to Vakrangee's success in these areas.

Prior to his tenure at Vakrangee, Vedant gained valuable experience at KPMG India, where he worked for three years in the auditing and assurance division. During his time at KPMG, he was involved in auditing a diverse range of clients within the Financial Services sector, including Venture Capital Funds and some of the largest private banks in India.

Vedant's career reflects a blend of strategic insight and technical expertise, underpinned by a robust foundation in both domestic and international financial standards.

Ammeet Sabarwal

Executive Director & Group CEO



Ammeet Sabarwal is a finance professional with over more than 15 years of experience in the field of Business Strategy, Corporate Sustainability, Investor Relations, Corporate Communications. He has been associated with Vakrangee since 2015. At Vakrangee, he was earlier heading company's core strategy that is tasked to build India's largest network of last-mile retail outlets to deliver real-time banking, insurance, e-governance, e-commerce and logistics services.

Prior to Vakrangee, he was the CEO and Director at Dickenson Seagull IR, a well-respected strategy consulting company. Here he advised several mid-cap companies for their Investor Relations and fund-raising requirements.

Ammeet Sabarwal holds a Bachelor of Engineering (BE) degree in Information Technology and a Master of Business Administration (MBA) degree in Finance.

Ajay Jangid

Chief Financial Officer (CFO)



Ajay Jangid is a distinguished professional in the field of Corporate Finance and Accounting, with a robust background in both practical and strategic aspects of financial management. A graduate in Commerce and a qualified member of the Institute of Chartered Accountants of India (ICAI), he brings over 12 years of comprehensive experience spanning various facets of Corporate Finance, Accounts, and Taxation.

Throughout his career, Ajay has demonstrated expertise in financial planning, implementation, and risk management. His professional acumen extends to managing and overseeing all financial operations within an organization, including business planning, budgeting, forecasting, negotiations, governance, auditing, compliance, and internal control.

Ajay has been a pivotal part of leadership teams, contributing significantly to Business Strategy, Financial Analysis, and Risk Management. In his previous role, he successfully managed consolidated revenues of INR 1,500 crores and was instrumental in establishing strong internal controls and a robust audit process. He played a key role in driving the implementation of internal financial controls and risk management strategies, ensuring alignment with organizational guidelines and regulatory compliance.

With a solid foundation in corporate finance and a proven track record in leadership, Ajay Jangid continues to excel in developing and implementing strategies that drive organizational growth and sustainability.



CORPORATE GOVERNANCE

This section outlines our corporate governance framework designed to uphold the highest standards in business operations, fostering trust, integrity, and sustainable growth.

We believe that strong governance practices are essential for effective and ethical management. The importance of corporate governance lies in its ability to promote integrity, trust, and responsible decision-making. It provides guidelines for ethical behaviour, risk management, and compliance with laws and regulations. By adhering to these principles, we protect the interests of our shareholders, employees, customers, and other stakeholders. It provides a framework for establishing and maintaining a system of control, accountability, and transparency, ensuring that stakeholders' interests are safeguarded.

We prioritise and uphold strong governance practices to ensure our organisation's sustainable growth and success. Under our Corporate Governance framework, the Board and its committees diligently fulfil their fiduciary responsibilities towards all stakeholders. They focus on ensuring transparency, fairness, and independence in decision-making processes. Aligned with our corporate governance policy, we prioritise protecting and promoting stakeholder interests.

We demonstrate our commitment to stakeholders and responsible business practices through various initiatives. This includes delivering shareholder returns, maintaining favourable credit ratings, actively engaging in Corporate Social Responsibility endeavours, as well as accounting for and verifying greenhouse gas emissions. These efforts showcase our dedication to fostering sustainable and accountable operations.

Our Board of Directors plays a crucial role in overseeing the company's affairs while aligning with the best interests of our shareholders. They provide essential guidance and strategic vision to navigate

the corporate landscape effectively. In accordance with Section 173 of the Companies Act, 2013, and Regulation 17 of SEBI LODR 2015, the Board convenes at least four times a year, ensuring timely decision-making and accountability.

We also abide by the SEBI (Prohibition of Insider Trading) Regulations, 2015, which prohibits Insider Trading. We have a Code of Conduct for Prevention of Insider Trading ('VL Code') in the shares of our Company.

To ensure the effective functioning of our company, we have identified the following essential skills and competencies:

- » **Comprehensive Knowledge:** Our team members possess a deep understanding of our business, policies, and culture. They are well-versed in identifying major risks, threats, and potential opportunities, allowing them to make informed decisions.
- » **Behavioural Skills:** We value attributes and competencies that enable our employees to effectively utilise their knowledge and skills, contributing to the growth and success of the company. These skills include strong business acumen, strategic thinking, sales and marketing expertise, corporate governance proficiency, forex management administration, and effective decision-making abilities.
- » **Technical/Professional Skills:** Our employees also possess specialised knowledge and technical expertise specific to our business. This includes understanding the intricacies of our industry, staying updated on relevant regulations, and utilising their professional skills to drive the company forward.



BOARD AND EXECUTIVE COMMITTEES

(AS ON MARCH 31, 2024)

We have established the Board and various executive committees to address specific issues that demand in-depth knowledge and specialised expertise. These internal committees are instrumental in facilitating the seamless operation of our business, ensuring that specific issues are addressed effectively and with the necessary expertise.

Audit Committee	Mr. B L Meena - Chairman Mr. Ramesh Joshi Mr. Avinash Vyas
Nomination and Remuneration and Compensation Committee	Mr. Avinash Vyas - Chairman Mr. H.C. Mittal Mr. Sunil Agarwal
Stakeholder Relationship Committee	Mr. Ramesh Joshi - Chairman Mr. B L Meena Mr. Nishikant Hayatnagarkar
Corporate Social Responsibility Committee	Mr. Dinesh Nandwana - Chairman Mr. Ramesh Joshi Mr. Sunil Agarwal
Risk Management Committee	Mrs. Sujata Chattopadhyay - Chairperson Mr. Dinesh Nandwana Dr. Nishikant Hayatnagarkar
Board ESG Committee	Mr. Avinash Vyas - Chairman Mr. Ramesh Joshi Ms. Sujata Chattopadhyay
Anti-Fraud Committee	Mr. Dinesh Nandwana - Chairman Mr. Avinash Vyas Mr. Ammeet Sabarwal Mr. Ajay Jangid
GHG Reduction Strategy Committee	Mr. Ammeet Sabarwal Mr. Ajay Jangid
POSH Committee	Ms. Akshata Mali - Chairperson Ms. Divya Nandwana Mr. Deepak Ambre Ms. Himangi Ghadi Mr. Viral Majmudar Ms. Veena Shetty
Information Security Committee	Dr. Nishikant Hayatnagarkar - Chairman Ms. Divya Nandwana Mr. Samir Oza Mr. Ashish Pradhan



FACTSHEET (AS ON MARCH 31, 2024)

S. No.	Particulars	Response
1	Size of Board	9
2	Number of Independent Directors	6
3	Board orientation and education program	Yes
4	Annual review of independence of the Board	Yes
5	Separate Board Chair and CEO/ MD	Yes
6	Independent Board Chair	Yes
7	Charters for Board Committees	Yes
8	Independent Audit Committee	Yes
9	Number of financial experts on Audit Committee	3
10	Independent Compensation Committee/ Nomination and Remuneration and Compensation Committee	Yes
11	Number of Board meetings held in FY 2023-24	5
12	Independent Directors can hold meetings without the presence of Management	Yes
13	Tenure policy for Independent Directors	Yes
14	Holders of 15% / 10% of outstanding shares can call a special meeting	Yes
15	Annual Board and Committee evaluations	Yes
16	Annual Individual Director evaluations	Yes
17	Annual equity grant to non-employee Directors	No
18	Director stock ownership and holding requirement / ESOP policy	Yes
19	Executive stock ownership policy / ESOP policy	Yes
20	Corporate governance guidelines approved by the Board	Yes
21	Corporate compliance program	Yes
22	Standards of business conduct	Yes
23	Finance code of professional conduct	Yes



CORPORATE INFORMATION

BOARD OF DIRECTORS

(W.E.F. AUGUST 12, 2024)

Divya Nandwana

Executive Chairman

Vedant Nandwana

Managing Director

Ammeet Sabarwal

Director - Group CEO

Hari Chand Mittal

Non Executive Independent Director

Savita Keni

Non Executive Independent Director

S. N. Kaushik

Non Executive Independent Director

Sujata Chattopadhyay

Non-Executive Independent Director

L K Shamsunder

Non-Executive Non-Independent Director Nominee
Director

CHIEF FINANCIAL OFFICER

Ajay Jangid

COMPANY SECRETARY & COMPLIANCE OFFICER

(W.E.F. AUGUST 12, 2024)

Amit Gadgil

STATUTORY AUDITOR

M/s. S. K. Patodia & Associates LLP

Chartered Accountants, Mumbai

REGISTERED OFFICE

Vakrangee Limited

Vakrangee Corporate House,

Plot No. 93, Road No. 16, M.I.D.C. Marol,

Andheri (East),

Mumbai, Maharashtra – 400093

Telephone No.: 022-67765100

Email Id: info@vakrangee.in

Website: www.vakrangee.in



BANKERS

Union Bank of India

Rajasthan Marudhara Gramin Bank

Chhattisgarh Rajya Gramin Bank

Baroda Uttar Pradesh Gramin Bank

Purvanchal Bank

Bank of Baroda

Axis Bank Limited

Punjab National Bank

IDBI Bank Limited

SBM Bank (India) Limited

Yes Bank

IndusInd Bank Limited

Karnataka Bank

REGISTRAR

M/s. Bigshare Services Pvt. Ltd.

Office No S6-2, 6th Floor,

Pinnacle Business Park,

Next to Ahura Centre,

Mahakali Caves Road,

Andheri (East) Mumbai - 400093

Telephone No.: 022- 62638200

Fax No.: 022- 62638299

Email: investor@bigshareonline.com

Vakrangee
ATM

 **SBM** bank
Smart Banking Kendra

Vakrangee
Kendra
AD POORI DUNIYA PRODSABHI

SAB KAAM EK DUKAAN



STRATEGY AND PERFORMANCE

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Business Risks and Opportunities	66





STAKEHOLDER ENGAGEMENT AND MATERIALITY ANALYSIS

Stakeholder Engagement

Engaging with stakeholders is pivotal in bringing transformative change to an organisation. We prioritise building authentic and meaningful relationships with our stakeholders to gain meaningful insights into their expectations.

Our strategy entails identifying stakeholders based on their significance, influence, interest, legitimacy, urgency and diversity of viewpoints, encompassing core business concerns and emerging societal issues.

We acquire invaluable insights through engagements with employees, investors, suppliers, consumers, peer firms, policymakers, industry associations, NGOs, sector experts and other stakeholders. These interactions contribute to our collective intelligence, assisting in prioritising key topics and identifying new opportunities and threats.

As the needs of the stakeholders evolve, we adjust our engagement mechanisms to stay relevant within the sector. Periodic updates and strategy revisions are undertaken by us, establishing platforms that actively engage stakeholders and respond to their insights and concerns.

Through diverse communication and engagement channels, as delineated in the stakeholder engagement structure, we gather valuable feedback that directly influences our business decisions.



Stakeholder	Engagement Method	Key topics highlighted
Master Franchisee	To strengthen effective franchisee management, we have introduced dedicated exclusive district-level Master Franchisees for every district. In efforts to sustain franchisee and customer satisfaction, regular store surveys are conducted. The Master Franchisee remains actively involved on the ground with all franchisees within their respective district, while webinars with Business Service Heads are organised to offer guidance and support. Furthermore, state or district-level franchisee meetings are convened, with active participation of the Senior Management, including the MD/CEO, State Heads and Business Heads.	<ol style="list-style-type: none"> 1. Marketing Support & Strategy 2. Training, guidance and support 3. Franchisee Satisfaction 4. Grievance redressal
Franchisee	Effective franchisee management is ensured by dedicated Relationship Managers assigned to each franchisee cluster. To uphold franchisee and customer satisfaction, regular store surveys are conducted, while the field team maintains active engagement on the ground. Webinars with Business Service Heads are organised to offer guidance and support. Additionally, state or district-level franchisee meetings are held with the Senior Management, including the MD/CEO, State Heads and Business Heads. In the acknowledgment of exceptional performance, we have implemented rewards and recognition schemes.	<ol style="list-style-type: none"> 1. Marketing Support & Strategy 2. Training, guidance and support 3. Franchisee Satisfaction 4. Grievance redressal
Employees	Training and effective communication strategies take precedence within the organisation. An annual employee survey is conducted to assess satisfaction levels and gather feedback. Professional growth and a sense of belonging are nurtured through mentorship programmes and employee affinity groups. Moreover, rewards and recognition schemes have been implemented to commend exceptional performance.	<ol style="list-style-type: none"> 1. Human Rights issues 2. Employee Engagement & Feedback 3. Operational aspects 4. Performance review 5. Talent development Training and skill development 6. Code of conduct and Business conduct processes and policies 7. Company business initiatives and strategies 8. Franchisee and Customer behaviour and response towards Company's Business model
Business Partners	Regular and timely interactions with Business Service Partners are upheld through quarterly meetings and ad hoc discussions tailored to specific requirements. Webinars and training opportunities are organised to facilitate knowledge-sharing and foster team collaboration.	<ol style="list-style-type: none"> 1. Service availability in remote locations 2. Service Manual and Training Guidelines 3. Customer reach and business sales targets strategy 4. Business risks and their mitigation strategies 5. IT-related Integration; Data privacy and security
Shareholders and Investors	Engagement with shareholders and investors occurs through multiple avenues, including quarterly conference calls, press releases, analysts' meetings, one-on-one sessions, board presentations, annual general meetings, reports and quarterly investor presentations. We also conduct domestic and international roadshows, arranges site visits, and emphasises ESG audits and ratings to enhance communication effectiveness and transparency.	<ol style="list-style-type: none"> 1. Environment, Social and Governance Strategy 2. Key company-level Strategy and developments 3. Company Business Performance 4. Technological innovations 5. Shareholder voting rights

Stakeholder	Engagement Method	Key topics highlighted
Customers	Customer satisfaction is maintained through routine store surveys, while the utilisation of Chatbots and Virtual Assistants enhances customer service efficiency. SMS and WhatsApp campaigns are utilised to update customers on offers and new service offerings.	<ol style="list-style-type: none"> 1. New services and offerings 2. Customer Grievance address and Satisfaction 3. Customer Queries 4. Data Privacy and Security
Community	Monitoring community interventions, CSR programmes and franchisee owner recruitment is prioritised.	<ol style="list-style-type: none"> 1. Livelihood generation 2. Social Infrastructure development for local rural communities 3. Financial social and Digital Inclusion 4. Easy access to basic services like Universal Banking, Insurance and social security benefits through DBT (Direct benefit transfer)
Suppliers and Vendors	Suppliers and vendors undergo thorough monitoring and review processes, which include regular meetings with the Contract Manager for progress assessments, technical evaluations and long-term performance reviews. Implementation of a supplier code of conduct is ensured, and adherence to it is verified by suppliers and vendors. Additionally, supplier audits are conducted to maintain compliance and quality standards.	<ol style="list-style-type: none"> 1. Product and service requirement 2. Quality Check and Pilot testing 3. ESG Compliance on the product (EPEAT certification) and of supplier and vendor Code of Conduct for Suppliers 4. Performance review and audit survey review on supply chain monitoring 5. Performance review on product and service as per the requirement 6. Feedback on support and maintenance of the respective product or service 7. Grievance Addressal 8. Product Customisation (Example ATM made Divyang friendly and paperless ATM customisation done as per our discussion with Supplier OEMs)
Industry bodies (Confederation of ATM Industry, CATMi)	We actively collaborate with industry bodies, such as the Confederation of ATM Industry (CATMi), and contributes to trade events, conferences, newsletters and publications. Ongoing engagements with regulatory bodies are maintained through industry body memberships, including CATMi for ATMs, BCFI, National Payment Corporation of India (NPCI) meetings and Reserve Bank of India (RBI) meetings.	<ol style="list-style-type: none"> 1. ATM growth 2. Advocacy for best industry practices 3. Technological innovations in the ATM industry 4. Education and training 5. White Label ATM (WLA) initiatives and Financial Inclusion initiatives 6. Financial and social inclusion initiatives in Rural India. 7. Industry feedback and expectation management on White label ATM business and Business correspondent banking services in India. 8. Industry representation to the Reserve Bank of India (RBI) and DFS (Department of Financial Services) 9. Prevention of unethical practices, if any and corrective strategy being implemented 10. Digital India, RuPay cards and ATM expansion initiatives
NGO, NPO and civil societies	Engagement with NGOs, NPOs, and civil societies is conducted to oversee community interventions and CSR programs.	<ol style="list-style-type: none"> 1. Healthcare Access 2. Promoting education 3. Youth Employment 4. Environmental sustainability

Stakeholder	Engagement Method	Key topics highlighted
Government and Regulatory bodies	Active participation in periodic meetings with government and regulatory bodies is a key aspect of our operations, along with collaboration with various organisations to ensure representation and engagement.	<ol style="list-style-type: none"> 1. Promotion of financial, social and digital inclusion 2. Industry feedback and expectation management on White label ATM business and Business correspondent banking services in India. 3. Industry representation to the Reserve Bank of India (RBI) and DFS (Department of Financial Services) 4. Review discussion with the National Payments Corporation of India (NPCI) 5. WLA License renewal and periodic Audit performed by RBI

Materiality

We operate within a complex framework of material concerns encompassing environmental, social and governance factors, shaping our value-creation endeavours. Through continuous assessment and stakeholder engagement, we identify and prioritise material topics critical to our operations, integrating them into policies and programmes.

Emphasis is placed on addressing high and medium-priority areas, with plans and developments evaluated based on their effectiveness in tackling

these issues. Stakeholders collaborate in a materiality mapping process to gain strategic insights and inform decision-making.

Key focus areas include compliance with regulations, cybersecurity measures, data privacy and security, digitisation, diversity and inclusion, employee wellbeing, financial performance, financial, social and digital inclusion, human rights, optimal franchise performance, and environmental sustainability and climate change initiatives.

Influence on stakeholders		
<ul style="list-style-type: none"> • Franchisee and Customer behaviour and response towards Company's Business Model • Marketing Support & Strategy 	<ul style="list-style-type: none"> • Company business initiatives and strategy • Grievance address • Healthcare access • Occupational Health Safety • Operational aspects • Physical Asset Security (like ATMs) • Relations with Business partners • Responsible marketing/ advertising • Responsible sourcing • Training, guidance and support • Valuable services 	<ul style="list-style-type: none"> • Business continuity • Business Ethics and Integrity • Community engagement and development • Environmental Sustainability/ Climate Change • Compliance with regulations • Cyber attacks • Data privacy and security • Digitisation • Diversity and Inclusion • Employee well-being • Financial Performance • Financial, Social and Digital Inclusion • Human rights • Optimal Franchise performance • Product and Service Quality • Robust Governance • Talent Attraction & Retention • Technological Innovations • Lean Organisation and leveraging technology and Automation
Low priority	Medium priority	High priority

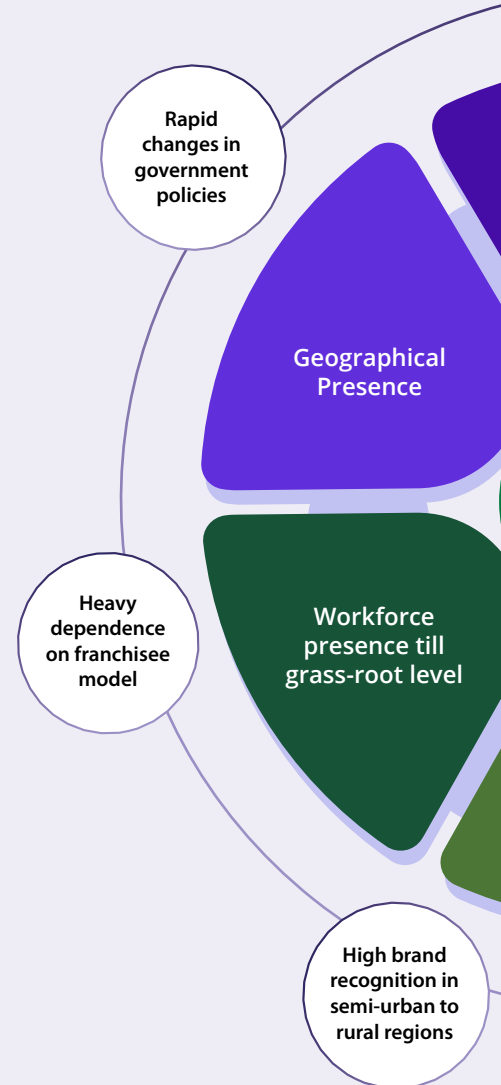
Significance to Vakrangee

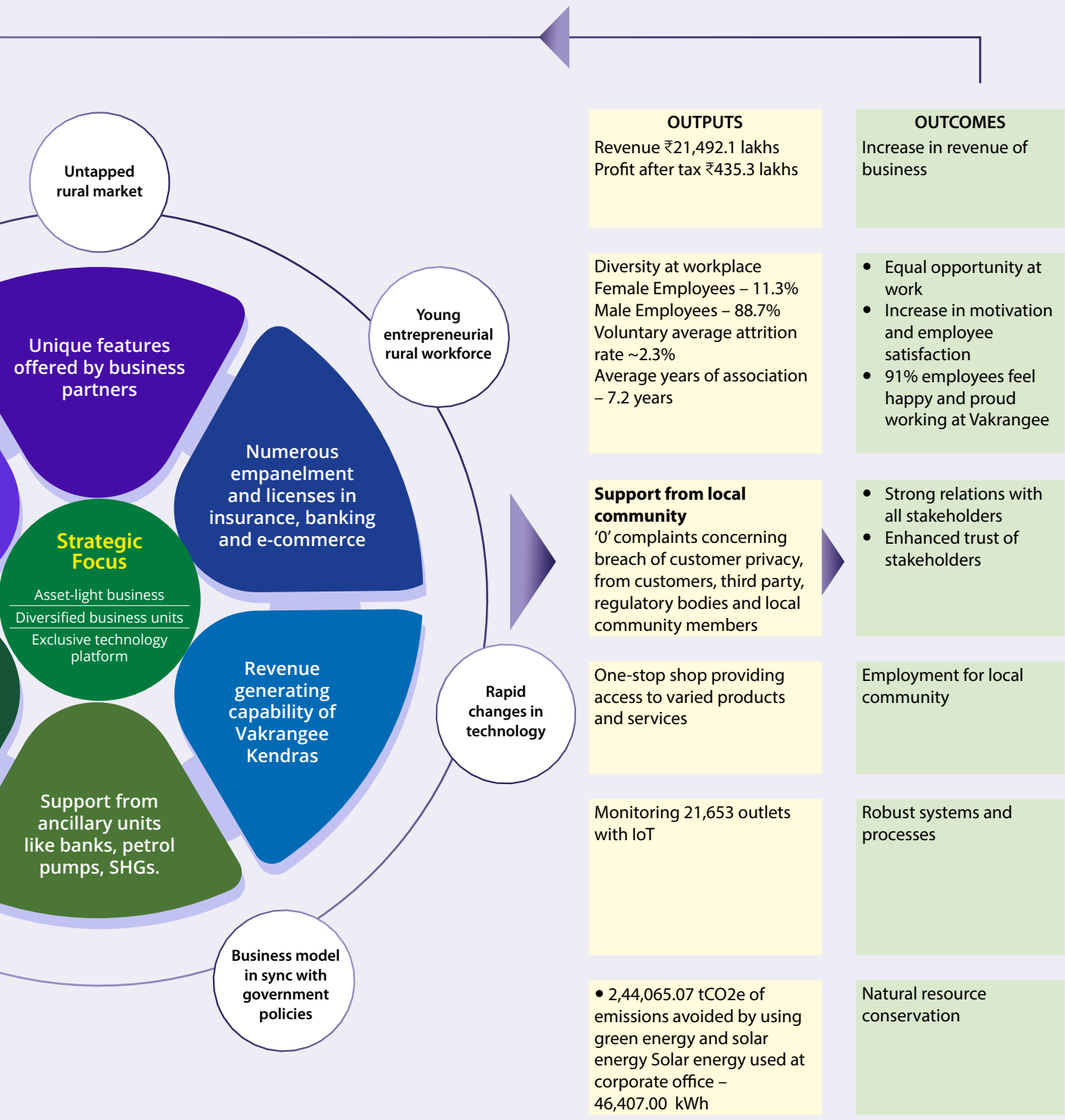


VALUE CREATION MODEL

Our business model is at the core of our operations, serving as the cornerstone for implementing a sustainable business strategy. This model embodies the team's dedication and persistence, aimed at establishing growth opportunities for the future. It fosters a culture of excellence among employees and partners, emphasising the importance of ethics, transparency and robust governance practices in all endeavours.

INPUTS	
FINANCIAL CAPITAL	<p>Funds available or funds generated to create value through operations.</p> <p>Paid-up capital : ₹1,05,95.13 lakhs</p> <p>Capital work-in-progress : ₹614.41 lakhs</p>
HUMAN CAPITAL	<p>The skills, knowhow, capabilities, experience, diversity and level of motivation of direct and contractual employees. Innovative thinking is promoted, and the right development tools and trainings are provided to the employees.</p> <p>Employee strength : 212</p> <p>Women at corporate HQ : 18</p> <p>Training hours for permanent employees : 871 hours</p>
SOCIAL & RELATIONSHIP CAPITAL	<p>Trust-based, mutually beneficial relationships with key stakeholders such as franchisees, master franchisees, investors, customers, vendors, society and government, among others, which play a vital role in our success.</p> <p>CSR expenditure : ₹26.80 lakhs</p> <p>Efficient grievance redressal mechanism</p>
MANUFACTURED CAPITAL	<p>Infrastructure created and equipment used for the operations. The state-of-the-art pan-India infrastructure provides a superior customer experience.</p> <p>Active Vakrangee Kendras: 21,653 as of FY2023-24</p>
INTELLECTUAL CAPITAL	<p>Knowledge and experience that helps develop the business model to make it stand out in the crowd. The thirst for knowledge and confidence to walk the road-less travelled help in developing innovative solutions and processes.</p> <p>Implementation of advanced technology : IoT, VA, AR, Virtual Assistance, AI, ML, blockchain, ONDC</p>
NATURAL CAPITAL	<p>Natural resources such as air, water, energy, land and biodiversity are utilised by our operations. There is a continuous endeavour to reduce the load of our operations on Earth.</p> <p>Green Initiatives to protect the environment : Save paper, green building, green data centres, ISO certifications</p>





BUSINESS RISKS AND OPPORTUNITIES

Safeguarding against potential dangers and vulnerabilities with foresight

Taking a proactive stance in identifying risks and implementing effective risk management strategies is imperative within today's ever-evolving market landscape. Thus, only a meticulously crafted risk management policy can facilitate enduring and robust business expansion, fostering a culture prioritising proactive assessment, mitigation, and communication of all pertinent business risks.

A forward-thinking company like us operating within India's digital economy fully comprehends the significance of navigating those risks while seizing burgeoning business opportunities.

Our Risk Management Policy aligns with the RBI's directives regarding risk management in banking correspondence, white label ATM (WLA) operations, and Regulation 21 of SEBI LODR.

Proactive identification, thorough investigation, careful evaluation, effective management, and meticulous documentation of potential risks to the business form the core of the risk management process.

The Board of Directors conducts regular reviews and assessments of our risk management system. Oversight of implementing the risk management system falls under the purview of the Head of Department, who is responsible for reporting to both the Board and the Audit Committee when necessary.

Risk Management Committee

We have constituted a Risk Management Committee with most members of the Board of Directors. The composition of our Risk Management Committee is as follows.

S. No.	Name of Director	Designation
1	Mrs. Sujata Chattopadhyay	Chairperson
2	Mr. Dinesh Nandwana	Member
3	Dr. Nishikant Hayatnagarkar	Member

The Board undertakes the following responsibilities to ensure a comprehensive management of risks within the organisation.

1. Takes charge of establishing, executing and supervising our risk management plan.
2. Ensures that standard operating procedures (SOPs) across all departments and verticals adhere to global best practices, comply with ESG standards and UN-SDGs, and are devoid of risks in business and legal aspects.
3. Defines the roles and duties of the Risk Management Committee, delegating the task of monitoring and evaluating the risk management plan to the Committee, along with any additional functions it deems necessary.
4. Guarantees the existence of suitable risk management mechanisms.



5. Engages Independent Directors to provide unbiased judgement during Board discussions on risk management issues, ensuring the robustness and defensibility of the risk management system. They are also involved in significant decisions affecting the firm's risk profile.
6. Maintains awareness of and continuously monitors strategic risks.
7. Ensures the implementation of procedures and controls to mitigate less significant threats, establishes an appropriate accountability structure to record risk delegation and tracks performance accordingly. Ensures that board reporting methods and annual reporting incorporate risk management.
8. Convenes any necessary board committees to ensure adequate management and resolution of risks wherever possible.

The Risk Management Committee's terms of reference encompass the following points.

1. Ensuring the establishment of appropriate procedures for risk management, ensuring recognition, analysis, quantification, and effective mitigation of all significant current and future risk exposures.
2. Creating and overseeing the implementation of a structured risk management process.
3. Ensuring compliance with relevant requirements by adopting best practices.
4. Upholding financial stability and facilitating corporate growth.
5. Evaluating actual and potential risks related to human rights, particularly in the realm of data privacy.
6. Establishing the framework for human rights risk assessment concerning data privacy.
7. Overseeing the implementation of the human rights risk assessment framework for data privacy.
8. Reporting the findings of human rights risk assessment in data privacy to the Board of Directors.

9. Assessing existing and potential risks associated with human capital.
10. Approving action plans developed in response to identified human capital risks.
11. Monitoring the implementation of the comprehensive action plan.
12. Presenting findings from human capital risk assessments to the Board of Directors.

The Committee requires unrestricted access to management and management information. It is mandated to convene at least annually and possesses the authority to seek guidance from external experts or consultants when necessary.

Additionally, the Committee is responsible for conducting an annual policy evaluation to ensure compliance with legislative requirements and organisational needs. Once the risk management committee has reviewed risks, they are communicated to all stakeholders.



A forward-thinking company like us operating within India's digital economy fully comprehends the significance of navigating those risks while seizing burgeoning business opportunities.



ESG Committee

A separate Board ESG Committee has been established to analyse significant environmental, social and governance issues pertinent to our operations. It aims to help maintain our status as a global leader in ESG performance.

The Committee conducts regular reviews, at least quarterly, while undertaking assessments on an as-needed basis to address major strategic decisions and implement the requirements of ESG-related initiatives.

The Committee's role is to assist the Board through the following measures.

- Identifying the impact of environmental, social and governance concerns on our value creation potential while monitoring external ESG trends and comprehending associated risks and opportunities.
- Understanding the expectations of key stakeholders.
- The Committee also acknowledges the contributions of the Board People & Remuneration Committee and the Board Corporate Social Responsibility Committee in assisting the Board to fulfil its ESG responsibilities.

The board of the ESG committee is composed of the following individuals:

S. No.	Name of Director	Designation
1	Mr. Avinash Vyas	Chairman
2	Mr. Ramesh Joshi	Member
3	Ms. Sujata Chattopadhyay	Member

The Board ESG Committee's role and responsibilities encompass the following points.

- Assessing the performance and results of significant ESG investor initiatives/surveys and global benchmarks.
- Supervising the implementation of major projects identified in ESG investor surveys and global benchmarks while identifying opportunities for enhancement.
- Deliberating on emerging ESG concerns to ascertain their relevance to our long-term value creation.
- Reviewing and evaluating overall business strategy from the perspective of its ESG impact.
- Monitoring and evaluating the integration of sustainable development goals into any new company strategy or business activities.
- Assisting the NRC Committee in evaluating the senior management's performance concerning ESG objectives.



Business Risks

Changes in government policies, regulations and compliance: One of the significant risks we face is the potential changes in government policies regarding financial inclusion in semi-urban and rural areas of India, which could profoundly impact business operations.

The dynamic nature of regulations governing accounting, corporate governance and public disclosure poses challenges for us. New rules and guidelines often lack precise clarity, leading to diverse interpretations. The continuous evolution of regulations introduces ongoing ambiguity, increasing expenses associated with compliance efforts.

To navigate this complexity, we remain vigilant in staying informed about updates issued by regulatory bodies, adjusting practices as necessary. We understand that any non-compliance or violation exposes us to legal risks. Therefore, we have implemented robust compliance frameworks to ensure adherence to applicable laws and regulations.

Disruptive technologies: As a financial technology firm, we recognise the importance of staying ahead of disruptive innovations within the industry, such as advancements like the Internet of Things (IoT) and biometric identification, which may affect profit margins. Continuous monitoring of the industry landscape enables anticipation and adaptation to these disruptive changes.

Risks associated with individual franchisees: Despite the advantages of our franchisee model for rapid expansion, there are also associated risks. For instance, incidents involving individual franchisees could harm our brand and reputation, while legal issues may disrupt operations. To mitigate these risks, we emphasise effective communication, training and support to maintain a robust franchise network.

Data security: We are fully cognizant of the risks entailed by corporate accounting fraud and data privacy breaches. Stringent internal controls and security measures have been implemented to mitigate these risks effectively. Regular audits and monitoring processes are in place to detect and prevent fraudulent activities or data privacy breaches. Ensuring the security and safety of franchisees and stores is a top priority, with comprehensive training on security protocols to mitigate risks such as theft, burglary or damage.

Managing risks

Effective risk management is deemed crucial for long-term sustainability and success. We remain committed to proactive risk mitigation by staying abreast of industry trends and regulatory changes and implementing robust strategies to address potential risks impacting business operations.

Formal and systematic methodologies for risk management are adopted across our organisation, considering it a continuous responsibility shared by all members. Comprehensive risk assessments are conducted to identify and analyse potential threats, vulnerabilities and hazards, facilitating proactive risk mitigation to ensure long-term value creation and address issues related to development and stakeholders.

Recognising opportunities emerging from the dynamic digital economy in India, we strategically position ourselves to build a sustainable and profitable business model aligned with the evolving landscape. Diversification beyond cash-based transactions, the introduction of mobile super app-based platforms and leveraging the extensive physical store network demonstrate proactive adaptation to market shifts.

Combining digital and physical presence strengthens customer interaction, brand recall, service experience, and trust, supported by a strong brand recall, an existing customer base, and a well-established network of outlets. We aim to navigate challenges through comprehensive analysis while leveraging emerging opportunities, positioning ourselves for sustained growth and success in the digital era.

Risk Management Flowchart

Risk identification

Upon identification, potential risks should be acknowledged and described in terms of their possible consequences.

Risk analysis

Following risk identification, the probability and potential impacts of each risk are assessed. This involves evaluating the specific nature of the risk and its potential effects on organisational goals and objectives.

Risk evaluation

Risk appraisal determines the extent of risk by considering both its likelihood and the severity of its consequences. Once the magnitude of the risk is established, a decision is made regarding its acceptability. If the risk is deemed unacceptable, the subsequent step is to identify the necessary measures to mitigate it.

Risk treatment

It involves evaluating all identified risks and subsequently creating and executing action plans to decrease these risks to acceptable levels. However, the focus is not solely on mitigating negative risks but also on optimising the opportunities that have been identified.

Risk monitoring and review

After detailing the risks and outlining steps to mitigate them, it's imperative to regularly monitor, track and review these risks.

Risk monitoring and communication

We have adopted robust measures to monitor and identify any potential risk. These measures are mentioned below.

Risk monitoring tool

Granular auditing is employed to detect any cyberattacks or malicious activities by analysing network logs, a practice that consistently yields valuable insights. Data provenance techniques are utilised to pinpoint the origin of data accurately, facilitating further validation and access control, achieved through meticulous data categorisation.

Periodic Audit

Audits offer a structured documentation process that continually assesses operational practices against established principles and standards. Additionally, they assist in fulfilling regulatory obligations.

Training management

Training programmes are delivered through diverse mediums to ensure staff effectiveness, learning, and development. Extensive training is provided to staff, ATM custodians and banking operators.

Surveillance

All Next-Gen Vakrangee Kendras feature centralised closed-circuit Television (CCTV), ensuring continuous monitoring of ATM and banking activities. Additionally, these locations are consistently staffed during business hours.



Recognising opportunities emerging from the dynamic digital economy in India, we strategically position ourselves to build a sustainable and profitable business model aligned with the evolving landscape.



Risk Communication

The Risk Management Committee promptly notifies the Managing Director and/or Compliance Officer upon discovering risks and outlines mitigation procedures following successful monitoring and identification. Additionally, during Board meetings, these findings are communicated to the Board of Directors. In the event of a significant risk, the Board is promptly alerted for review and guidance on mitigation measures to be implemented.

Internal control system and adequacy

We have consistently emphasised establishing a robust internal control system tailored to the size and scope of our operations. Our internal controls aim to furnish reasonable assurance in accurately recording financial and operational data, adhering to relevant regulations, safeguarding assets against unauthorised use or loss, authorising transactions appropriately, and upholding compliance with corporate policies, laws, and accounting standards.

The Board of Directors periodically reviews and assesses our risk management system. Likewise, the Head of Department implements the risk management system as necessary and reports to the Board and Audit Committee.

Business opportunities

Introducing new retail products

We aim to introduce our Private and White Label product categories within the Consumer and Retail segments. This initiative seeks to capitalise on

the extensive Vakrangee Kendra Franchisee and Master Franchisee network to distribute proprietary branded E-Commerce consumer and retail products. Here, the strategy is to enhance our market presence by offering consumers a diverse range of products and leveraging our existing network for increased distribution and revenue opportunities.

Backward integration

We have finalised the acquisition of 93.5% equity share capital of Vortex Engineering Private Limited from the International Finance Corporation (IFC), Tata Capital, Aavishkaar & other Shareholders. Vortex Engineering is an innovative and leading provider of Automated Teller Machines (ATMs) and multi-vendor ATM management software products. The strategic investment aims to facilitate backward integration, enabling us to unlock future growth opportunities, capitalise on cost synergies, and access valuable technology know-how.

Business expansion

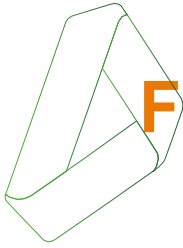
Aligned with our Vision 2030 to reach three lakh+ outlets and a minimum of 15,000+ ATMs, our current focus has been expanding our presence by building a Master Franchisee network. We are also leveraging our first-mover advantage, resulting in strong on-ground operational management and better growth scalability in the future. We plan to achieve a revenue target of US\$ 1 Billion by 2030, along with a Gross Transaction Value of more than US\$ 150 Billion.





PERFORMANCE OF CAPITALS

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FINANCIAL CAPITAL

An Asset Light approach to create outstanding value

MATERIALITY ISSUES ADDRESSED

- Growth and continuity
- Profitability and Shareholder value

LINKED CAPITALS

- Manufactured capital
- Intellectual capital
- Human capital
- Social and relationship capital

SDGs IMPACTED



Integrating Robust Financial Growth with Contributions to Financial Inclusion

At Vakrangee, financial capital serves as the lifeblood fuelling innovation and progress. Our financial capital empowers us to create efficient and accessible platforms for citizens and governments, fostering transparency, accountability and inclusivity in governance processes. Through strategic investments and prudent financial management, we leverage financial capital to catalyse societal advancement, promote economic growth and ultimately enhance the quality of life for communities served by our digital solutions.

We've notably elevated our business engagement and service standards throughout this reporting year. We're shaping a promising future by fostering an entrepreneurial spirit and cultivating robust connections with our customers and stakeholders. This approach has enabled us to attract new customers and promptly meet their needs.

Our commitment to reaching people across rural and urban areas throughout India has led to a significant rise in our outlets, to 21,653 by the end of FY 2023-24, along with 437 master franchisees. This expansion has enabled us to grasp better and meet customer needs by establishing last-mile retail outlets accessible at every postal code.

These outlets operate under our Phygital model, integrating technology to offer real-time BFSI, ATM, e-commerce and healthcare services to underserved rural, semi-urban and urban markets, aligning with government policies for financial and social inclusion. By leveraging advancements in digital technologies within our operations, we strive to understand and meet consumer demands at an elevated standard.

We empowered local entrepreneurs to manage and expand their district-level Kendra networks, utilising their insights and commitment to drive business growth. We also addressed the needs of franchisee employees and paid them in compliance with the applicable labour laws in their respective states.

Besides, our customer-centric approach ensured tailored services that met diverse needs and promoted socio-economic development. Also, by establishing a presence in remote areas (Tier IV, V and VI), we bridged the digital divide, offering essential services such as banking, insurance, e-commerce and government services.

Just like in the previous years, FY24 also witnessed the Government of India implementing various social and financial initiatives among rural populations, such as the Pradhan Mantri Jan Dhan Yojana (PMJDY), the issuance of RuPay cards and Direct Benefit Transfer. These efforts have helped us achieve our goal of ensuring financial inclusion by aligning with government policies.

Aligned with our 'Vision 2030', we have constantly expanded our outlet network to reach 300,000 locations. We have appointed Master Franchisees in a total of 437 districts so far across 28 states across the country. These Master Franchisees will provide on-ground operational support to the existing franchisee outlets and drive new acquisitions.

We are working on our plan to achieve 100% district coverage by March 2025. We aim to establish a Vakrangee outlet in every Gram Panchayat across

India, ensuring everyone can access and benefit from financial, social and digital inclusion. However, this rapid expansion may temporarily impact our profitability as we invest our cash flow into enhancing franchisee incentives and marketing.

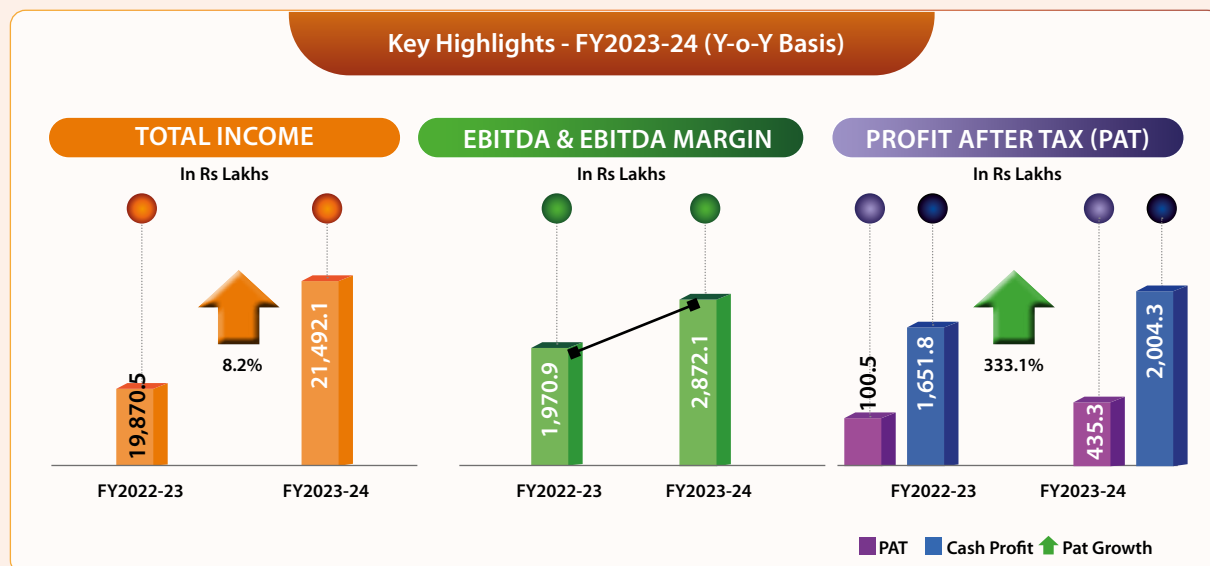
We regularly introduced additional, temporary incentive schemes for franchisees, which will ensure a quick payback for them and attract significant new franchisee interest. In addition, the effective use of word-of-mouth marketing, referral incentives, and nationwide marketing campaigns have significantly increased the number of leads for our franchisee acquisition drive.

We have the best pricing for all our Kendra models and Master Franchisees. In this model, the Master Franchisees are responsible for providing ongoing support and guidance and ensuring the successful operation of franchise units within their territory. This initiative empowered master and Kendra franchisees to build an effective phygital network.

We acquired ~79% equity share capital of Vortex Engineering Private Limited from the IFC, Tata Capital Innovation Fund, Aavishkaar India Investors & Other Shareholder ("Seller"). The Company is acquiring another ~14% equity share capital of Vortex Engineering Private Limited from other shareholders of the Company, and post-acquisition, the total shareholding will increase to ~93%. This strategic investment will help the Company integrate backwards, unlocking future growth opportunities and leveraging the cost synergies and technology know-how.



On March 30, 2024, we have allotted 6,00,00,000 Convertible Warrants at an issue price of ₹27 per Warrant, totalling up to ₹162 crores. Each Warrant is convertible into an equal number of equity shares with a face value of ₹1 each, issued to both Promoter and Non-Promoter categories.



Our company is operating with an asset light model, emphasising relatively lower capital asset ownership. This allows us to maintain profitability and deliver returns to shareholders, thereby benefiting other stakeholders in maintaining an optimal capital structure to minimise the cost of capital as a going concern. Our revenue and profitability saw significant improvement on a YoY basis in FY24. Our revenue increased by 8.2% YoY basis, PAT increased by 333.1% in the same period, and Cash Profit increased by 21.4%.

Our Annual Gross Transaction Value (GTV) crossed Rs.55,209.9 Crores, and the Annual Number of Transactions crossed 13.2 Crores. This growth will likely continue as we scale up our network and the operating leverage kicks in.

Our Banking GTV crossed Rs. 43,171.6 Crores and ATM GTV crossed Rs. 11,876.9 Crores. Further, our Banking Transactions crossed 8.4 Crores and ATM

transactions crossed 4.5 Crores.

Our Company achieved a debtor's turnover ratio of 0.21, indicating the frequency of collecting payments from customers. The inventory turnover ratio was 0.00, reflecting our efficiency in managing and selling inventories.

The interest coverage ratio stands at 0.27, indicating our ability to cover interest expenses with operating income. With a current ratio of 1.40, we demonstrated our ability to meet short-term obligations. In contrast, our debt-equity ratio of 0.07 signifies the proportion of debt relative to equity in our capital structure.

Our operating profit margin of 27.60% highlights profitability from core operations, while the net profit margin of 2.05% represents overall profitability after accounting for all expenses and taxes.



Our Annual Gross Transaction Value (GTV) crossed ₹55,209.9 Crores, and the Annual Number of Transactions crossed 13.2 Crores.



Quantifying Financial Performance

While prioritising access to financial, social, and digital inclusion for the rural population in India, we have made significant strides in various areas during this reporting period. Our company has demonstrated progress in several aspects, including

expanding our reach and impact. We have diligently worked towards improving our financial standing and implementing strategies for sustainable growth. Furthermore, our performance this year has shown positive advancements, reflecting our commitment to continuous improvement and success.

(₹ in lakhs)

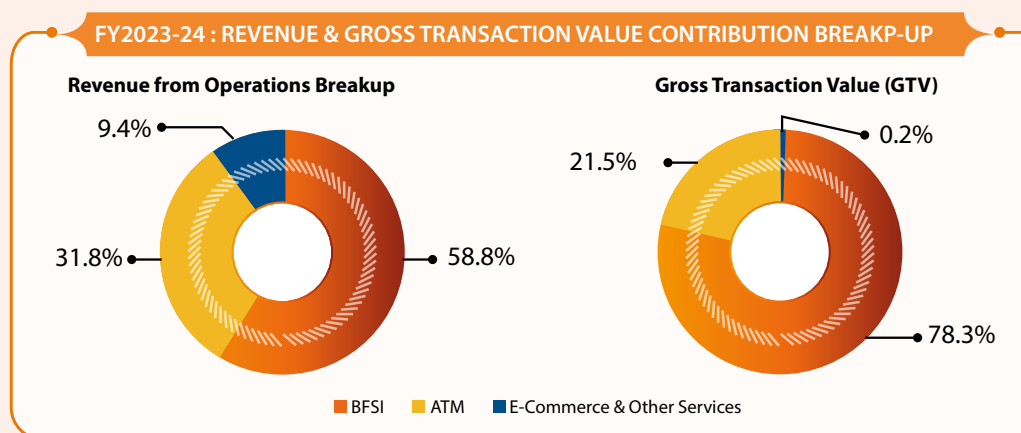
Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	18,363.66	16,451.34	21,258.21	19,723.20
Other Income	187.65	102.64	233.89	140.25
Profit / Loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	2805.61	1,930.44	2872.08	1,970.91
Less: Depreciation/ Amortisation/ Impairment	1569.08	1,551.36	1569.08	1,551.36
Profit/Loss before Finance Costs, Exceptional items and Tax Expense	1236.53	379.08	1303	419.55
Less: Finance Costs	771.17	151.53	771.17	151.53
Profit /Loss before Exceptional items and Tax Expense	465.36	227.55	531.83	268.02
Add/(Less): Exceptional Expense	54.44	-	54.44	-
Profit /Loss before Tax Expense	519.80	227.55	586.27	268.02
Less: Tax Expense (Current & Deferred)	133.14	167.54	151.01	167.54
Profit /Loss for the year (1)	386.66	60.01	435.26	100.48
Total Comprehensive Income/Loss (2)	-11.46	-51.44	-3.98	-36.61
Total (1+2)	375.20	8.57	431.28	63.87
Balance of profit /loss for earlier years	6042.75	6,512.48	10177.23	10,606.49
Less: Transfer to Reserves	-	-	-	-
Less: Dividend paid on Equity Shares	-529.76	-529.75	-529.76	-529.75
Balance carried forward	5899.65	6,042.75	10082.73	10,177.23

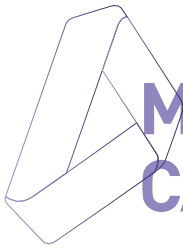
Standalone:

Our Company has witnessed a significant increase in total income during FY 2023-24, reaching ₹18,551.31 lakhs compared to the previous year's total income of ₹16,553.98 lakhs. Furthermore, the Profit after Tax for the current reporting period amounted to ₹386.66 lakhs compared to ₹60.01 lakhs in the previous fiscal.

Consolidated:

In the reporting period, our Company achieved a total income of ₹21,492.10 lakhs, compared to the previous financial year's total income of ₹19,870.48 lakhs. The profit after tax (PAT) for the fiscal year 2023-2024 amounted to ₹435.26 lakhs. As of March 31st, 2024, our paid-up equity share capital stands at ₹10,595.13 lakhs.





MANUFACTURED CAPITAL

Strengthening the nation's backbone by catering to people

MATERIALITY ISSUES ADDRESSED

- Growth and continuity
- Customer satisfaction
- Infrastructure maintenance
- Technological obsolescence
- Security & data protection
- Regulatory compliance

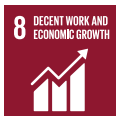
LINKED CAPITALS

- Financial capital
- Intellectual capital
- Human capital
- Social and relationship capital

SDGs IMPACTED



SUSTAINABLE DEVELOPMENT GOALS



Enhancing digital efficiencies for an inclusive, sustainable future

Manufactured capital at Vakrangee includes a network of Vakrangee Kendras outlets spread across Pan India, designed to provide a bouquet of services such as banking, insurance, e-commerce, and logistics. Our Kendras are equipped with advanced technology and infrastructure to support last-mile delivery and digital services. Additionally, we have invested in creating a strong IT backbone and digital platforms to ensure seamless operations and service delivery. Our extensive infrastructure allows us to serve diverse customer needs efficiently while contributing to our growth and expansion in the digital services ecosystem.



	<p>Store exclusivity and consistent branding</p> <ul style="list-style-type: none"> • Exclusive store model with same service level and same customer experience • Standardised layout and design by L&H (Lewis & Hickey) • Uniform and consistent branding for higher brand recall and visibility
	<p>ATM in outlet</p> <ul style="list-style-type: none"> • ATM at store and located within the store • Potential to enhance the footfalls significantly • Additional stream of revenues for both – the franchisee and us
	<p>Centralised monitoring system</p> <ul style="list-style-type: none"> • Centralised CCTV system • Better security at the store • Full compliance with RBI guidelines to maintain more than 90 days of video recording backup
	<p>Digital advertising</p> <ul style="list-style-type: none"> • Digital signage to enable centrally monitored advertisement campaigns • To enhance the interaction between customers and partners • Focus to initiate advertising revenue
	<p>Pin pad device</p> <ul style="list-style-type: none"> • To enable various kinds of payment modes at any Vakrangee Kendra • Integration in process to start accepting RuPay/Debit/Credit card payments



With a vision to drive transformation via the innovative Phygital model, we have augmented the Vakrangee Kendras to 21,653 in the fiscal year 2023-24 spread across 31 states and 571 districts, with 70% of them placed in Tier IV and VI sites. This expansion of the physical outlets has enabled us to reach a larger population and fulfil their health and financial needs.

Our primary focus is to further broaden our presence by developing a Master Franchisee network. As of 31st March 2024, we have appointed exclusive Master Franchisees in 437 districts across 28 states. This strategic initiative aims to fortify our first-mover advantage, leading to robust on-ground operational management and enhanced scalability for future growth.

Embracing the digital era, we have taken a step further in our entrepreneurial pursuit by introducing the BharatEasy Mobile Super App. This all-encompassing application serves as a digital ecosystem, providing convenient access to diverse services such as banking, insurance, online shopping, total healthcare services, demat and trading account services, online travel and seamless money transfers. Our entrepreneurial spirit has fuelled our performance, amplifying customer experiences and propelling us to new heights of success. Our focus on quality management and monitoring has enabled us to ensure a unified consumer and service experience at every Vakrangee Kendra and franchisee. By embracing the entrepreneurial spirit, we have propelled growth and fostered a dynamic environment for progress.

Stepping into the digital era, we embarked on an entrepreneurial venture with the BharatEasy Mobile Super App. This dynamic platform is a holistic digital hub, offering seamless access to services spanning banking, insurance, e-commerce, comprehensive

healthcare solutions, demat and trading facilities and online travel bookings. We have recently launched an upgraded Beta Trial Version of the 'BharatEasy Mobile Super App'-based business platform.

We are also set to introduce an online digital platform, allowing consumers to access services effortlessly from their homes. With this initiative, we transition into a distinctive O2O (Online to Offline) platform, offering physical assistance through our Kendra network and online digital services.

We have completed the acquisition of ~79% equity share capital of Vortex Engineering Private Limited from the IFC, Tata Capital Innovation Fund, Aavishkaar India Investors & other Shareholder ("Seller"). We are in the process of acquiring another ~14% equity share capital of Vortex Engineering Private Limited from other shareholders of the Company, and post-acquisition, the total shareholding will increase to ~93%. This strategic investment will help us have a backward integration in place, thereby unlocking future growth opportunities and leveraging the cost synergies and technology know-how.

We have a proper quality management and monitoring mechanism and ensure a unified Consumer and service experience at each of our Vakrangee Kendra and franchisee via:

Standardised & Exclusive Format of Store for Unified Consumer & Service Experience

All our outlets offer access to digital convenience stores, providing services supported by a unique business model. Over time, these outlets have evolved from non-exclusive stores offering limited services to exclusive, multi-speciality stores with diverse offerings, establishing a strong presence in the market.



Acquisition of Vortex Engineering Private Limited help us with an backward integration in place, thereby unlocking future growth opportunities and leveraging the cost synergies and technology know-how.



Digitalisation has propelled overall growth by enabling convenient delivery of goods and services to customers' doorsteps. Further, with all the outlets, we utilise a modern, standardised format with a consistent appearance, ensuring uniform service levels and customer experiences across all locations, even in remote areas.

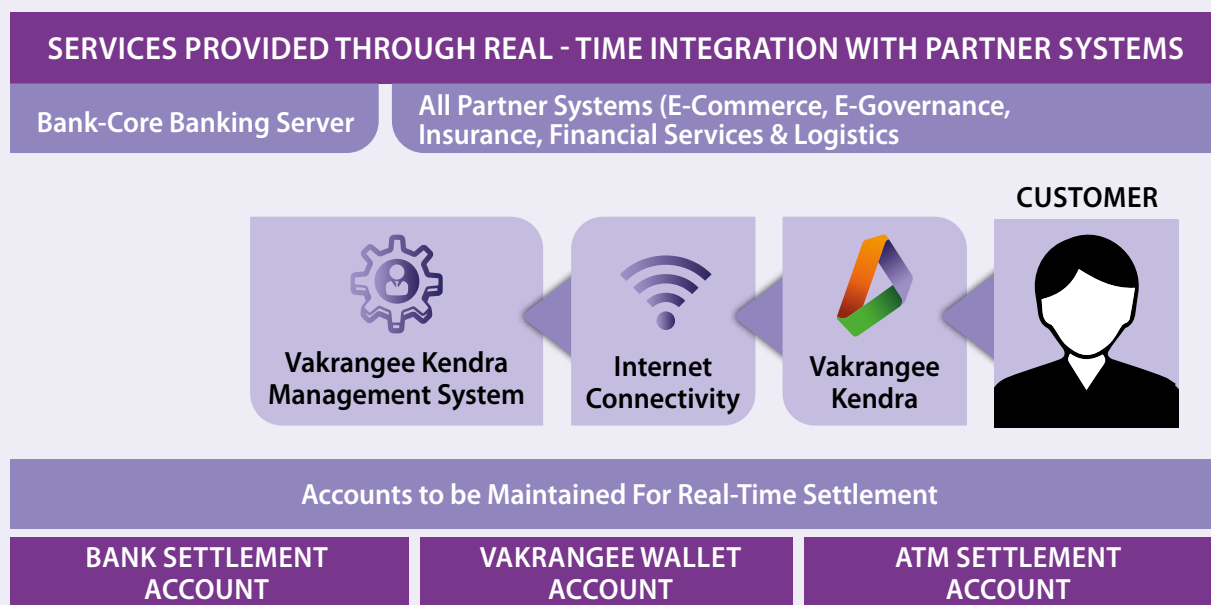
Organisational hierarchy to monitor and train the Franchisees and provide operational/ marketing support

We have established a clear organisational framework comprising crucial roles such as State Heads and District-level Master Franchisee Partners to oversee and manage daily operations.

To achieve Vision 2030, the ambitious goal to achieve full district coverage at all 764 districts in the country, we have appointed District-level Master Franchisees who provide essential on-ground operational and marketing support to our franchisees. These Master Franchisees can assist franchisees with daily tasks and swiftly resolve any issues.

Further, to ensure consistent and effective training for franchisees, we run a centralised Master Franchisee & Franchisee Training and Induction Programme. This programme runs five days a week, with two three-hour daily sessions in English and Hindi. This comprehensive training equips our franchisees with the necessary skills and knowledge to excel in their roles and deliver exceptional service to our customers.

Our Proprietary Technology Platform



Robust infrastructure of technology systems in place

We have developed advanced technological platforms known as VKMS (Vakrangee Kendra Management System) and the BharatEasy Mobile Super App to enrich our service offerings.

These platforms allow us to seamlessly integrate with the partner systems in real time, ensuring efficient and secure service delivery. Supported by a skilled team of professionals, we offer continuous technical and quality assistance to the franchisees, ensuring smooth operations.

To prioritise security, we have also implemented a comprehensive user policy requiring user authentication for every individual accessing our server. This strict measure guarantees that all transactions carried out through the platforms are safe and secure. Adhering to these protocols creates a trustworthy environment for customers and franchisees, instilling confidence and reliability.

Real-time daily transaction monitoring & report availability

The Vakrangee Kendra Management System (VKMS) and the BharatEasy Mobile Super App are our proprietary systems that offer real-time updates on various aspects such as transaction status, ATM cash levels by denomination and wallet account balances. Through these systems, stakeholders are informed in real time on critical issues, enabling them to make knowledgeable decisions efficiently.

Our systems generate real-time dashboards and daily reports to facilitate effective monitoring of our services and outlets. These comprehensive insights empower the Master Franchisees and business teams to closely monitor operations, identify areas for improvement and ensure seamless service delivery throughout the network, which helps us enhance our operational efficiency and provide an exceptional experience for both the customers and franchisees.

Video conference and webinar facility with the Master Franchisees and franchisees

We utilise video conferences and webinars to facilitate effective communication and collaboration with our Master Franchisees and franchisees. These virtual platforms serve as valuable tools for regular monitoring and offer real-time resolutions to any queries or concerns raised by them. By employing these digital communication channels, we ensure timely and efficient support, promptly address needs and foster strong working relationships.

Exclusive District Level Master Franchisees for each District

With the introduction of Master Franchisees, we ensure that each district-level Franchisee is linked to our respective District-level Master Franchisee. These Master Franchisees play a crucial role in overseeing and ensuring operational compliance for the franchisees within their assigned districts.

They are responsible for monitoring the entire process from start to finish, focusing on operational standards and adherence to established guidelines. This interconnected structure facilitates effective supervision and support, ensuring franchisees



operate aligned with organisational objectives and deliver high-quality services to valued customers.

Vakrangee Connect Mobile App for ATM Monitoring

The Vakrangee Connect mobile app has been designed to assist franchisees with daily operations. This app gives franchisees complete visibility and real-time status updates for various services. Here are some features of the app.

ATM Related Reports: Franchisees can view date-wise transaction counts and dispensed amounts for their ATMs. Additionally, they can check the current cash balance and access real-time ATM working status.

Daily Activities: Franchisees can perform daily activities related to ATM management using the app. This includes cash withdrawal and loading entries and maintaining the daily cash tally for their ATMs. Franchisees can track transactions and other operational aspects easily through the App. The app aims to enhance convenience and improve customer satisfaction at Vakrangee Kendras.

Vakrangee Kendra Franchisee Technical Support Desk Process and Customer Support Process

The Franchisee Technical Support Desk (TSD) plays an important role in the communication bridge between franchisees and us. It is a centralised point of contact and provides information and assistance for franchisees' technical queries. All calls

are managed centrally through dedicated phone numbers: 022 - 67765178 and toll-free number 18002744427.

The Help Desk operates 12 hours on working days (from 8 AM to 8 PM) and 8 hours on non-working days, with a larger workforce available during the day shift to handle franchisee queries.

Key points about the Help Desk operation are listed below.

- Work shifts consist of 8 hours each.
- On working days, there are three shifts:
 - First Shift: 8:00 a.m. – 5:00 p.m.
 - General Shift: 9:00 a.m. to 6:00 p.m.
 - Second Shift: 11:00 a.m. – 8:00 p.m.
- On non-working days, there is one shift from 9:00 a.m. to 6:00 p.m.

Data Quality

We maintain accurate, complete, consistent, timely and relevant personal information for the purposes outlined in the notice. An operational model and processes for data quality are defined and implemented.

Data is profiled, analysed and described for quality against various dimensions in enterprise repositories and golden sources. Data owners document quality rules based on data characteristics identified through profiling. The senior management and data controllers ensure data elements are expanded and enriched as needed. Data delivery services ensure compliance with abstract environment requirements and data transfer specifications. The data quality function establishes integrity controls to uphold data integrity, while data privacy and information security protocols ensure designated roles handle data modifications. Data quality assessment and monitoring align with the nature of data

operations and lifecycle stages. Data controllers and owners also continuously monitor Key Control Indicators (KCIs) through the Control scorecard. Any data errors are addressed by the data remediation function, which conducts thorough root cause analysis and documents findings accordingly.

Focus on Quality Procurement through Sustainable Sourcing in Place

We are dedicated to sustainable procurement practices, prioritising collaboration and procurement with supplier/vendor partners who demonstrate focus and clear goals on various sustainability parameters, including the following points.

- Reduction of water consumption
- Reduction of energy consumption
- Environmental preservation efforts
- Promotion of diversity in talent
- Compliance with human rights conventions
- Adherence to all applicable laws
- Provide clear, accurate, and appropriate reporting to us on all matters of relevance, including the above on request.

We refer to the Electronic Product Environment Assessment Tool (EPEAT) programme for IT hardware and electronics procurement as part of the Green IT strategy, consistently adhering to our framework. All Requests for Proposals (RFPs) mandate suppliers only offer EPEAT-certified models.

This green IT procurement strategy aligns with our broader sustainability ethos, aiming to create significant impacts within communities. Environmental sustainability remains a top priority for organisations, with each step towards sustainability offering far-reaching benefits for us, our stakeholders and society.



We have developed advanced technological platforms known as VKMS (Vakrangee Kendra Management System) and the BharatEasy Mobile Super App to enrich our service offerings.





ISO 9001:2015 is an internationally recognised standard designed for QMS. It demonstrates our commitment to customer service quality and operational efficiency to clients.



ISO Certifications

ISO 9001:2015 Quality Management Systems (QMS) policy

ISO 9001:2015 is an internationally recognised standard designed for QMS. The QMS encompasses all processes, resources, assets and cultural values aimed at achieving customer satisfaction and organisational efficiency. It provides a framework for enhancing quality and establishes a common vocabulary for organisations to improve understanding.

This standard emphasises risk-based thinking, aiding firms in systematically managing organisational risks and opportunities. It highlights leadership engagement within our organisation and aims to address supply chain management issues more effectively. The following points reveal the significance of this emphasis.

- It demonstrates our commitment to customer service quality and operational efficiency to clients.
- It communicates to customers our concern for the quality of service provided.
- It signifies to customers that they are choosing a company that prioritises customer satisfaction.
- It reflects our determination to enhance customer service.
- It assures customers that they receive the highest possible quality of communication through the Information Security Management System Acquisition, Development, and Maintenance.

Additionally, we have established a Software Development Lifecycle (SDLC) that encompasses planning, requirement analysis, design, development and testing. As detailed below, various controls are in place to meet information security and data protection requirements.

A. Product Security

- Industry standards and methods are utilised to assess the security of goods.
- Agile and Scrum methodologies are followed for feature delivery and new feature delivery, respectively.
- The SDLC (Secure Software Development Life Cycle) includes activities to enhance security and privacy posture.
- The Definition of Done (DoD) ensures the quality of deliverables, providing clear guidelines for requirements.

B. Code Security:

- Product code is stored in a secure system hosted by a reputable data centre facility.
- A strict low access privileges principle regulates access to the code. Access is subject to thorough review and approval by a specialised team.

C. Record Retention and Data Destruction Policy:

- We are committed to protecting the integrity and confidentiality of personal data.
- Employees are obliged to prevent unauthorised disclosure of data, and data shall not be retained beyond necessary periods.
- Data destruction procedures ensure compliance with data protection rights. Unnecessary paperwork is shredded or disposed of securely.

ISO 20400:2017 Sustainable Procurement Management System

ISO 20400 stands as the world's inaugural international standard for sustainable procurement. It is designed to aid organisations in fulfilling their sustainability obligations by offering guidance on effectively implementing sustainable purchasing practices and policies.

Responsible procurement is a potent tool for organisations committed to acting responsibly and advancing sustainable development. It plays a crucial role in transitioning towards a more sustainable economy by enabling organisations to integrate sustainability considerations into their purchasing decisions.

Hence, organisations leverage their influence by prioritising sustainability in procurement processes to promote responsible practices throughout their supply chains.

We hold ISO 20400 certification, which underscores the significance of sustainable procurement and provides a framework for our practical application. Notably, this standard does not impose requirements on suppliers or serves as a tool for evaluating supplier sustainability performance.

Instead, it delineates how organisations can embed sustainability into the procurement process. ISO 20400 aims to aid organisations of any size and nature in developing and executing responsible sourcing strategies. It furnishes an overview of sustainable procurement principles and offers guidance on implementation, enabling organisations to conduct various aspects of business.

- Address customer and stakeholder demands for assuming supply chain responsibility.
- Recognise legal, financial and ethical risks associated with sustainability in the supply chain.
- Monitor and enhance the sustainability performance of suppliers.
- Cultivate supplier relationships that yield long-term, sustainable value.



Strategies for the setup of new Kendras

We execute a digitised system for managing the entire Franchisee Lifecycle, encompassing processes from Franchisee Acquisition to On-Boarding and Service Activation. This digital transformation aims to deliver a faster, simpler and more secure experience, facilitating robust scalability and quicker turnaround for prospective franchisees.

With the entire Franchisee Lifecycle Management process now digitalised, from Lead Generation to On-Boarding to Service Activation, efficiency and productivity have been significantly enhanced.

We are setting up an exclusive district-level master franchisee whereby the master franchisee will be responsible for providing on-ground operational support to the existing franchisees' outlets as well as driving new franchisee acquisition. This would help us scale faster and expand on a pan-India basis.

These initiatives have significantly reduced franchisee onboarding costs and improved field team efficiency and productivity, leading to higher scalability and enhanced profitability for the franchisee model.

We have also initiated digital marketing initiatives on Pan India Basis, which have led to a higher lead funnel for the franchisee acquisition process.

Our ongoing centralised franchisee training and induction programme, conducted five days a week with two sessions of 3 hours each in English and Hindi, facilitates training and addresses franchisees' queries effectively.

We have a clear Focus on Market Expansion & to strengthen our First Mover Advantage, we plan to cover the 764 districts, which is 100% of District coverage across the country, through the appointment of our district-level Master Franchisees. Our long-term Vision is to reach 3,00,000 Active Transacting Vakrangee Kendras by 2030. Further, we aim to have a Vakrangee outlet at each Gram panchayat level in rural India and each urban ward in urban India.

Our Last Mile Infrastructure

Our business model is fully sustainable and focused on facilitating financial, social and digital inclusion for Indians. Through an extensive network of outlets, we drive financial, digital and social inclusion in rural India, aiming to ensure access to the global marketplace for every Indian.

Our business model is led by innovation and robust last-mile infrastructure across deep rural locations nationwide. We leverage our proprietary technology platform, offering a comprehensive solution and real-time access to over 100 million products and 1,000 services under one roof, thereby creating last-



mile infrastructure for distributing various products and services.

Vakrangee Kendra outlets serve as one-stop shops offering key essential services to the citizens of the country in rural India, such as:

- » Banking Services
- » ATM Services
- » Total Healthcare – Telemedicine health services – Including Unlimited Tele & Video Consultation with expert doctors & Home Blood test facility
- » Online Demat & Trading Account Services
- » Assisted E-Commerce – Online shopping of products
- » Online Pharmacy
- » Travel Ticket Booking & Utility Bill Payment services

We have aligned our business strategy and mapped our sustainability initiatives with the United Nations Sustainable Development Goals (SDGs). The goals are a blueprint to achieve a better tomorrow. We aim to efficiently adopt these goals and address the global challenges, including poverty, financial inclusion, social inequality, climate, environmental degradation, economic growth & prosperity and peace and justice.

Our Kendras, spread across various states, cater to rural customers' day-to-day needs. We aim to establish our outlets as pivotal platforms for seamless access to financial inclusion, social integration, digital empowerment, skill development, employment generation, government initiatives and comprehensive availability of essential goods and services.

This strategic step aims to bridge the urban-rural divide, bringing urban convenience to the doorsteps of rural communities.

We are continuously expanding our bouquet of services and making readily available all types of services to the citizens. Further, we provide Last Mile Support through state-level field teams and district-level master franchisees partners for the Franchisees. We are also providing marketing support in terms of advertisement, leaflets, and posters to the franchisees and investing in the IT system to upgrade the in-house portal of VKMS.

Our active operating Kendras as on 31st March 2024 stand at 21,653 Kendras, along with 437 Master Franchises.

21,653

Active Transacting Vakrangee Kendras

31

Covering States & UTs

571

Districts

5,444

Postal Codes

437

District level Master Franchises

3,00,000

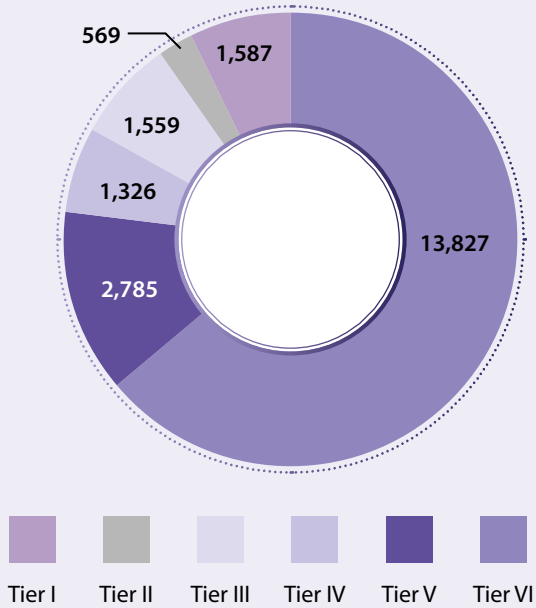
Vakrangee Kendras Target by 2030



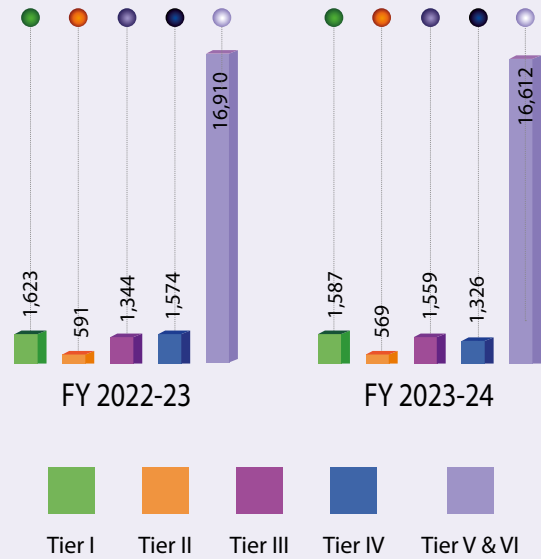
Our Kendras, spread across various states, cater to rural customers' day-to-day needs. We aim to establish our outlets as pivotal platforms for seamless access to financial inclusion, social integration, digital empowerment, skill development, employment generation, government initiatives and comprehensive availability of essential goods and services.



Number of Kendras in FY 2023-24 across tiers



Comparison of Kendras across Tiers: FY 2023-24 vs FY 2022-23

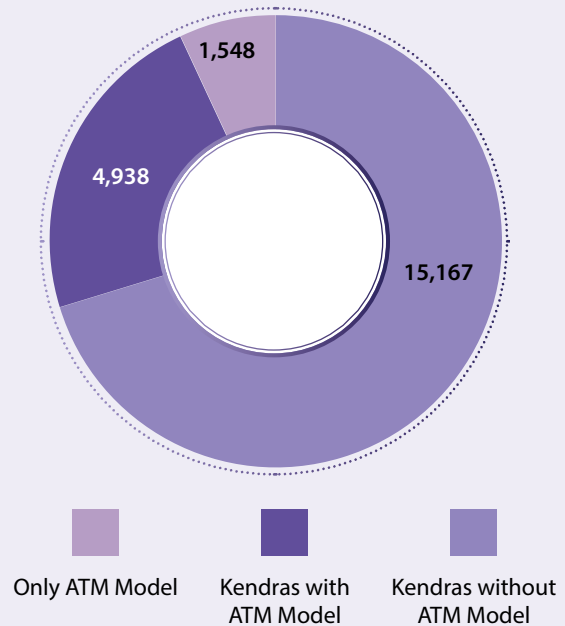


The graph represents work towards providing essential services to the different tiers of the country. More than 83% of our services are done in the remotest part (Tier IV, V and VI) of the country through 21,653 Kendras

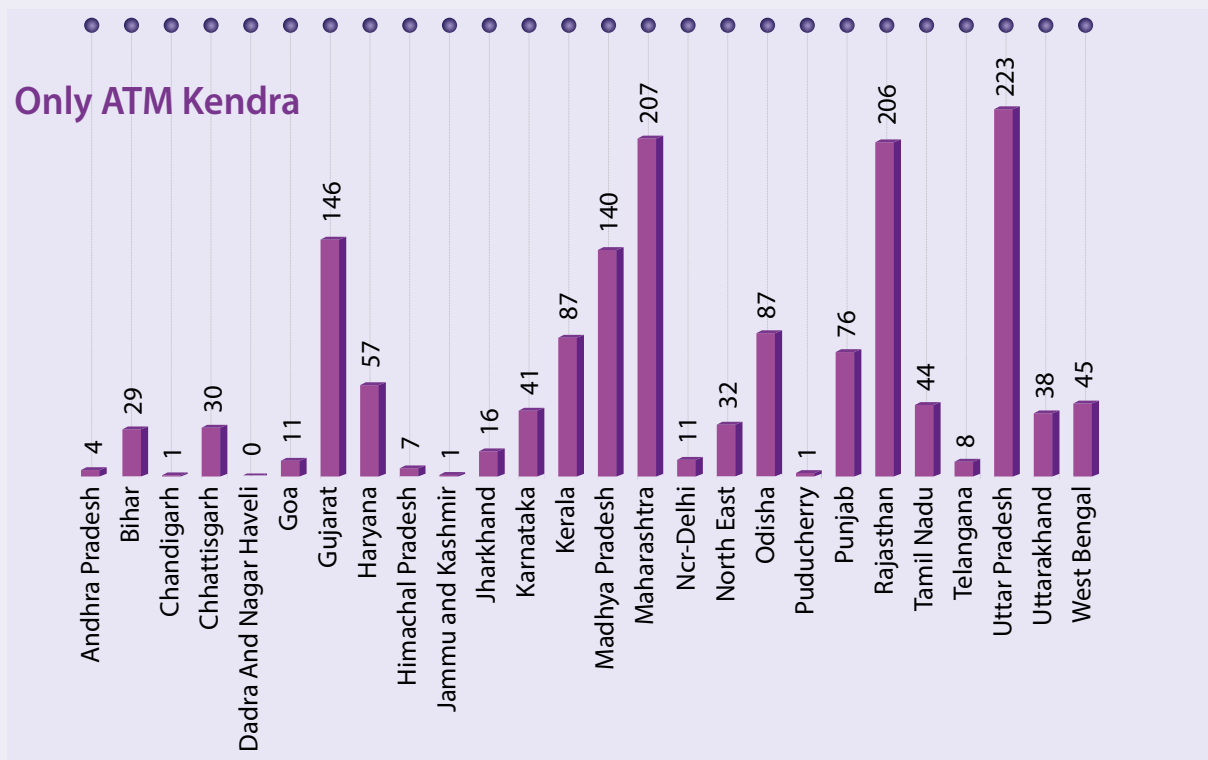
Distribution of Kendra Operating Models

The Kendras exhibit variety in financial investment, outlet area, and several counters while ensuring consistent services and an overall outlet appearance. To cater to specific location and population needs, we have categorised our Kendras into different operating models, including ATM, only ATM, and Kendras without ATM. The following data illustrates the total count in each operating model category.

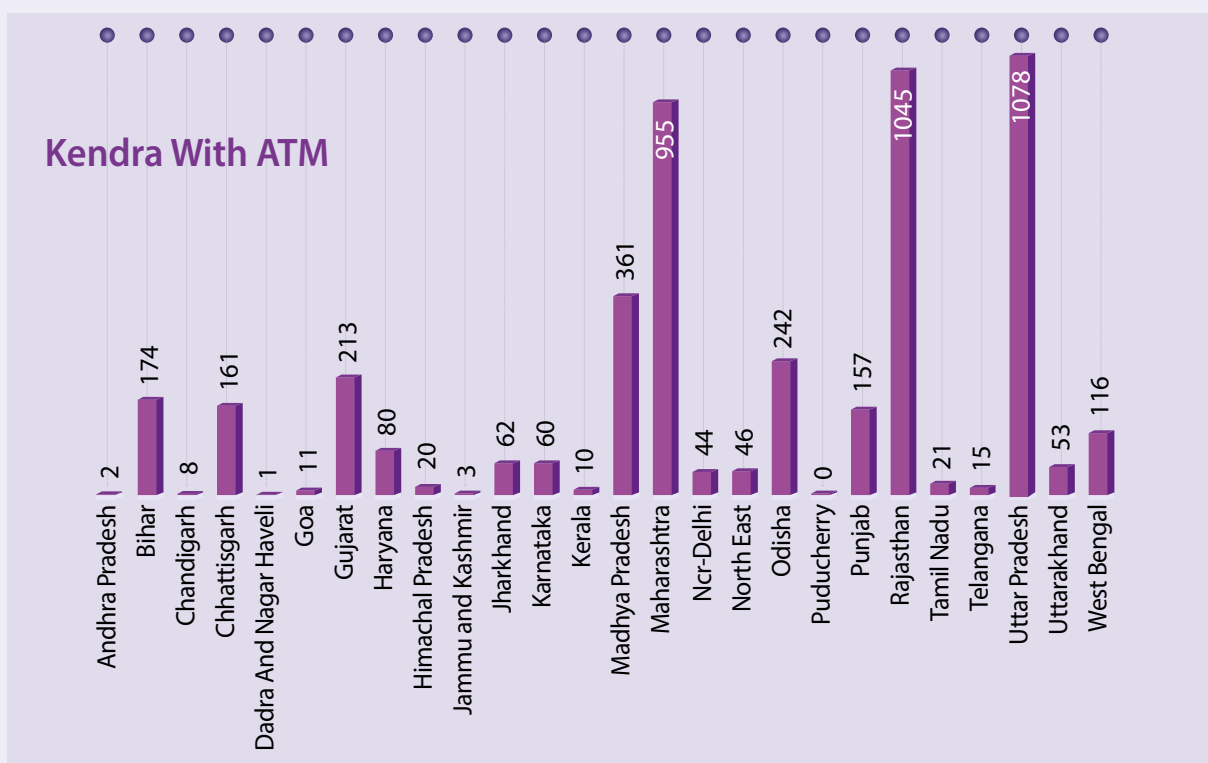
Out of 21,653 Kendras, we have 1,548 Only ATM models (7.15%), 4,938 Kendras with ATM models (22.80%) and 15,167 Kendras without ATM models (70.05%).



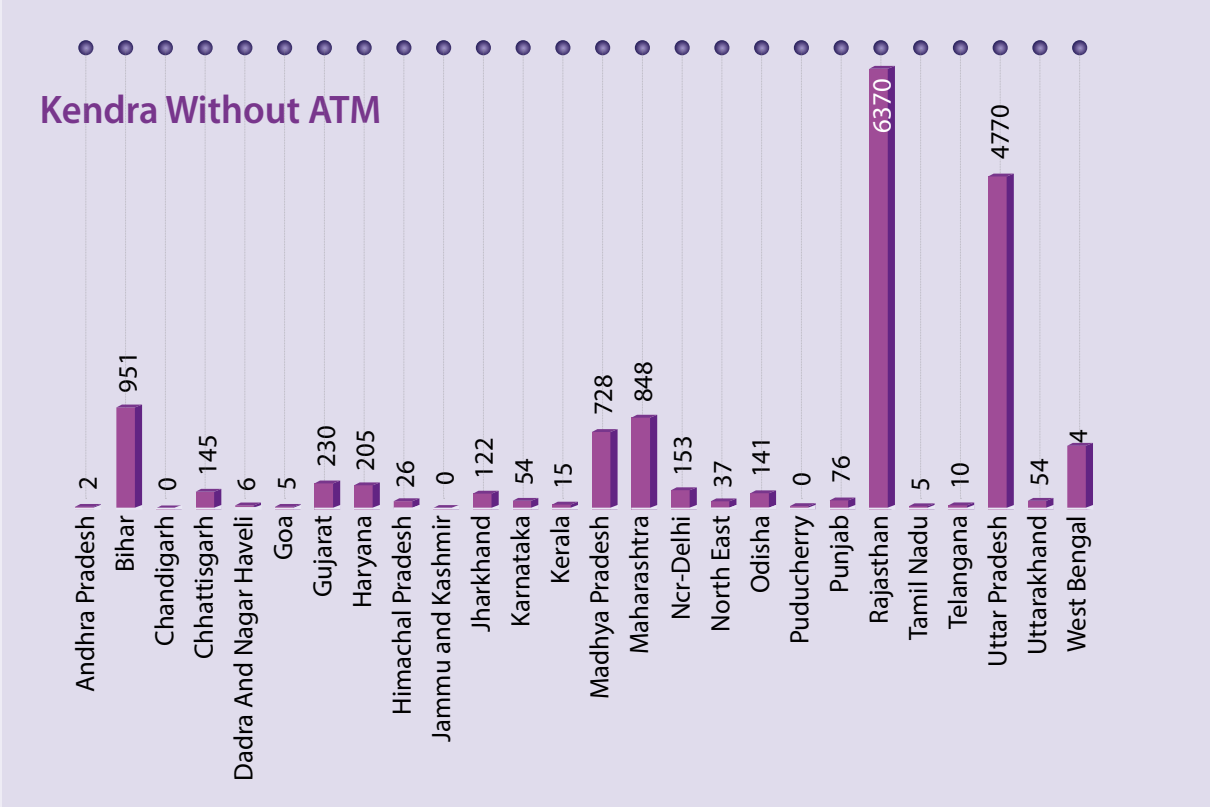
Each of the Operating Models' major distribution across states has been represented in the graphs below.



The graph illustrates the geographic distribution of the ATM-only model across different states and Union Territories in India. Gujarat, Maharashtra, Rajasthan, Madhya Pradesh and Uttar Pradesh are the states with the highest concentration of ATM-only models, accounting for 59.60% (922 models) out of the total 1,548 models.



The graph represents the geographical distribution of Kendra with ATM models across various states and Union Territories in India. Maharashtra, Rajasthan and Uttar Pradesh have the largest number of Kendra with ATM models. Out of the total 4,938 Kendra with ATM models, more than 62.3% (3,652 models) are located in these three states.

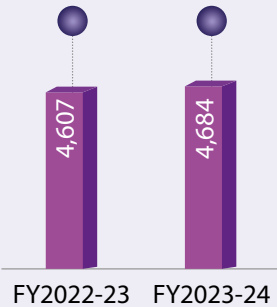


The graph illustrates the distribution of Kendra without ATM models across different states and Union Territories in India. Rajasthan and Uttar Pradesh stand out as the states with the highest number of Kendra without ATM models. Out of the total 15,167 Kendra without ATM models, approximately 73.4% (11,140 models) are located in these two states.

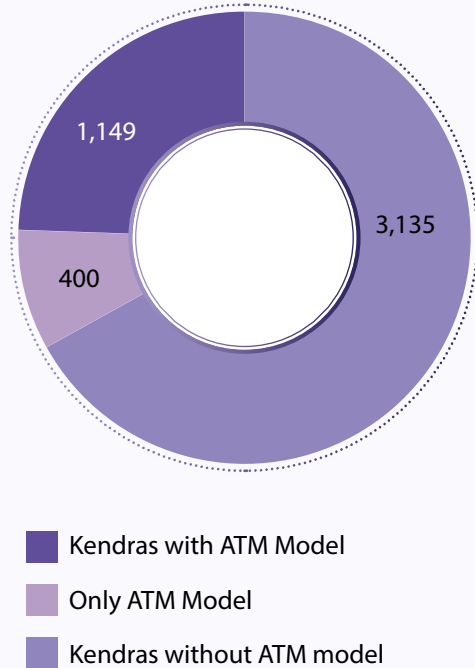
Our presence also extends to various Left-Wing Extremist (LWE), Tribal, and Aspirational districts, enabling us to deliver high-quality services to underserved areas of the country. We have successfully established a network of 4,684 outlets within these districts, as depicted in the illustration below.

Comparison of Outlet Presence in LWE, Tribal and Aspirational Districts: Previous Year vs. Current Year

The data highlights the positive trend of our presence in Left-Wing Extremist (LWE), Tribal, and Aspirational districts. In FY 2023-24, we witnessed a slight increase, with the number of outlets growing from 4,684 in the previous year to 4,607. This expansion signifies our ongoing commitment to delivering quality services and catering to the underserved parts of the nation. By establishing a stronger presence in these districts, we aim to contribute to their development and empower the communities residing in these areas.



Presence in LWE, Tribal, and Aspirational Districts



The graph above illustrates the distribution of our presence in Left-Wing Extremist (LWE), Tribal, and Aspirational districts across different models. The “Only ATM model” represents approximately 8.54% of our presence in these districts, indicating that a significant portion of our outlets in these areas solely focus on providing ATM services.

The “Kendra with ATM model” accounts for around 24.53% of our presence, indicating that a considerable number of outlets in these districts offer both Kendra services and ATM facilities.

The “Kendra without ATM model” represents approximately 66.93% of our presence, signifying outlets in these districts that provide Kendra services but do not have ATM facilities.

This distribution showcases our efforts to cater to the specific needs and requirements of the communities in LWE, Tribal, and Aspirational districts, offering a range of outlet models to ensure accessibility and convenience in these underserved areas.

Creating Shared Value

Our business activities involve engaging communities and fostering shared value for us and society. By establishing a broad network of last-mile retail outlets, we empower local entrepreneurs to take charge of their performance and bolster the growth of their communities. We prioritise skill development and job creation in rural areas, enabling individuals to enhance their capabilities and contribute to economic expansion.

Through active participation in the Financial Inclusion Initiative, we advocate for financial inclusion and social security, benefitting marginalised populations and workers in the informal sector. These inclusive endeavours have led to business expansion, improved financial results and heightened customer loyalty, establishing us as a reputable provider of financial services and digital solutions.

‘Empowering communities: Beneficial effects of infrastructure investments and supported services.’

We are committed to establishing an extensive network of last-mile retail outlets throughout India, empowering entrepreneurs in every postal code to serve as financial, digital and social inclusion agents. We help aspiring entrepreneurs drive their performance and foster growth within their local communities by furnishing them with essential resources, training and support.

Our goal is to ensure that every Indian, regardless of geographic location, has access to the benefits of financial services, digital technologies and social connectivity. Empowering grassroots-level entrepreneurs aims to catalyse change, bridge the gap between rural and urban areas, and foster economic development.

Financial inclusion is achieved by promoting the Government’s Pradhan Mantri Jan Dhan Yojana (PMJDY) and social security insurance schemes. Our Kendras provide universal access to banking, insurance, pension schemes and Direct Benefit Transfer subsidies.

Further, we are extending financial and digital literacy to the bottom of the socio-economic pyramid, serving as the last-mile link connecting India’s unserved and underserved rural and urban



communities. We aim to offer the same products and services at competitive prices and with the same service levels to all communities, thereby acting as a significant equaliser and bridging the urban-rural gap in India.

At Vakrangee, we follow a franchisee-based model whereby the franchisee is a local community member. We direct our efforts towards empowering rural entrepreneurship, generating employment and facilitating skill development, thus bringing urban convenience to the doorsteps of rural residents.

Skill development and job creation at the rural level

Our business model facilitates skill enhancement, taking individuals from diverse backgrounds and equipping them with the necessary skills to achieve exceptional results.

Under our model, franchisees generate local employment opportunities by recruiting personnel, providing skill development training, and certifications for banking and insurance services regulated by the IRDA (Insurance Regulatory and Development Authority of India). We aim to combat poverty by motivating individuals to contribute to India's economic progress.

Financial inclusion and social security

The Government of India has initiated the financial inclusion Initiative aimed at establishing a universal social security system for all Indians, with a particular focus on the impoverished, underprivileged and workers in the unorganised sector. This initiative utilises bank accounts as the foundation for launching various schemes.

These schemes are actively driving the financial inclusion initiative, leveraging platforms such as the Pradhan Mantri Jan Dhan Yojana (PMJDY), which serves as a gateway for implementing three social security schemes of the Government of India: Pradhan Mantri Jeevan Jyoti Beema Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Pradhan Mantri Mudra Yojana (PMMY).

Our extensive network of outlets facilitates easy access and enrollment in schemes like Atal Pension Yojana, Pradhan Mantri Jeevan Jyoti Bima Yojana and Pradhan Mantri Suraksha Bima Yojana. This approach promotes financial inclusion and ensures that the benefits of these schemes are accessible to the intended population segments.

1. **Atal Pension Yojna:** Atal Pension Yojana is a government-backed pension scheme in India, primarily targeted at workers in the unorganised sector like personal maids, drivers, and gardeners.

2. **Jeevan Jyoti Bima Yojana:** The Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is a one-year life insurance scheme, renewable annually, offering coverage for death. Under PMJJBY, the coverage is limited to death; hence, benefits will accrue only to the nominee. People who join this scheme before completing the age of 50 can continue to have the risk of life cover up to 55 years, subject to the premium payment. The scheme has an annual premium of Rs.436, with a risk coverage of Rs.2,00,000.
3. **Pradhan Mantri Suraksha Bima Yojna:** The Pradhan Mantri Suraksha Bima Yojana is a government-supported accident insurance scheme in India, offering risk coverage for accidental death or partial or full disability. The insured amount for accidental death or full disability is Rs. 2,00,000 and Rs. 1,00,000 for partial disability. It has an annual premium of Rs. 20 only.

Through these Social Security schemes, our business goals and strategy have been clearly mapped to the Social Inclusion Initiatives. At Vakrangee, we believe in our ethos of giving back to society and empowering underprivileged communities. We aspire to contribute towards the growth of our economy, thereby doing our part in making the world a better place to live.

Our assisted online shopping platform offers customers access to a wide range of products, from daily essentials to electronics, thereby acting as a

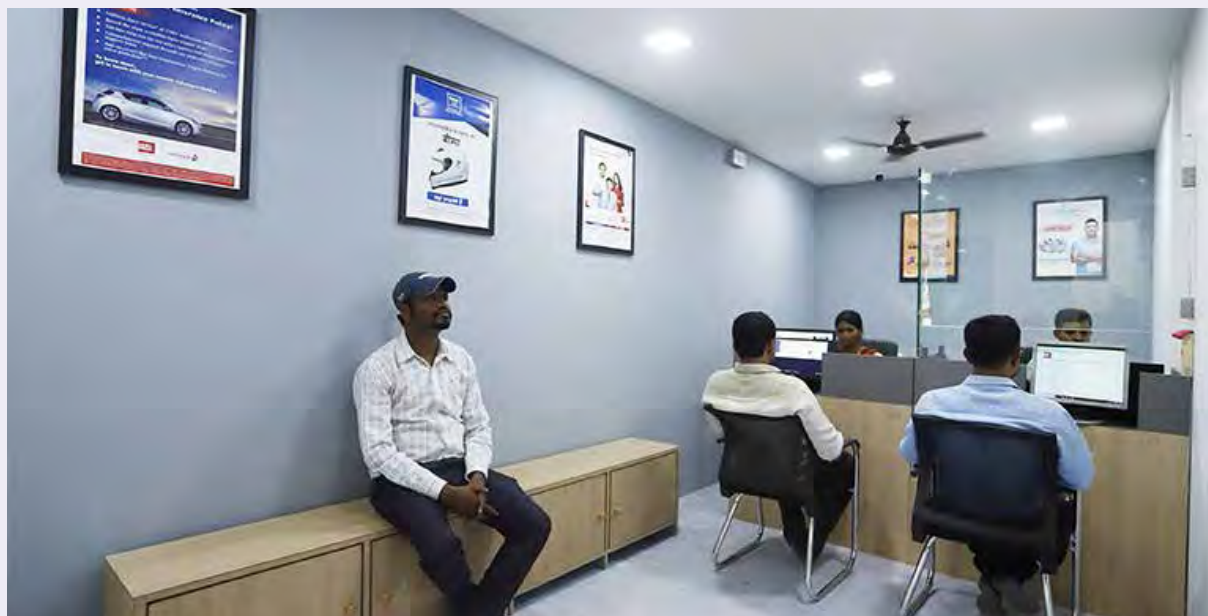
social equaliser by providing affordable products even in remote areas. Additionally, we also offer the convenience of getting the products delivered to our Kendra, where the customers can pick them up.

The Assisted E-Commerce model ensures a reliable and secure online shopping experience for rural customers, facilitated by our trained Vakrangee Kendra store personnel who assist in product selection, ordering and secure payments.

Moreover, Total Health packages are offered through the Kendra network at affordable prices, specifically focusing on underserved communities in Rural India. The assisted online healthcare platform provides access to telemedicine and pharmacy services.

Our commitment lies in fostering a vibrant ecosystem of Master Franchisees and franchisees driven by an entrepreneurial spirit to accelerate growth and drive significant transformations. The core focus remains facilitating financial, social and digital inclusion within communities.

By nurturing the entrepreneurial spirit of partners, we expand our reach and impact, creating opportunities for individuals and communities to access essential financial services, embrace social connectivity and leverage digital technologies. Through this dynamic network, we aim to promote economic empowerment, encourage innovation and pave the way for a more inclusive and prosperous future.





HUMAN CAPITAL

Professional and respectful work atmosphere with a priority on growth potential

MATERIALITY ISSUES ADDRESSED

- Occupational health and safety
- Employment practices
- Human rights
- Talent development and training
- Employment creation

LINKED CAPITALS

- Financial capital
- Intellectual capital
- Manufactured capital
- Social and relationship capital

SDGs IMPACTED



Professional and respectful work atmosphere with a priority on growth potential

Our Human capital is the workforce's collective skills, knowledge, and expertise for effectively implementing digital solutions and managing government processes. Our people power encompasses technical proficiency in areas like software development and data analytics, along with domain knowledge of government policies and citizen needs. Our human capital plays a pivotal role in driving the digital transformation of government services, improving efficiency, transparency and accessibility for citizens.

Our human capital is dedicated to achieving business efficiency and ensuring the long-term cultivation of a culture centred around talent, equal opportunity, diversity, and inclusion while prioritising the security of our employees and customers. We seek talented individuals capable of contributing to our goals and fostering an inclusive environment, thus contributing to a more inclusive India.

The people and culture are integral to our Company's success. Leveraging the Phygital ecosystem enables us to expand our reach to more customers, providing them with enhanced accessibility to every facility. Our internal organisational culture, which emphasises the qualitative and quantitative aspects, underscores our commitment to upgrading employees' skills by providing equal opportunities and fostering an inclusive workplace.

Thus, by nurturing a dynamic and inclusive internal culture, we empower our human capital with the necessary tools, resources, and autonomy to take ownership, innovate, and enhance performance in their roles. We foster a culture that encourages creative thinking, embraces challenges, and seizes opportunities while ensuring alignment with overarching business objectives.

This approach drives operational effectiveness and empowers employees to contribute to collective success and thrive amidst the constantly evolving business landscape.

Within our organisation, we prioritise talent and equal opportunity, recognising that diverse perspectives and experiences fuel innovation and drive sustainable growth. We actively promote diversity and inclusion, creating a workplace that celebrates individuality and embraces the entrepreneurial spirit. We firmly believe that our people are our greatest asset, and we strive to provide them with a supportive and empowering environment where their talents can flourish. By valuing diversity and inclusion, we harness the power of different perspectives and experiences and create a workplace that celebrates uniqueness and encourages innovation.

This section of the report discusses our culture of continuous learning and innovation and the measures we take to create a positive environment where everyone feels valued and can thrive. We encourage employees to think outside the box, explore new ideas, and contribute to innovative solutions that drive business growth. Our organisation lives in a culture that values inclusivity, continuous improvement, and equal opportunities for all employees. The organisational culture fosters a qualitative environment that promotes collaboration and teamwork, encouraging employees to work together, leverage their strengths, and drive innovation. We believe in nurturing an entrepreneurial spirit by nurturing creativity, embracing new ideas, and providing employees with the tools and resources they need to excel. To ensure our employees stay ahead, we offer a wide range of qualitative training programs that enable them to

upgrade their skills and stay updated with industry trends. We also prioritise open communication, creating a culture of trust and mutual respect where employees feel comfortable expressing their ideas and concerns.

Additionally, we have established a robust system of quantitative metrics, including performance measurement

and employee satisfaction surveys, to track progress and gather feedback objectively. We closely monitor retention rates and recognise the importance of creating an inclusive workplace that supports and empowers our employees to thrive, contributing to our collective success.

Organisational Culture

We prioritise talent and equal opportunity, recognising the value that diverse perspectives and experiences bring to innovation and sustainable growth. With that, we actively champion diversity and inclusion, fostering a workplace culture that celebrates individuality and embraces entrepreneurialism.

We firmly believe in the potential of our people. We aim to cultivate a supportive and empowering environment where talent thrives. Further, by prioritising diversity and inclusion, we harness the strength of varied perspectives and experiences while fostering an environment that celebrates uniqueness and fosters innovation.



Our Company's organisational culture also nurtures a qualitative setting that encourages employee collaboration and teamwork. We motivate our team to unite their strengths, work together and propel innovation. We are committed to keeping employees ahead and providing diverse qualitative training programmes. These initiatives empower individuals to enhance their skills and remain abreast of industry developments.

We strongly emphasise open communication, fostering a culture of trust and mutual respect. Our employees are encouraged to express their ideas and concerns freely.

Additionally, we have implemented a robust system of quantitative metrics, including performance measurement and employee satisfaction surveys, to track progress and gather feedback objectively.

Retention rates are closely monitored, and there is a recognition of the importance of creating an inclusive workplace that supports and empowers employees, contributing to collective success.

We foster an environment that values and rewards high performance, encouraging employees to push boundaries, think creatively and continuously strive for excellence. To cultivate an entrepreneurial mindset, our employees are motivated to take ownership of their roles, think creatively and embrace challenges as opportunities.

Autonomy is provided for exploring new ideas, making decisions and taking calculated risks. Additionally, active engagement and collaboration with value chain partners inspire them to adopt an entrepreneurial spirit aligned with our goals.

We aim to create an environment where people embrace a growth mindset and take responsibility for their professional development. Robust training and development programmes empower individuals to enhance their skills, expand their knowledge and tackle new challenges. By investing in employee growth and supporting career aspirations, we nurture a motivated workforce capable of driving innovation and contributing to our success.

Employee Code of Conduct

We enforce a strict code of conduct for all employees, regardless of position. This code, provided to all new hires during onboarding, outlines the ethical and professional standards

expected within the organisation. It aims to foster a harmonious work environment and build positive employer-employee relationships.

The code covers various aspects, including maintaining a workplace free from drugs and alcohol, prioritising employee and Company safety, upholding integrity, demonstrating respect, safeguarding Company property, and exhibiting internal and external professionalism. More details are in our website's employee code of conduct section.

Our performance-driven culture emphasises innovation, efficiency and rapid growth. We empower employees, foster collaboration and deliver exceptional customer experiences. This culture is the key to achieving goals, exceeding expectations and maintaining a leading position in the industry.

Fostering a Feedback Culture for Inclusive Growth and Collaboration

Regardless of job titles or organisational hierarchy, every employee can provide constructive feedback to their peers. This approach fosters a supportive work environment and ensures that each employee's voice is heard and valued. We nurture personal and professional growth by breaking down barriers and promoting a culture of open feedback.

We take internal and external feedback seriously. Employees who feel mistreated can report the issue to humanresource@vakrangee.in or call (022) 67765130. An open-door policy has also been instilled, allowing employees to freely approach any superior or peers within the organisation.

Upholding Ethical Excellence: Commitment to Fairness, Integrity and Transparency

We prioritise fairness, honesty, integrity and respect in all our business decisions. Our commitment manifests in a zero-tolerance policy towards bribery and corruption in any form. Maintaining the highest ethical standards is paramount; employees and franchisees must adhere to these principles.

Further solidifying this commitment is our Anti-bribery Management System certification. This certification reflects a dedication to ethical practices



and compliance. The standard provides practical guidance for establishing, implementing and maintaining effective anti-bribery measures.

It also emphasises the importance of continual improvement and detection for effective anti-bribery efforts. This certification is a public testament to our unwavering dedication to conducting business with integrity and upholding the highest ethical standards.

Our commitment to ethical practices is exemplified by our record of zero reported incidents of corruption within the fiscal year 2023-24. This achievement reflects the effectiveness of our rigorous control measures, comprehensive training programmes, and vigilant oversight, which were implemented to prevent and detect misconduct.

Fostering a Connected Workforce: Empowering Communication within the Organisation

We implement numerous initiatives in the human capital domain to foster effective communication and ensure employees are adequately informed about our policies and procedures.

Our Induction Programme offers a comprehensive introduction to acquaint new employees with our policies, processes and expected conduct. Moreover,




We aim to maintain effective communication channels through these initiatives, ensuring employees are well-informed and aligned with our objectives.

the Human Resource Management System provides a dedicated portal for employees to access updated policies, circulars and notices. To facilitate ongoing communication, we have established group email IDs, facilitating the efficient dissemination of vital information such as circulars, notices and updates on behavioural norms and procedures.

We take internal and external feedback seriously, providing channels for employees to report mistreatment through humanresource@vakrangee.in or (022) 67765130. We uphold Ethical Excellence, ensuring fairness, honesty, integrity and respect in all business dealings, with zero tolerance for bribery and corruption. Our certification in Anti-bribery Management System reflects our commitment to ethical business practices and compliance.

To enhance communication further, we maintain a human resource manual encompassing our policies, values, standards, and norms, regularly updated and accessible to all employees through the internal server. Physical copies are also available from the HR department and department heads.

Additionally, we utilise a WhatsApp group to promptly broadcast updates on our policies and procedures. Our IT platform, the Vakrangee Kendra Management System (VKMS), is crucial in facilitating communication and informing employees about our organisation's values and achievements.

	Induction programme	Our induction programme assists new recruits get familiar with our policies, procedures and standards of business conduct.
	Human Resource Management System	The portal offers employees access to our updated policies, circulars and notices for their reference.
	Group e-mail id	Common email groups have been established for all employees to facilitate regular communication of important information. This information encompasses circulars, notices and updates regarding behavioural norms, standards or processes.
	Human Resource Manual	The handbook containing our policies, values, standards and norms is regularly updated. All employees have access to a digital copy of the manual on the internal server. Additionally, a printed version of the manual is provided to the HR department and respective Department Heads for employees' reference.
	WhatsApp Group	All updates on our policies and processes are broadcasted promptly.
	VKMS	The IT platform is accessible to all employees and serves as a medium to keep them updated about our Company and values.



Human Rights

Our Human Rights Policy aims to promote socio-economic empowerment through inclusive growth, recognising the significant role businesses can play in safeguarding the long-term human rights of all employees. We are dedicated to respecting the human rights of our workforce, communities and those affected by our operations wherever we operate.

Corporate Human Resources is tasked with reviewing and updating standards on social policies, providing guidance and support as needed. Their objective is to cultivate an inclusive workforce and prevent any discriminatory practices. The Human Rights Policy is accessible at https://vakrangee.in/pdf/Policies-PDF/Human_Rights_Policy.pdf

Their adherence to the SA 8000 practice code encompasses the clauses listed below:

Child Labour: Comprehensive policies and procedures are in place to ensure that no child labour is employed within the organisation and throughout our supply chain. We conduct assessments to monitor compliance and take immediate action if any violations are identified.

Forced and Compulsory Labour: We maintain a zero-tolerance approach toward any form of forced labour, ensuring voluntary engagement by all employees and partners. We uphold fair and ethical employment practices reflected in our recruitment processes, contracts, and ongoing monitoring mechanisms.

Health and Safety: The health and safety of our employees and stakeholders are paramount. We have robust health and safety policies and procedures in place to provide a safe working environment. We conduct regular risk assessments, implement appropriate safety measures, and provide necessary training and protective equipment to mitigate risks.

Freedom of Association and Right to Collective Bargaining: We fully support freedom of association and collective bargaining rights. We have established channels for open and constructive dialogue, allowing employees to voice their concerns, provide feedback, and negotiate terms and conditions of employment.

Discrimination: We are committed to providing equal opportunities and eliminating discrimination in all forms. We have implemented policies and

practices to ensure fair and inclusive treatment of all employees, regardless of their race, gender, age, religion, or any other protected characteristic. We promote diversity, equality, and inclusion in our workforce, fostering a culture that respects and values individual differences.

Disciplinary Practices: Our policies clearly outline acceptable conduct and disciplinary procedures, ensuring that disciplinary actions are taken with fairness, consistency and due process. We strive to foster a positive work environment that promotes constructive feedback, coaching, and development rather than punitive measures.

Working Hours: We comply with applicable laws and regulations regarding working hours. We ensure that our employees' working hours are reasonable and aligned with the industry standards. We monitor and manage working hours to prevent excessive overtime, ensuring a healthy work-life balance for our employees.

Remuneration: We believe in providing fair and competitive remuneration to our employees. We adhere to applicable wage laws and regulations, ensuring that our employees receive timely payment of wages and benefits that meet or exceed legal requirements. We regularly review and adjust our compensation structures to maintain internal equity and market competitiveness.

Management Systems: Vakrangee has established robust management systems to implement the SA 8000 code of practice effectively. We monitor compliance, conduct regular audits, and drive continuous improvement. Our management systems focus on employee engagement, training, and accountability to uphold ethical standards and promote responsible business practices throughout our organisation and value chain.

Initiatives aligning with our human rights commitment include the following points:

Compliance with labour laws

We prioritise employee welfare and adhere to all relevant labour laws in India, ensuring compliance with wages, work hours, benefits, and employment classification regulations.

We ensure compliance with all applicable labour laws in India, covering various aspects, including wages, work hours, overtime, benefits, pay practices and employment classification based on job level



Vakrangee has established robust management systems to implement the SA 8000 code of practice effectively. We monitor compliance, conduct regular audits, and drive continuous improvement.



and status. The commitment to employee welfare extends to benefits such as leave entitlements and social security, among other statutory allowances. We meticulously follow the provisions outlined in labour laws to ensure that employees receive their rightful benefits.

Employee classification is based on prescribed criteria to maintain transparency and fairness in employment practices. Beyond legal requirements, we take extra measures to safeguard the privacy and security of data belonging to customers, vendors, employees, ex-employees and retirees.

In the 2022-23 fiscal year, permanent employees worked 9 hours daily, including 30 minutes of breaks. The organisation's standard workweek is six days (with the second and fourth Saturday off), with an exclusion for the Technology Department, who have a 5-day work week.

We are committed to providing a healthy and productive work environment, offering flexibility for employees to work from home on a need-based basis. A reasonable work-life balance is considered essential for employee morale and productivity.

Continuous engagement

We prioritise increasing awareness of human rights among employees at various levels of operations. This goal is accomplished through our comprehensive training programmes and efficient communication channels. In keeping with our dedication towards fostering an open and inclusive work environment, we actively encourage

employees to voice concerns or report perceived conflicts between policy and practice.

Multiple channels, including the Human Resources (HR) department, legal department and local management, are established for employees to express concerns. These channels offer accessible and confidential avenues for seeking resolution or guidance on human rights-related issues.

Diversity at workplace

We profoundly respect the rights of all stakeholders. Our diversity philosophy promotes shared values, fostering joy, happiness, energy and enthusiasm within the community. The emphasis lies on uniting individuals by amplifying their similarities while acknowledging and bridging their differences. We are dedicated to cultivating a diverse workforce through affirmative measures that support socially disadvantaged communities, contingent upon prospective employees meeting merit-based criteria.

Harassment-free workplace

We are committed to providing a safe and secure work environment devoid of violence, harassment, intimidation, and other conditions that may jeopardise safety. The workplace is harassment-free, prohibiting all forms of harmful child labour and forced or trafficked labour, including prison labour, indentured labour, bonded labour, military labour,



In line with our commitment to the United Nations Global Compact, we take responsibility for upholding human rights within our organisation and the broader scope of our influence.



modern forms of slavery and human trafficking.

We or our stakeholders engage no individual under 18 at any point. In discovering such a case, the defaulting party would be liable for appropriate remediation and ensuring the child's well-being. We are pleased to report zero complaints regarding incidents of child labour, forced labour or sexual harassment during the reporting year.

Support and Respect for internationally proclaimed Human Rights

In line with our commitment to the United Nations Global Compact, we take responsibility for upholding human rights within our organisation and the broader scope of our influence. To fulfil this commitment, we establish and maintain a transparent and rights-conscious work environment, fostering this approach across all aspects of our business operations. Additionally, we have implemented an effective mechanism for addressing grievances to report any human rights concerns. This grievance redressal system guarantees that no employee or stakeholder will face reprisal or retaliation for raising concerns under this policy.

Freedom of association

At our company, we prioritise and uphold the fundamental principle of respecting our employees' right to form, join, or refrain from joining labour unions, ensuring they can exercise this right without fear of reprisal, intimidation, or harassment. In the realm of the Information Technology (IT) industry, labour unions are generally less common compared to other sectors or industries. Given the nature of our business, which revolves around digital platforms and remote work, we have adopted video calls as a primary means of communication to address and train our employees dispersed across various locations effectively. This approach allows us to bridge the geographical gaps and maintain an inclusive and cohesive workforce. Despite our company primarily comprising field employees working across diverse regions of the country, we maintain an unwavering commitment to cultivating a workplace environment that upholds and values employees' freedom of association. While the formation of labour unions may be less prevalent within our organisation, we are fully dedicated to empowering our employees by providing comprehensive information about their rights and offering them the autonomy to exercise



their choice regarding union affiliation or the absence thereof. We believe in fostering a culture that respects individual preferences and ensures that every employee has the opportunity to make independent decisions regarding their collective representation.

Healthy & safe workplace

We adhere to health laws and regulations to establish a healthy and safe workplace, aligning with internal requirements. As part of this commitment, we actively solicit employee input to identify and mitigate risks related to accidents, injuries and potential health impacts. Fostering a culture where employees feel comfortable raising concerns about health and security hazards is paramount.

We encourage open communication and value the feedback provided by our employees, as it plays a vital role in our ongoing efforts to maintain a secure and conducive work environment. By involving employees in the process, we aim to collectively address and remedy any identified risks to ensure the well-being and safety of our workforce.

Grievance redressal mechanism

An online portal has been opened to facilitate transparent and structured discussions where employees can address their concerns related to

human rights and decent labour practices. This portal is a dedicated space for open dialogue, enabling employees to express their thoughts, raise issues and engage in constructive conversations.

To effectively handle incidents of sexual harassment, a POSH Committee has been established. This committee is responsible for promptly addressing and resolving any cases or complaints related to sexual harassment, ensuring a safe and respectful work environment for all employees.

The Board of Directors regularly watches over our approach to human rights, ensuring that it remains a priority. We guide to ensure that policies and practices align with the commitment to upholding human rights.

Employee surveys are conducted to gather feedback and insights as part of the annual review system. This feedback is then shared with the Nomination, Remuneration, and Compensation Committee. The committee thoroughly reviews the feedback and takes appropriate actions to address any identified issues or areas for improvement.

For more detailed information on our stance and policies regarding human rights, stakeholders are invited to visit the Human Rights Policy available at https://vakrangee.in/pdf/Policies-PDF/Human_Rights_Policy.pdf

Diversity & Inclusion

Embracing Diversity, Fostering Inclusion: Fairness, Integrity, and Respect at the Core

We are driven by core principles of fairness, honesty, integrity and respect. We strongly emphasise cultivating a diverse and inclusive workforce, welcoming employees without discrimination, and including cultural background, gender, race, religion, disability, and more. Discrimination based on these individualities is strictly prohibited within the organisation. The dedicated Nomination, Remuneration and Compensation Committee ensures equal opportunities for all employees in hiring, promotions, talent development and retention.

We value the unique qualities employees bring to the table, including diverse cultures, genders, races, colours, religions, national origins, sexual orientations and ages. Discrimination based on these individualities is strictly prohibited.

In the fiscal year 2023-24, we proudly reported zero instances of discrimination. Their commitment to human rights is further demonstrated through the Diversity and Inclusion Council. This council is tasked with designing, implementing and monitoring initiatives that promote diversity.

Our agenda includes fostering a safe workplace, creating inclusive infrastructure and agricultural designs, and addressing employees' privacy concerns. The council reports to the sub-committee and can be contacted at diversity@vakrangee.in.

1

Employees hired in district are local residents, especially in minority areas

2

Women are hired as per the set ratio and gender pay equality is maintained

3

Numbers of hours of training of employees on diversity parameters

4

Mentors assigned to relevant employees and are provided guidance

Diversity Audits

We firmly believe that diversity is a source of strength. We have implemented numerous initiatives to foster diversity and inclusion within our workplace. To ensure effective oversight, we have established a dedicated Diversity and Inclusion Council. This council plays a vital role in monitoring and regularly collecting data on diversity within our organisation. The Diversity and Inclusion Council reports directly to the Nomination, Remuneration, and Compensation Committee, which oversees our diversity efforts. As part of our commitment to transparency, the council prepares a quarterly report on workplace diversity and inclusion, providing comprehensive insights and updates. We have an independent third party auditing us annually.

The committee presents the further deeply analysed report to the Board of Directors.

- » Initiatives implemented in the organisation
- » Outcome of the initiative
- » Outcome of the targets set by the Nomination and Remuneration and Compensation Committee
- » Complaints of unlawful discrimination made by employees, partners and third-party personnel about our business and take appropriate action after thorough investigation

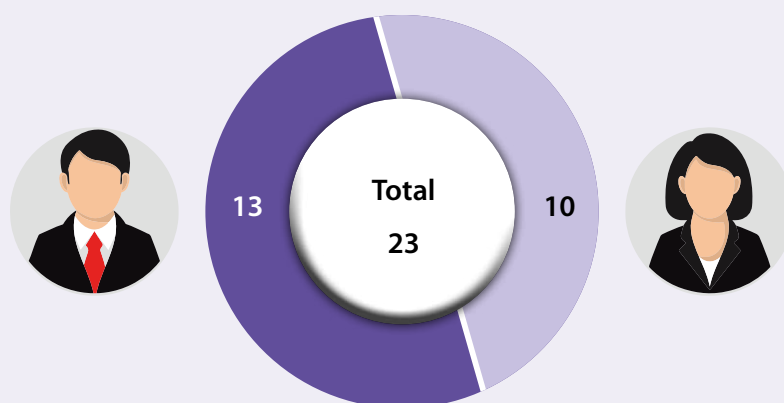
At our organisation, we strongly emphasise the significance of diversity in the workplace. We believe fostering a diverse and inclusive environment leads to greater innovation, creativity, and success. Recognising each individual's unique perspectives, backgrounds, and talents, we strive to create a work culture that values and respects diversity. By actively promoting inclusivity and providing equal opportunities for all, we aim to harness the power of diverse perspectives and experiences to drive our organisation's growth and achieve our collective goals.

Despite having 0 permanent Divyaang employees in the company in FY2023-24, we remain committed to providing equal opportunities for all employees regardless of their abilities.

Employee diversity as per age and gender	Below the age of 30				Age of 30-50				More than 50			
	Male		Female		Male		Female		Male		Female	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Employees at corporate headquarters	7	5%	4	3%	97	72%	12	9%	13	10%	2	1%
Employees at state office	4	5%	0	0%	63	82%	6	8%	4	5%	0	0
Total	11	5%	4	2%	160	75%	18	8%	17	8%	2	1%

Sr. No.	KPI	FY 2021-22	FY 2022-23	FY2023-24
1	Number of males at corporate HQ	136	152	117
2	Number of females at corporate HQ	26	32	18
3	Male/Female ratio at corporate headquarter	5.23:1	4.75:1	6.5:1
4	Percentage of females at corporate HQ	16.05%	17.39%	13.33%
5	Number of women representing the Company's Management Council	9	10	10
6	Percentage of women representing the Company's Management Council	35%	40%	43%

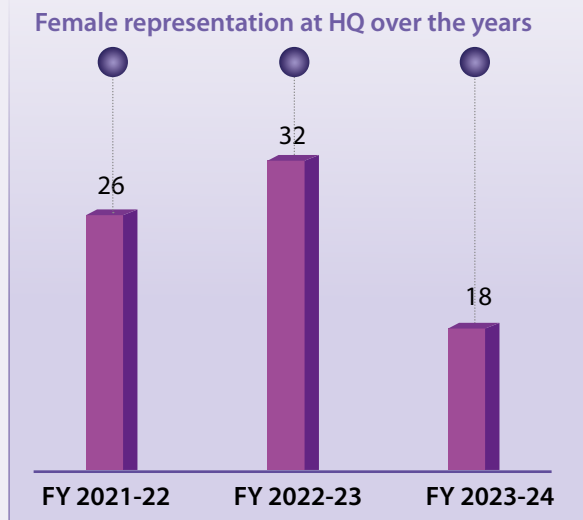
Management Council



New employee hires

Year	Total New Hires	Gender-wise				Age-wise		
		Male	%	Female	%	Less than 30 years	30-50 years	Above 50 years
FY 2021-22	61	47	77.05	14	22.95	16	42	3
FY 2022-23	63	44	69.84	19	30.16	22	40	1
FY 2023-24	24	18	75	6	25	8	16	0

We aim to build a truly diverse workplace. The graph here depicts our efforts in women representation over the years.



In addition to the exceptional team of 212 employees, we depend on the vital assistance of 5 highly skilled contractual workers, whose specialised expertise enhances operations, along with a dedicated group of 7 security staff, which is crucial in safeguarding the establishment. We form an integral part of the esteemed workforce, collaborating to ensure seamless operation and ongoing success.



Gender Equality

Gender Equality is fundamental to our philosophy and core DNA of being a social equaliser. We strive to build a workplace culture with gender Diversity and believe it is core to the success and growth of our company. We have designed our targets to reach a 1:1 ratio of males and females across the organisation by 2025. We consider gender equality as an integral part of our non-discrimination commitment. We are fully committed to gender equality and non-discrimination in our organisation. Our remuneration and recruitment policy are based solely on merit and skills, without considering gender identity. To ensure gender pay equality, we have a dedicated committee called the Pay Equity Committee. This committee, composed of the Head of Human Resources, Head of Strategy, Chief Operating Officer, and Chief Finance Officer, is responsible for designing, implementing, monitoring, and reviewing programs that promote fair and equal pay for all employees. We prioritise transparency and accountability in our efforts to achieve non-discriminatory compensation practices.

We demonstrate our dedication to gender equality by conducting independent audits of our gender pay equality measures. External firms carry out these audits, which assess and provide recommendations on any compensation gaps identified. The Nomination, Remuneration, and Compensation Committee ensures that all these recommendations and findings are presented to the Board of Directors. The organisation promptly and satisfactorily takes any necessary actions to address the identified gaps. We prioritise transparency and accountability in our commitment to closing any gender-based pay disparities.

To foster gender equity within our organisation, we have established various initiatives:

Pay equity committee: We strive to cultivate a workplace culture where rewards, pay, and recognition are bestowed upon employees without any bias based on gender. We aim to create an inclusive environment where merit and performance are the sole determinants of rewards and recognition, fostering a sense of belonging and equal opportunities for all individuals within our organisation.

Encouraging salary negotiations by showing salary ranges: To address gender disparities in salary negotiation, we have taken proactive

measures. We promote transparency by openly communicating the salary range associated with each position during recruitment. This helps prospective applicants, including women, to have a clear understanding of the expected compensation for the role.

Including multiple women in shortlists for recruitment and promotions: In our diligent assessment and preparation of the shortlist, we prioritise promoting inclusivity by ensuring the inclusion of more than one woman candidate who meets the qualifications. By actively seeking a diverse pool of candidates, we aim to counter potential biases and foster equal representation throughout our selection process. This approach reinforces our commitment to promoting gender diversity and provides women with increased opportunities to be considered for positions within our organisation.

Fair reward system: Regarding pay increases and bonuses, we establish a fair threshold that ensures equity and is solely determined by merit without considering gender identity. Our commitment to merit-based compensation reinforces our dedication to gender equality in the workplace.

Promote and disclose pay transparency: We disclose band-wise and designation-wise payments to male and female employees on an annual basis.

Salary & bonus: We strive to achieve equality by ensuring that regular basic salaries for both female and male-dominated roles are on par. Additionally, we uphold a fair and unbiased approach in evaluating and determining rewards and bonuses

for all employees, irrespective of their gender. We have implemented consistent criteria that apply to everyone within the organisation, thus eliminating gender-based disparities. We commit to creating a workplace environment where gender does not play a role in salary and reward differentials, fostering a culture of fairness and equality for all employees.

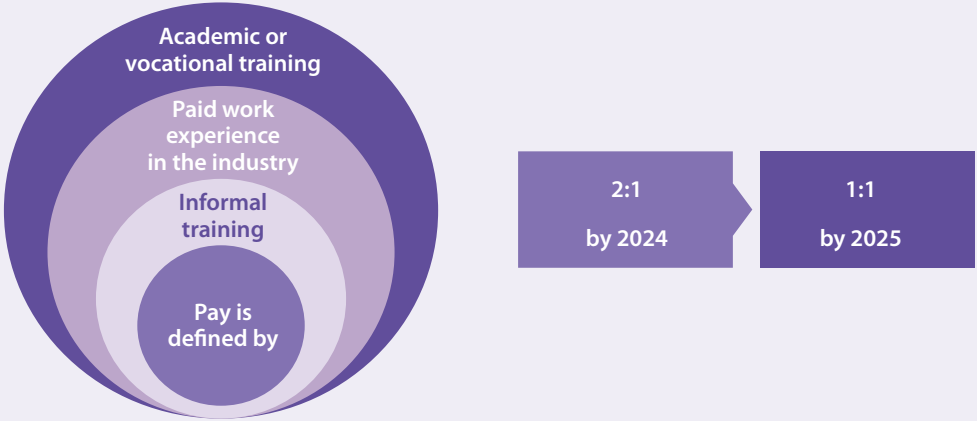
Promote & support flexibility: We organise workshops to educate and train our supervisory staff on effective management of flexible work schedules, striking a balance between their professional and family responsibilities, and promoting equal opportunities for both men and women. Through these workshops, we empower our supervisors with the knowledge and skills necessary to support and accommodate diverse work-life needs, thus ensuring a level playing field for all employees, regardless of gender. We aim to cultivate an inclusive work environment that embraces work-life integration and equal opportunities for everyone.

Average increment of women employees: We analyse the average salary increments of employees within our organisation and compare them to the overall average increment. This helps us identify any potential gaps in the skill sets of our female employees. We organise extra workshops and training sessions specifically designed for women to empower them and enhance their performance. These initiatives aim to provide them with the necessary skills and knowledge to excel in their roles and bridge any skill-related disparities. By offering targeted support and development opportunities, we strive to empower and help grow our female employees within the organisation.

Few KPIs to measure gender pay equality programme.

Determine equal value	<ul style="list-style-type: none"> We utilise the ILO guide for Promoting Equity. Gender-Neutral Job Evaluation takes place to objectively assess job positions without gender bias. It allows us to assign numerical values based on gender-neutral criteria like skills and qualifications, ensuring fairness and equal opportunities for all employees.
Listing all jobs in organisation	We thoroughly analyse qualifications, levels, and job bands within the organisation and departments, categorising qualifications into interpersonal skills, manual dexterity, knowledge-related, and work-related.
Education level and field of study	All full-time employees, who have completed a basic educational qualification such as graduation or 10+2+3, are compensated equally and fairly. Transparency is maintained in the salary structure, which takes into account the employees' education level, additional qualifications (such as relevant industry experience or post-graduation degrees), and informal training.

At the outset of each financial year, the Nomination and Remuneration and Compensation Committee sets objectives to attain gender pay equality. The target is to accomplish a 1:1 ratio of male-to-female representation throughout the organisation by 2025.



Male-to-female salary ratios for different designations within the organisation

Sr. No.	Male: Female ratio detail	FY 2021-22	FY 2022-23	FY 2023-24
1	Average salary across organisation	1.53:1	1.75:1	1.70:1
2	Median salary across organisation	0.89:1	1.001:1	0.99:1
3	Median salary male/ female and ratio at corporate headquarter*	0.94:1	1.112:1	1.10:1
4	Average salary of Assistant Manager	1.08:1	1.165:1	1.33:1
5	Average salary of Manager	1.18:1	1.052:1	1.32:1
6	Average salary of Deputy General Manager	1.24:1	1.417:1	0.71:1
7	Average salary of General Manager	0.91:1	1.048:1	NA (as there are no female employees under this designation)
8	Average salary of Associate Vice President are no female employees under this designation)	NA	NA (as there are no female employees under this designation)	NA (as there are no female employees under this designation)
9	Average salary of Vice President	2.04:1	2.04:1	1.71:1

*Only corporate headquarters staff are considered field staff, which is primarily male. The job involves travelling 30-50 km daily to visit outlets at rural locations. Most males prefer to apply for such field roles.



Striving to cultivate a workplace culture, we embrace gender diversity and view it as pivotal to our success and advancement.





<p>Targeted Recruitment</p>	<p>The aim is to become India's most sustainable ecosystem for universal financial and digital inclusion. Inclusive recruitment parameters encompass aptitude, competency mapping, skill set benchmarking and abilities, aiming to diversify the workplace and offer equal employment opportunities for talented individuals.</p>
<p>Internal Job Posting</p>	<p>Internal departmental switches are facilitated through our job posting portal, enabling our employees to broaden their experience. Cash rewards are provided for successful internal referrals, and the portal supports internal career advancement within the organisation.</p>
<p>External Recruitment</p>	<ul style="list-style-type: none"> » We prioritise generating local employment in rural India for our Kendras. » We actively encourage applications from minority groups, both in rural India and at our corporate office. » Our hierarchical structure includes divisional managers and state heads, and we hire state staff from local communities, including minority groups, to support rural employment. » By providing employment opportunities to rural individuals, we help improve their living conditions. » As of FY 2023-24, our state office team consists of 77 employees. » We promote gender diversity by involving multiple women in the hiring process and currently have 75% women in our corporate headquarters. » We believe that having a diverse workforce enhances team innovation, participation, and decision making. » We actively recruit retired military professionals through the Armed Forces Recruitment Board and the Indian Army Recruitment Board to further strengthen diversity. » We encourage the recruitment of divyang (differently-abled) staff and have facilitated special features such as ramps and Braille access points in our corporate office. » As of FY 2023-24, we do not have any permanent divyang individuals employed.

Mentorship

At Vakrangee, the top priorities are understanding our culture and ensuring new hires grasp their roles and responsibilities. To achieve this, we emphasise mentorship as a valuable tool. Newly hired employees undergo training and attend seminars led by the core team. Additionally, each new employee is paired with a mentor from the same work profile, facilitating their smooth integration into their roles.

These mentors guide responsibilities, help new hires understand our culture and support their skill development. Existing employees interested in becoming mentors can participate in mentorship training programmes twice a year.



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Minority group programme	<p>The mentorship programme is tailored to meet the needs of employees from minority groups, with a significant number based in rural India. Under the guidance and support of their mentors, these employees not only cultivate a strong sense of belonging within the workplace but also thrive in their professional pursuits, advancing their careers.</p>
Specially-abled mentorship programme	<p>The mentors have been assigned to assist divyaang staff in effectively carrying out their roles and responsibilities. Whenever there are mentors with similar job profiles and activities, we play a crucial role in guiding their mentees.</p>
Mentor and buddy programme	<p>The mentorship programme assists newly appointed State Heads, also referred to as Buddies, in comprehending the firm's operations within their respective states. A seasoned State Head with extensive experience is designated as a mentor to offer guidance and share knowledge. The Mentor State Head plays a pivotal role in aiding Buddies to achieve their targets and ensuring a seamless path toward successful performance.</p>
Women mentorship programme	<p>We have implemented a mentorship programme specifically for our 100% women employees. In this programme, each woman is paired with a senior female mentor who offers guidance on both professional development and personal matters, including childcare. To ensure personalised support, each mentor is assigned a maximum of three mentees. By maintaining this structure, the programme aims to enhance the professional growth and success of our women employees.</p>
Military mentorship programme	<p>The programme is designed to assist former military professionals and their spouses as they transition from military to corporate life. Our primary goal is to help these individuals acquire the essential skills needed for success in corporate roles. The mentors play a pivotal role in guiding ex-military professionals through this transition, providing valuable insights and support to help them navigate the corporate environment effectively.</p>
New-joiner programme	<p>Each new employee joining our organisation is assigned a mentor who assists them in understanding the corporate culture and adapting to the assigned role more effectively.</p>

Employee Affinity Group or Networking Group

To foster inclusivity and enhance the sense of value among employees, we encourage the formation of 'Affinity Groups' or 'Networking Groups'. These groups provide a platform for employees to come together based on shared backgrounds, interests or experiences. By allowing these groups to form, we aim to retain our current employees while attracting new talent.

Moreover, these groups offer valuable perspectives and insights into specific techniques and strategies relevant to the group's focus. Additionally, we increase the representation of women and minorities within the organisation, creating a more diverse and inclusive workforce.

Sr. No.	Affinity group	Role of affinity group
1	Women professionals	We promote women's leadership by pairing them with female mentors from the core strategy team. These mentors guide women professionals within the affinity group, helping them overcome career barriers and leverage their skills and communication abilities. With over 11.32% of employees being women, the group actively supports their well-being and encourages other women to join and thrive together.
2	Regional affinity groups	The affinity groups are categorised into employees' native locations in Northern India, Eastern India, Western India, Southern India and Central India. This structure enables employees to project confidence and effectively communicate their values, fostering a sense of inclusion and comfort.
3	Working families	The 'Working Parents Support Group,' also known as the 'Parents of Young Children Support Group,' ensures the well-being of new parents and those with young children. By discussing their needs and providing additional services such as an in-house crèche, this group helps them maintain a healthy work-life balance without feeling overwhelmed by their dual responsibilities.
4	Minority in India	The affinity group represents employees from minority backgrounds within the country. Their mission is to foster friendships, promote shared values, and enhance inclusivity and talent retention within the organisation. Additionally, the group actively attracts talent from underserved and unserved districts, contributing to overall diversity. By addressing potential discrimination concerns, we create a safer and more appreciative environment for all employees. A designated coordinator effectively communicates the group's perspectives and opinions to the management.
5	Specially-abled professionals	The affinity group dedicated to specially-abled professionals raises awareness and fosters workplace growth opportunities. This initiative not only attracts talent but also ensures the retention of specially-abled members and employees. Within the group, mentors provide mutual support, helping each other overcome challenges and unlock their full potential. We actively promote communication, collaboration and a sense of camaraderie, contributing to overall job satisfaction.
6	Ex-Military professionals	We facilitate connections among ex-military professionals, encouraging them to establish relationships based on shared interests and characteristics. This approach enhances their overall performance and productivity by fostering a supportive and empowering environment.
7	Young professionals	We actively recruit fresh graduates from diverse educational institutions. We have established an affinity group specifically designed to welcome these newcomers and assist them in acclimating to the work environment. This group takes proactive steps to offer essential training and support for skill development and career growth. The employees within this group have been with us for less than 500 days. Additionally, this approach serves as an effective strategy to attract more young talent from the same institutes.

Training & Development

We conduct regular seminars and knowledge-sharing training sessions for employees across all levels, including tactical, strategic, and leadership positions. These training programmes aim to enhance employees' knowledge base and incorporate soft-skills training to improve communication abilities.

The Nomination and Remuneration Committee and the Compensation Committee set a target for training hours, ensuring that each employee participates in at least two workshops annually.

Type of Training	Training Name	No. of Employees	Duration	Total Training hours
Mandatory Trainings	HR Induction	24	5	120
	POSH	50	2	100
Refresher Trainings	PF Training	50	2	100
	ESIC Training	21	2	42
	POSH	60	2	120
	HR Capital manual	137	1	137
Security Safety	Fire Fighting Training	126	2	252

In the preceding fiscal year, a total of 1,010 hours of training was administered to permanent employees, covering a diverse array of topics, including health and safety, skill enhancement, cyber security, energy efficiency, anti-corruption policy, human rights policy and waste disposal.

This comprehensive training initiative extended to all employees, including 18 female employees, underscoring our steadfast commitment to holistic employee development.

Furthermore, specialised training programmes were conducted for senior-level managers, focusing on leadership and team culture, while middle-management teams received training tailored to women's empowerment.

Additionally, training sessions were dedicated to enhancing skills and offering guidance to minority groups, fostering their success in various roles and facilitating internal promotions for managerial and senior positions. Quarterly training sessions, totalling 28 hours, were conducted for the 7-security staff, ensuring their ongoing development and preparedness.

We implement several initiatives to enhance employee productivity, as listed below.

- **Alignment:** Ensuring employees' tasks align with organisational objectives.
- **Pay parity:** Providing fair and timely compensation to employees.
- **Opportunities:** Offering avenues for employees to excel in their roles.¹

- **Safety:** Establishing a safe workplace environment, providing quality health benefits and offering pension plans.
- **Belongingness:** Embracing diversity, fostering collaboration and providing equal access to programmes and initiatives.
- **Esteem:** Recognising team contributions, delivering constructive feedback and rewarding exceptional performance.
- **Self-actualisation:** Developing personalised training plans, offering tailored management tracks and providing executive mentorship.
- **Wellness programme:** Implementing workplace wellness initiatives to promote employee well-being.

Additionally, franchisees receive training on the following subjects.

- At the onboarding of the Franchise, training on the Code of Conduct and best business practices is given to create awareness about the Company and its core value system.
- Technical Training on the VKMS (Vakrangee Kendra Management System) is provided by the Relationship Manager at the HO level and the Block Officer at the ground level. The OEM provides ATM training at the field level.
- Service level training is provided by the respective business heads from the HO level through direct online VC training sessions and state teams at the ground level.

Over the past couple of years, businesses have witnessed a significant shift towards embracing technological advancements and digital solutions. As a result, virtual communication (VC) channels have been established, enabling franchisees to log in regularly and participate in online training sessions tailored to their specific services.

These sessions also facilitate live, two-way communication between franchisees, direct business teams, and centralised relationship managers at the head office. This immediate interaction allows for the prompt real-time resolution of queries and concerns. Moreover, a calendar for these sessions is integrated with the VKMS Portal, and the schedule is shared via email and WhatsApp, ensuring convenient access and keeping everyone updated.

Talent Retention

Talent retention strategies are strategically implemented to maintain employee motivation and focus, ultimately enhancing organisational productivity. We emphasise the significance of talent retention for long-term growth. Various initiatives are undertaken to retain talent, including assigning challenging tasks, establishing achievable cross-functional objectives, and offering a range of benefits such as wellness programmes, parental support, and opportunities for mobility.

Employees are provided opportunities to explore new roles and departments, facilitating networking expansion and exposure to fresh challenges. This is facilitated through an internal job posting system, enabling employees to apply for available positions at no cost. Internal job postings are instrumental in fostering continuous skill development and providing equitable opportunities for career advancement.

Moreover, we operate an internal referral programme that rewards employees who refer candidates for open positions, with incentives varying based on the position and level of the referral. This programme supports internal recruitment efforts and encourages active employee engagement in organisational growth.

In the fiscal year 2023-2024, 41 employees were granted Employee Stock Ownership Plans (ESOPs). ESOPs, a form of retirement plan, grant employees ownership of shares in our Company, serving as a valuable means for retirement savings and wealth accumulation.



Various initiatives are undertaken to retain talent, including assigning challenging tasks, establishing achievable cross-functional objectives, and offering a range of benefits such as wellness programmes, parental support, and opportunities for mobility.



The ESOP programme aligns employee interests with Company success, fostering motivation and retention. We remain committed to providing our employees with a comprehensive benefits package, including retirement plans, to attract and retain top talent.

Below is the list of benefits that are given to employees.

Retirement Benefits	Gratuity
Stock Option	ESOP Benefits
Insurance Benefits	Group Medclaim policy, Group Term Life and accidental cover insurance
Work-life Balance	Annual leave, public holidays, maternity leave with full pay, leave encashment and flexible working hours
Wellness Programmes	Employee assistance programme, health and fitness initiatives, well-being and cessation programmes, and higher education programmes
Career Break Policy	Medical emergency and higher education

Supporting new hires

To facilitate the seamless transition and integration of new employees, the Early Interventions team organises regular meetings at specific intervals (45 days, 90 days, 125 days and 180 days). These meetings evaluate their orientation process and ensure alignment with their respective departments. By conducting these periodic assessments, any gaps can be identified, and any issues or concerns can be promptly addressed.

Building a Lasting Workforce

On average, employees have maintained a seven-year tenure with the Company, and their average age is 30-50 years. These statistics indicate that the organisation has successfully cultivated an environment conducive to long-term commitment and loyalty among the workforce. Additionally, during the fiscal year 2023-24, Vakrangep recorded a voluntary average attrition rate of permanent employees at <2.4% %.



Year	Employees Resigned	Gender-wise				Age-wise		
		Male	%	Female	%	Less than 30 years	30-50 years	Above 50 years
FY 2021-22	614	586	95.44	28	4.56	167	428	19
FY 2022-23	58	46	79.31	12	20.69	12	44	2
FY 2023-24	64	48	75.00	16	25.00	11	46	7

The Head of the People, Performance and Culture department oversees retention rates within the organisation and consistently works toward improvement. Monitored findings are regularly communicated to the Nomination, Remuneration and Compensation Committee.

Encouraging growth

We strongly believe in the efficacy of annual appraisals to stimulate growth, nurture development and acknowledge the significant contributions made by our employees.

Employee Satisfaction

We have consistently placed a high premium on our employees, recognising that their well-being and productivity are pivotal to their success. This dedication to human resources aligns with promoting an entrepreneurial culture focused on work-life balance. To this end, we have established guidelines prioritising both productivity and the welfare of our workforce.

Employees typically adhere to a 9-hour workday, with flexible timing arrangements tailored to individual needs. In cases where employees exceed 8 hours of work, fair compensation is ensured to acknowledge their dedication and additional effort.

Our leave policy operates month-wise, with employees receiving a credit of 1.75 days each month. Generous benefits include 21 days of annual leave and nine public holidays. Moreover, employees can carry up to 30 days of annual leave the following year, facilitating effective time-off planning. Any remaining leaves exceeding 30 days are encashed to provide financial security to employees. Further, we designate the 2nd and 4th Saturdays each month as holidays for all employees.

Category	FY 2023-24		
	Total (A)	No. (B)	% (B/A)
Male	188	0	0
Female	24	0	0
Total	212	0	0

Maternity benefits are also generously provided, including 184 days of maternity leave with pay per child and maternity claim coverage of up to INR 50,000/- for normal delivery and INR 60,000/- for C-section delivery for hospital expenses during pregnancy. Furthermore, access to a crèche facility is provided for female employees facing challenges balancing work and childcare responsibilities. During FY 2023-24, 0 female employees availed parental leaves and returned to work after their leave period.

To foster a sense of ownership and engagement, we have implemented an Employee Stock Options (ESOPs) programme extended to 100% of our employees. Through ESOPs, employees can become stakeholders in our success, aligning their interests with our long-term growth and prosperity.

To uphold confidentiality, employees must sign a Non-Disclosure Agreement (NDA) safeguarding their information, including health-related details. The NDA prohibits employees from disclosing company-related information to individuals, organisations or groups. The HR department retains a copy of the signed NDA and other employee details. In case of any breach of confidentiality, disciplinary action is taken against the responsible parties.

Employee Engagement Programme

We acknowledge that employees have a deeper connection and involvement with their work and the organisation beyond just receiving a paycheck. Employee engagement is based on trust, integrity, mutual commitment and open communication between us and our employees. This approach enhances the likelihood of business success, contributing to both organisational and individual performance, productivity and well-being.

Our dedication to fostering employee engagement aligns with our objective of cultivating an entrepreneurial work environment. Effective communication, comprehensive training and development opportunities, recognition programmes, collaborative initiatives and work-life balance initiatives create an environment where employees feel connected, valued and motivated. Thus, by nurturing employee engagement, we unleash the full potential of our workforce, driving growth and prosperity.

To maintain high levels of employee engagement and cultivate a vibrant and positive work culture, we implement various activities, including the following.

- Conducting Zumba classes twice a week
- Celebrating International Women's Day
- Organising inter-departmental activities
- Hosting happiness sessions
- Arranging activities for Independence Day and Republic Day
- Observing Navratri celebrations
- Hosting a Mother's Day event

Employee engagement survey

We firmly believe in the significance of employee engagement and its profound influence on our success, aligning seamlessly with our goal of nurturing an entrepreneurial work environment conducive to sustainable growth.

The following ten themes related to the Employee Engagement Survey are assessed below.



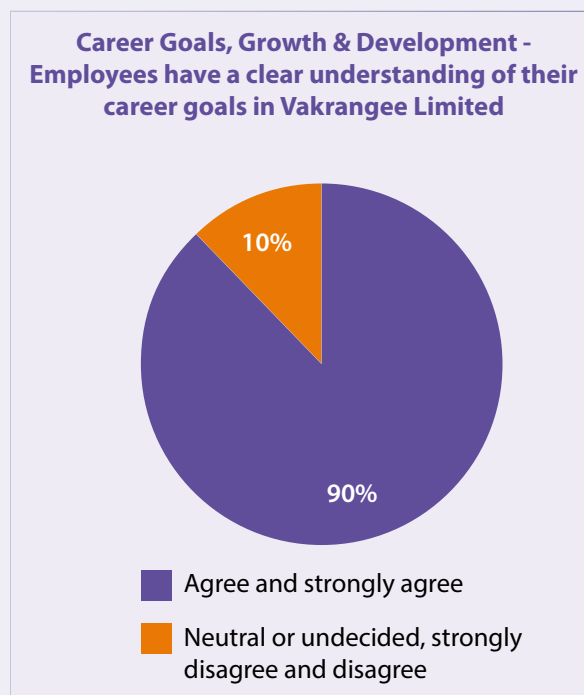
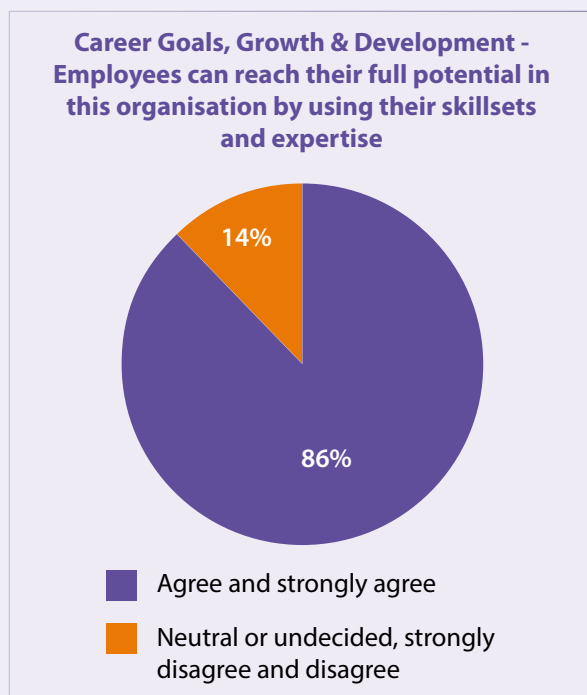
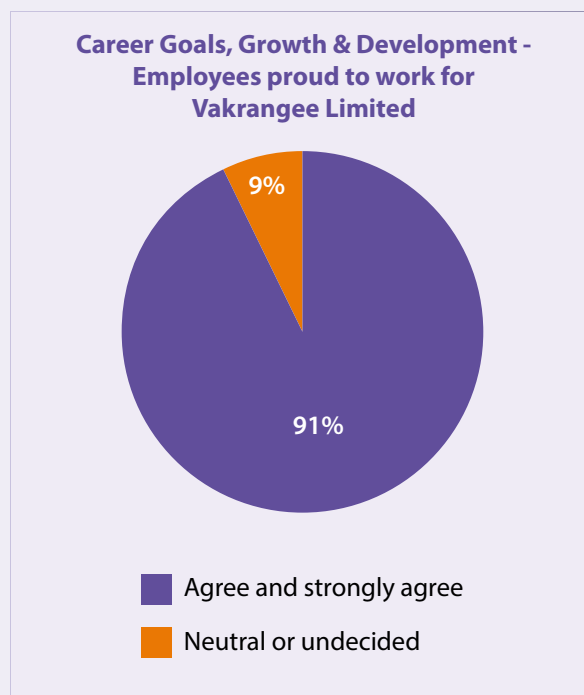
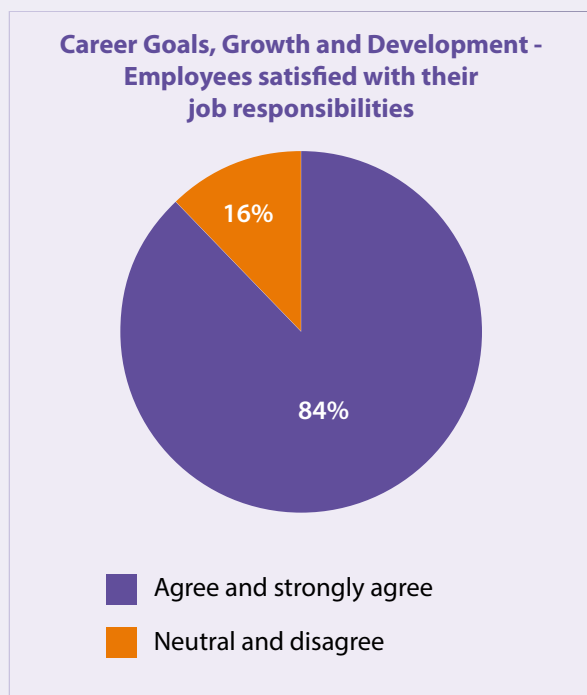
Our dedication to fostering employee engagement aligns with our objective of cultivating an entrepreneurial work environment.



Careers Goals, Growth & Development

In the organisation, a significant proportion of employees (91%) are proud and happy to be a part of the organisation. This is evident in the ratio of 160 male employees to 20 female employees.

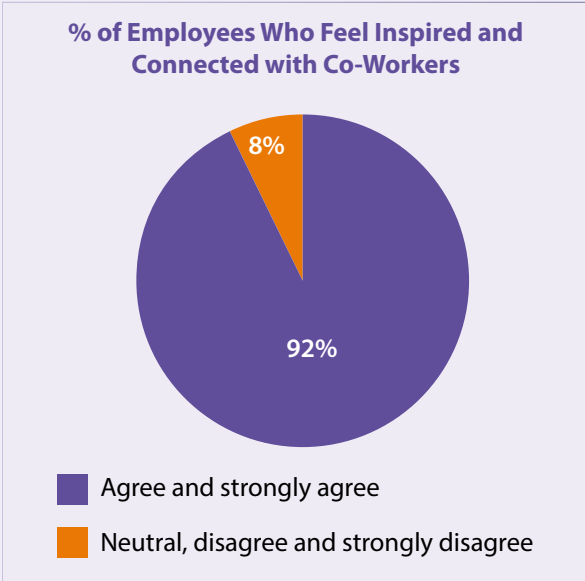
Moreover, 90% of employees clearly understand their career goals within the Company. Among them, 156 male and 22 female employees feel confident about their career trajectories.



Teamwork & Collaboration

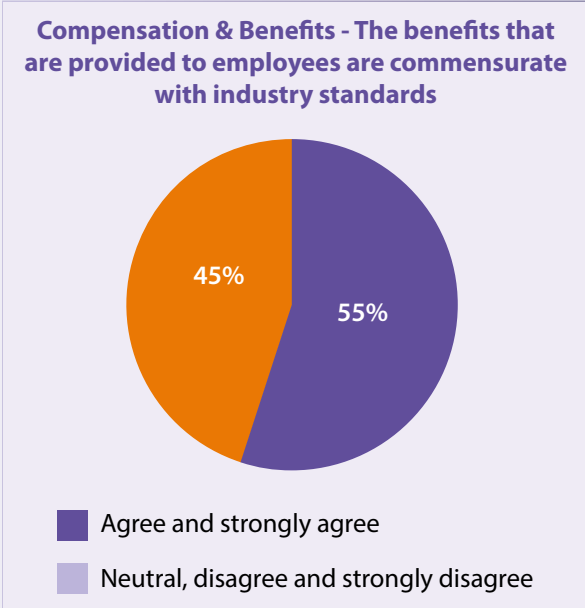
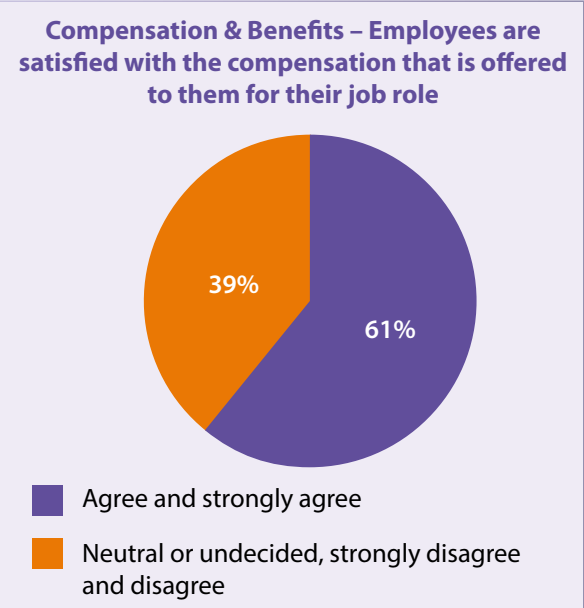
Most employees (91%) perceive that their managers encourage team collaboration. This encouragement is evident in the ratio of 159 male employees to 22 female employees who view their managers as supportive of collaboration. Additionally, employees feel they can rely on their peers for help, with a ratio of 155 males to 21 females expressing this sentiment.

Moreover, 92% of employees feel inspired and connected with their co-workers. This feeling of connection is shared by 160 male and 22 female employees. Furthermore, employees are encouraged to develop new ideas and approaches, with a ratio of 164 males to 22 females feeling supported.



Compensation and Benefits

In the survey about compensation and benefits, 61% of employees expressed satisfaction with the offered compensation for their job roles. Additionally, they believe that the provided benefits align with industry standards. This sentiment is reflected in the ratio of 104 male employees to 17 female employees who feel content with their compensation and benefits package.

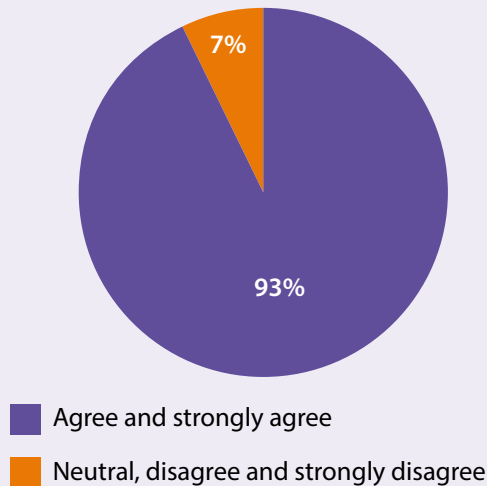


Managerial Effectiveness

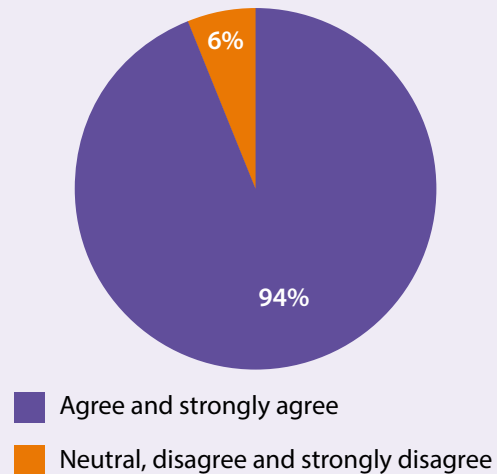
Approximately 93% of employees believe their managers are dedicated to achieving good results. This dedication is evident in the ratio of 162 male employees to 23 female employees who perceive their managers as committed to delivering high-quality outcomes. Furthermore, employees feel their managers provide guidance and motivation whenever necessary, with a ratio of 163 males to 23 females expressing this sentiment.

Additionally, 91% of employees feel that their managers assign challenging assignments or projects to them. This perception is shared by 181 male employees and 0 female employees. Moreover, employees believe their managers are supportive and actively involve them in team discussions and decision-making. This is reflected in the ratio of 161 males to 23 females who feel included and supported by their managers.

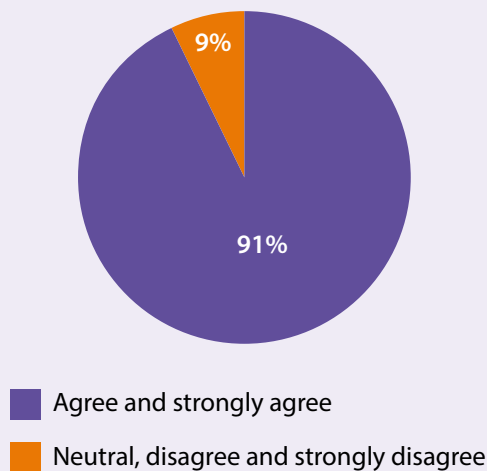
% of Employees who feel their manager is committed to delivering good quality results



% of Employees who feel their manager provides guidance and motivation whenever required



% of Employees Who feel their manager allocates challenging assignments/projects



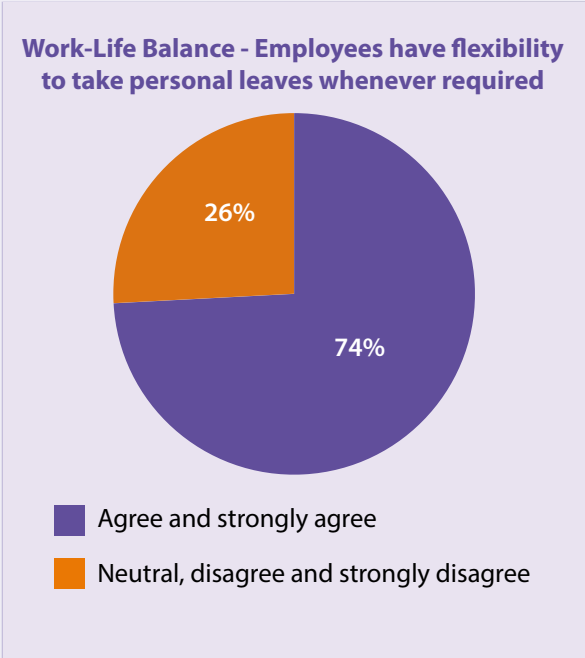
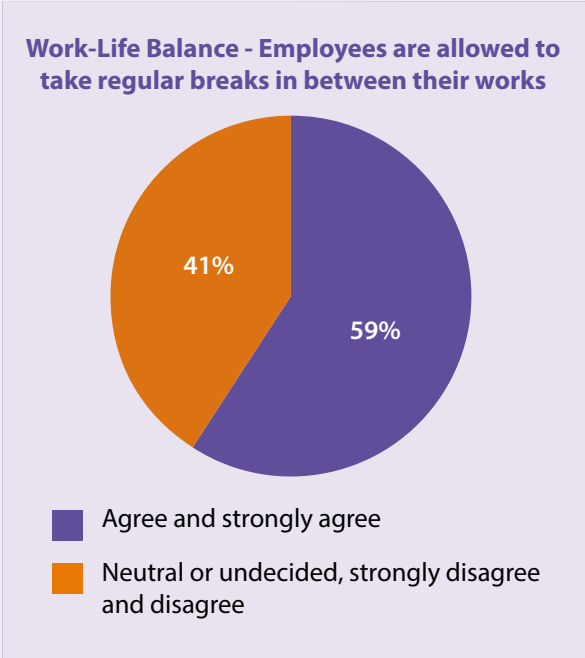
Employees feel their managers provide guidance and motivation whenever necessary. Employees believe their managers are supportive and actively involve them in team discussions and decision-making.



Work-Life Balance

80% of employees believe that the Company's work environment enables them to balance their professional and personal lives properly. This feeling of balance is experienced by 142 male and 17 female employees.

Additionally, 74% of employees feel that they have the flexibility to take personal leave whenever necessary. This flexibility is appreciated by 128 male employees and 18 female employees.



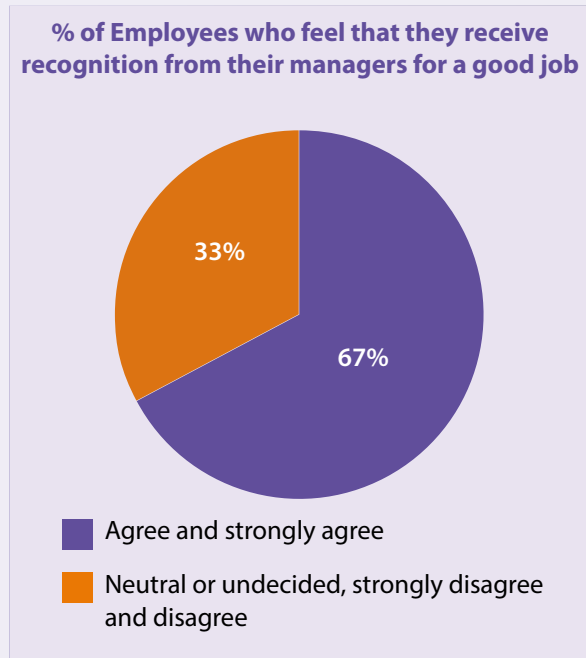
88% of employees believe our work environment enables them to balance their professional and personal lives properly



Performance, Rewards & Recognition

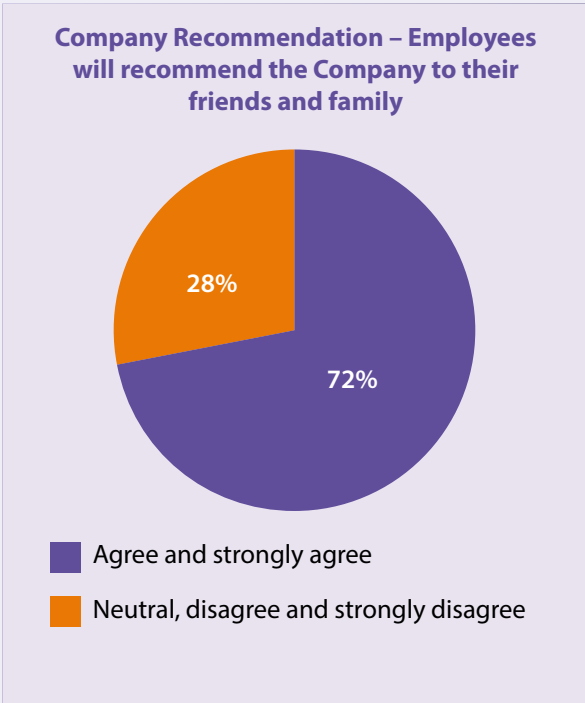
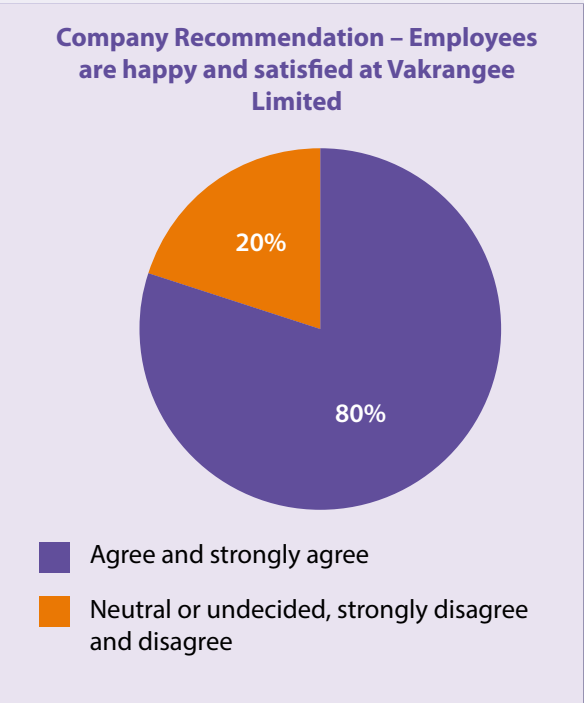
88% of employees receive appreciation from their managers and peers for a well-done job. This appreciation is received by 125 male employees and 18 female employees.

However, the satisfaction rating is lower regarding career paths and promotion plans.



Company Recommendation

On average, 80% of employees express happiness and satisfaction with their work at the Company. This sentiment is experienced by 136 male employees and 22 female employees. Additionally, 72 % of employees at the Company express their willingness to recommend the organisation to their friends and family. This positive recommendation is shared by 127 male employees and 16 female employees.



Employee Rewards & Recognition

We understand that fair compensation is just one aspect of creating a fulfilling work environment. Employees also seek fair treatment and appreciation for their efforts. To address this, we have developed an employee incentives and recognition programme that ensures intrinsic and extrinsic rewards, fuelling productivity and engagement among the entire team.

Employees are recognised for their ability to manage and champion change, innovation, systems improvement, customer or client retention, significant personal development and actions that embody our core values. We reward exemplary performance through Star Performer, Long Service, and Incentive Awards for the entire ecosystem.

Additionally, we honour our tenured talent who have dedicated their time and expertise by presenting awards to our people who have completed significant milestones of 5, 8, 10, 12 and 15 years, acknowledging their loyalty and commitment.

Retirement Policy

We offer a retirement policy for all permanent employees. The standard retirement age is 60. However, the management reserves the right to extend an employee's contract on a year-to-year basis, considering factors such as the employee's medical condition and the prior year's performance. The HR department will notify employees of any extensions at least 30 days before their scheduled retirement date.

Retirement Benefits

Full-time employees receive retirement benefits, including gratuity, which is typically disbursed within 45 days following their retirement date. Additionally, they qualify for a monthly pension through the Employee Pension Scheme (EPS).

Upon retirement, we finalise all required paperwork for the retired employee's final settlement within the subsequent 30 days.

We furnish retired employees with retirement letters delineating their tenure and experience within the organisation.

The retired employee also receives a commendation from us on their final day, acknowledging their invaluable service to our organisation.

Human Capital Risk Assessment

At Vakrangee, the Risk Management Committee regularly conducts assessments of human capital risks. Recognising the importance of collaborative teamwork in organisational functions, the combined contributions of every employee are pivotal in achieving the goals.

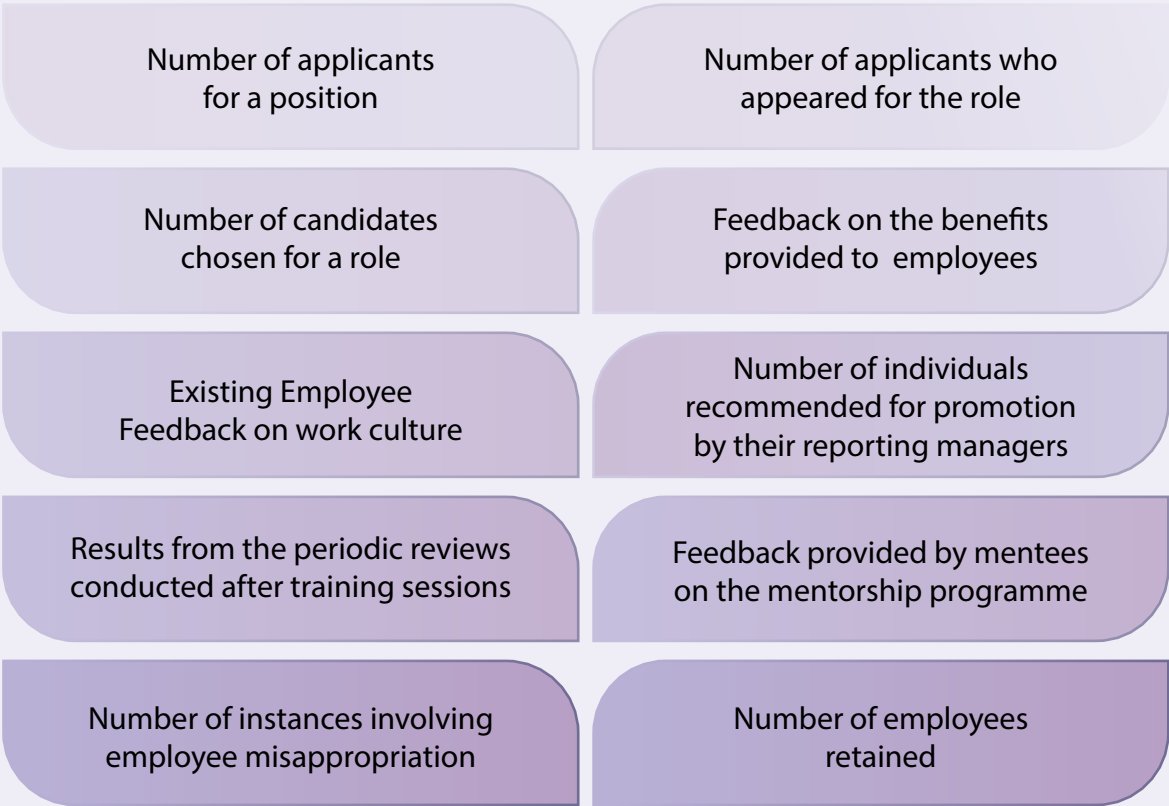
Human capital risk assessments are instrumental in pinpointing elements that might adversely affect personnel and organisational endeavours. To adeptly address human capital risks, the Head of People, Performance, and Culture devised a thorough action plan containing the following details.

- Identification and Classification of Human Capital Risks
- Description of Potential Losses Stemming from Human Capital Risks
- Strategy for Managing Human Capital Risks
- Sequence of Actions for Implementation
- Timeline for Implementation
- Designated Officials Responsible for Implementation

Our comprehensive action plan, encompassing roles, responsibilities and timelines, undergoes further evaluation and approval by the Risk Management Committee of the Board. This guarantees meticulous scrutiny and supervision of the human capital risk management endeavours.

To ensure efficient implementation, we have devised an annual activity calendar detailing all planned activities to mitigate risks linked to human capital. This calendar functions as a roadmap by directing the course throughout the year and empowering us to pre-emptively tackle and alleviate any emerging risks.

Criteria for evaluating the efficacy of the plan's activities



Health and Safety

We recognise the importance of establishing a safe and secure work environment. It not only protects the workforce but also enhances overall performance. With unwavering dedication, thus we prioritise employee health and safety by implementing robust protocols and safety measures. This proactive approach ensures that safety tools and processes are consistently in place to prevent potential accidents.

Additionally, we foster a culture of employee engagement, actively involving the workforce in developing, implementing and evaluating occupational health and safety policies, management systems, and programmes. By nurturing a collaborative environment, we empower the employees to take ownership and responsibility, actively contributing to creating a secure and protected workspace.

With the ISO 45001:2018 certification for Occupational Health and Safety Management Systems, we place supreme importance on the welfare of our employees and operations. We aim to identify and mitigate any potential harmful factors. This certification encompasses physical and mental well-being, enhancing employee



satisfaction, retention, health, productivity and decreased absenteeism.

We exceed mere compliance by providing healthcare services and voluntary health promotion programmes, including assistance for improving diet or quitting smoking. This commitment to health and safety underscores our dedication to employee well-being and yields tangible benefits. We enhance employee satisfaction and retention by safeguarding their health and ensuring their safety, increasing productivity and reducing absenteeism.

We understand that a safe work environment, free from accidents and injuries, is essential for fostering a conducive workplace where employees can excel. Workplace health and safety are pivotal for the business's long-term success and the personnel's overall welfare at all levels. Thus, by prioritising the workforce's well-being, we establish a mutually beneficial relationship in which the business and our employees thrive.

Work-related hazards may vary depending on geographical locations and specific business lines. We categorise these incidents based on geographical areas and business divisions to manage them effectively. Additionally, we identify potential hazards that pose a high risk of injury, specifically classifying high-consequence work-related injuries as those that could be fatal or render an employee unfit to work for four months or more.





To prioritise employee safety, we strongly advocate that relevant field staff, Block Officers and Divisional Operating Managers utilise four-wheelers or book taxi rides for business-related travel. Given the potential theft hazards while loading cash in ATMs, strict adherence to Standard Operating Procedures is expected to prevent theft and fatal incidents.

Moreover, employees at the corporate office working long hours on laptops or desktops may experience eye strain. In FY 2023-24, zero fatalities due to work-related ill health are recorded.

When an employee resumes work after any ill health, a first medical certificate is mandatory to submit, ensuring that the employee is fit and can perform well. Secondly, we have an in-house resident doctor available 24x7 for the employees. We firmly believe that it is essential to utilise all available resources to educate these individuals on their responsibilities regarding employee safety and how to handle risky situations. By doing so, we can ensure the well-being of our employees and effectively manage potential hazards.

At our organisation, we prioritise the well-being of our employees by embracing the belief that "Health is Wealth." As a result, we undertake a range of initiatives to support their physical fitness and promote a stress-free environment. These endeavours are executed and monitored by our dedicated HR department, ensuring the effective implementation of our fitness programs. The



We have an in-house resident doctor available 24x7 for employee assistance.



benefits given at our organisation are elaborated in the following section:

Employee Assistance Program (EAP): We have established an Employee Assistance Program (EAP) that offers valuable psychological support to individuals dealing with personal and professional challenges. Through our dedicated counselling sessions, we provide assistance and guidance to help employees navigate various issues they may face. Furthermore, our EAP focuses on empowering employees to make informed decisions regarding their health. We provide training and resources that enable them to make smarter choices in exercise, nutrition, weight management, and tobacco cessation. By offering these services, we aim to

support our employees in leading healthier lifestyles and achieving overall well-being.

Practical well-being support: In certain circumstances, employees may encounter challenges that hinder their ability to perform at their best in the workplace. Responsibilities related to family, relocation, household duties, and legal or financial matters can serve as distractions or even lead to absences from work. Recognising this, we offer work-life consultation services, personalised research, and resources. We aim to assist employees in achieving a harmonious balance between their professional obligations and personal matters, enabling them to stay focused on their jobs.

Health & Fitness: We promote health and fitness initiatives like marathon yoga, Zumba, and training programs for the workplace and employee happiness.

Smoking Cessation Program: Periodic smoking cessation programs are conducted to aid employees who wish to quit smoking. These programs entail the development of personalised “quit plans” by trained professionals who offer live chat coaching and text messaging support. Our goal is to guide and assist individuals seeking to overcome their smoking habits and embrace a healthier lifestyle.

Healthy workplace: To foster a healthy and safe workplace environment, we have implemented a policy that strictly prohibits the consumption of drugs, alcohol, tobacco, guthka, or other substances. This policy applies to all employees within our organisation. We emphasise the importance of adhering to this policy to ensure the well-being of both individuals and their colleagues. Any

employee discovered violating this policy, thereby endangering the lives of others and their own, will be subject to rigorous disciplinary action.

Online yoga classes: Yoga and meditation are extremely effective stress relievers. We have scheduled two classes per week for employees.

Medical room facility with Company doctor: Our corporate office has a medical room facility. Employees use the medical room to relax when they feel unwell or experience unease at work. Our in-house doctor visits the Head Office every Friday from 11 am to 1 pm.

Work-life balance: We provide flexible work schedules to help employees balance their professional and personal responsibilities.

Parental support & creche facility: We provide parental support and crèche facility for parents who struggle to manage work and children.

Health monitoring and blood checks: We conduct health monitoring and blood checks annually for all employees free of cost. We also provide additional support and guidance from medical practitioners wherever necessary.

Healthy lunch and snacks: The Lunch Committee in the organisation ensures that lunch and snacks are nutritious and with fewer calories.

Health and safety training: We provide safety training programs for all employees, including emergency action plan training and how to treat yourself while injured and alone. The training program ensures that the employees are well efficient during crises.





Fire safety & emergency drill: Mock drills and fire-fighting evacuations related to health and safety are conducted for certain employees. We have implemented fireboxes on every floor to ensure the proper use and availability of fire extinguishers during emergencies. These fireboxes are specially designed enclosures that securely house the fire extinguishers, preventing them from being misused or tampered with. By placing the fire extinguishers in fireboxes, we can maintain their functionality and readiness at all times, enabling our employees to respond to workplace fires effectively. This precautionary measure helps us create a safer work environment and enhances our emergency preparedness efforts.

First-aid box: Accidents can occur unexpectedly, and being prepared can alleviate panic and provide essential assistance. As part of our proactive approach, we regularly monitor our inventory every month to ensure the readiness of our First Aid Kit for unforeseen circumstances. The First Aid Kit is equipped with various essentials such as gauze, cotton, spirit, scissors, adhesive plaster, bandages, and medications for anti-inflammatory, antipyretic, antiemetic, and anti-allergic purposes. This comprehensive collection of items enables us to promptly address injuries or illnesses and provide necessary care when needed.

Self-defence training: We prioritise the overall well-being of our employees and recognise the importance of investing in our collective future as a company. We understand the immense value, both in the short-term and long-term, of equipping our employees with life-saving skills. Self-defence training plays a crucial role in proactively preventing workplace violence. Periodically, we organise self-defence training sessions to empower our employees with the knowledge and skills necessary to protect themselves against potential harm or

physical attacks. Employees gain a heightened sense of confidence by being self-equipped, positively impacting their performance and leadership potential. Additionally, self-defence training fosters the development of assertiveness while simultaneously reducing aggressiveness, creating a more harmonious and secure work environment.

Medical insurance policy: All employees are covered under the Company's Health and Medical Insurance policy, which protects employees from the financial loss of costs incurred by sickness or injury. Group Medclaim Policy of the Company is designed to offer life insurance to a group of people under a single policy. This policy covers all ailments, including Covid-19, for both hospitalisation as well as home treatment. Apart from this, all forms of super annuity benefits are provided to all employees. The policy ensures at least basic insurance coverage for those without any life insurance policy. As the insurance is offered to all group members, irrespective of their health condition, it is of great value to employees who belong to a high-risk group or find it difficult to buy a policy. Regarding retirement benefits, we provide gratuity and pension (from the Provident Fund) to improve the quality of life of our employees after retirement.

Special leave: In rare instances, our field staff have encountered injuries while travelling to outlets. We provide Special Leave to employees who met with accidents on duty, including travel to and from their place of work, life-threatening diseases like cancer, dengue, malaria, typhoid, tuberculosis or any other life-threatening disease. We believe in the saying, "Health is Wealth"; therefore, we conduct various initiatives to help employees stay physically fit and stress-free.

Our Safety Record

We devote all the necessary energy and attention to protecting the safety and well-being of everyone involved with our company, from employees and contractors to suppliers, franchisees, customers, and the public. This commitment is evident in the fact that there were 0 fatalities and 0 cases of recordable work-related ill-health in our organisation in the 2023-2024 fiscal year.

Grievance Redressal

Building a safe workspace

We maintain a strong stance against sexual harassment, deeming it unacceptable conduct and a serious social offence. A zero-tolerance policy is in place to address any form of sexual harassment. Two committees have been established to ensure prompt resolution of such incidents: the 'POSH Committee' and the Internal Complaints Committee. These committees responsibly handle grievances from both permanent employees and franchisees.

Additionally, a query management system allows employees to document their grievances, which are then directly reported to the HR Head at the corporate office. Both the Internal Complaints Committee and the POSH Committee address concerns raised by permanent employees, providing a comprehensive mechanism to resolve issues related to sexual harassment. Furthermore, we are committed to not employing children or forced labour.

Zero Tolerance for Corruption

In the fiscal year 2023-24, there were no confirmed incidents of corruption at our organisation. No employees faced dismissal or disciplinary action due to corruption, and no contracts with business partners were terminated for corruption violations. Remarkably, 100% of governance body members, permanent employees, contractual employees, franchisees and business partners were well-informed about our anti-corruption policies.

This positive outcome underscores our unwavering commitment to preventing corruption. Going forward, we will diligently monitor our operations for any signs of corruption and proactively take measures to prevent it. These measures include ongoing employee training on anti-corruption policies, regular audits and implementing robust whistleblowing procedures.

Furthermore, no discrimination cases were recorded during the fiscal year, demonstrating our dedication to maintaining an inclusive and equitable workplace.



We maintain a strong stance against sexual harassment, deeming it unacceptable conduct and a serious social offence.





INTELLECTUAL CAPITAL

Expanding the unique 'Phygital' approach to establish the most extensive network of last-mile retail touchpoints across India and committing to foster entrepreneurship.

MATERIALITY ISSUES ADDRESSED

- Opportunity in innovative technology
- Product development
- Business strategies

LINKED CAPITALS

- Manufactured capital
- Financial capital
- Social and relationship capital

SDGs IMPACTED



Driving performance through our unique district-level master franchise approach, placing our trust and support in the hands of local entrepreneurs.

At Vakrangee, our intellectual capital encompasses diverse intangible assets contributing to strategic advantage and value creation. This includes proprietary technology platforms, innovative solutions, patents, trademarks, copyrights, trade secrets and brand reputation. It also constitutes the collective knowledge and expertise that enables us to drive innovation, deliver exceptional customer value, maintain our competitive edge and sustain long-term growth in the dynamic business landscape.

We thrive on innovation while embracing new technology to revolutionise last-mile retail services. Through cutting-edge solutions, we continually enhance customer experiences and operational efficiency. Focusing on digital transformation, we pioneer innovative platforms and services, leveraging emerging technologies like blockchain, AI and IoT.

By integrating these advancements into our network of retail touchpoints, we ensure seamless access to essential services for millions of customers across India. Our commitment to innovation empowers us to stay ahead in the dynamic retail landscape while driving growth, scalability and sustainable value creation.

Thus, our intellectual capital centres around our capacity to innovate and embrace novel strategies and technologies, facilitating the delivery of operational excellence and the development of digital solutions.

Our intellectual capital covers the application of knowledge, tools, and software by customers, franchisees, master franchisees and employees using standard operating procedures, policies, risk management strategies, and research and development (R&D), which help us build a unique enterprise.

The last-mile services aim to enhance quality of life and customer satisfaction, expanding rapidly across geographical regions and diversifying service offerings. However, our vision transcends mere business growth. We aim to foster a flourishing entrepreneurial ecosystem in India, empowering a broader range of talented individuals through our spirited approach to Master Franchisees and Kendra franchisees.

Expanding our presence in the consumer and retail segment, we plan to introduce our private-label and white-label categories of products. Leveraging our extensive Vakrangee Kendra Franchisee and Master Franchisee network, we aim to effectively distribute our branded E-Commerce consumer and retail products. This initiative will enable us to broaden our product offerings and strengthen our distribution channels, facilitating further growth and expansion.

21,653

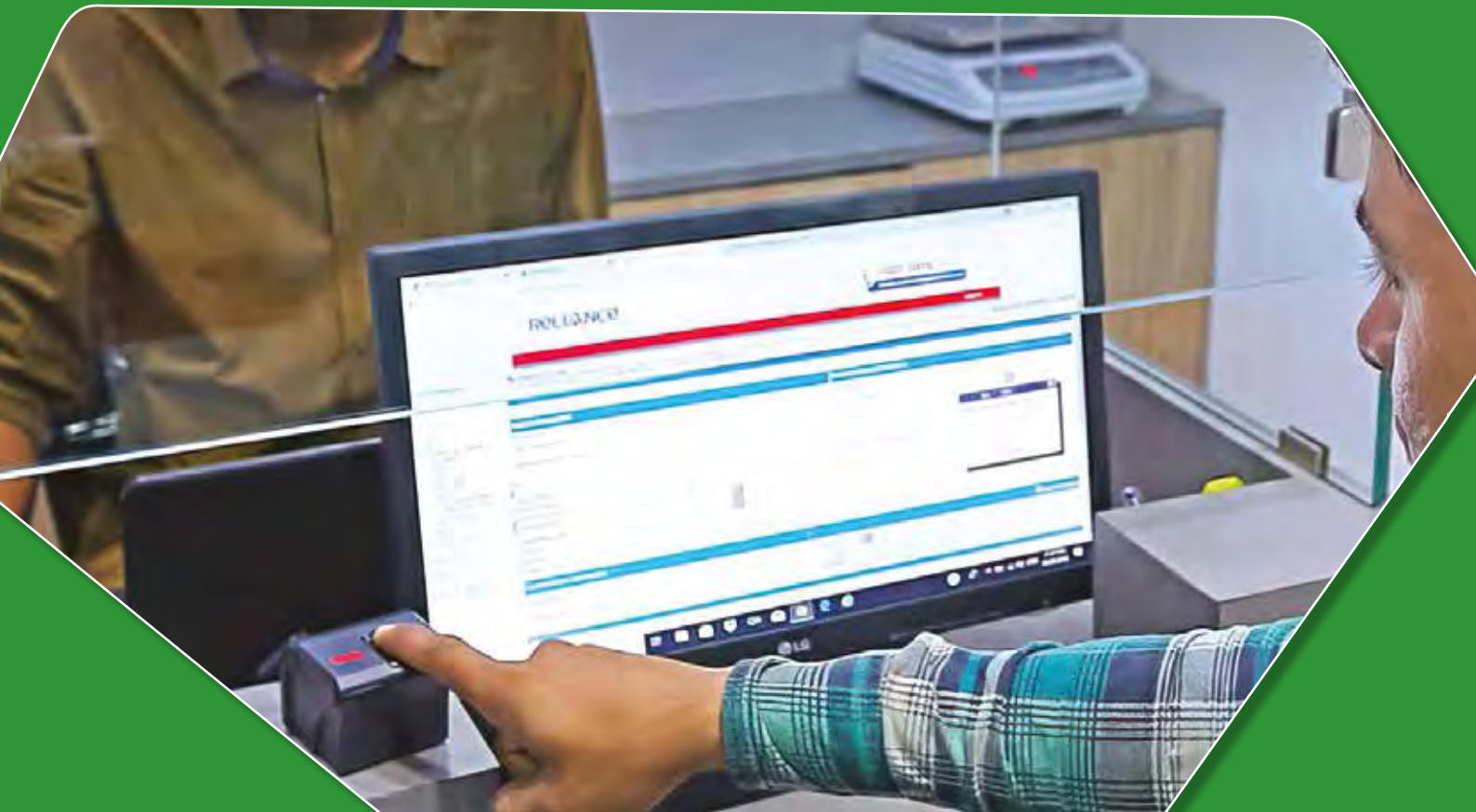
No. of
Vakrangee Kendras

31

Presence in States / UT

571

Presence in Districts



Vakrangee's Last Mile Services



Driving business growth through our innovative technology solutions

In today's fast-paced business environment, the necessity for technology prioritising speed and security is undeniable. We have leveraged our technical proficiency, tools, and skilled workforce to address this requirement and create a highly efficient system that adheres to ISO standards.

By employing robust risk assessment software and strategic methodologies, we ensure a seamless and secure flow of operations. Furthermore, focusing on innovation and security, we provide businesses with a dependable platform to fulfil customer requirements.

Moreover, our unique approach to digital convenience stores is revolutionising access to essential services in underserved markets throughout India. Our comprehensive range of offerings includes banking, ATM, financial services, Demat account services, bill payment and recharges, online shopping, travel arrangements, courier services and more.

By bringing these services to the doorstep of those who have been traditionally overlooked, we strive to foster progress and ignite the entrepreneurial spirit. These innovative platforms bridge the gap between underserved markets and the wider world, offering newfound opportunities and convenience.

Our valued customers, who play a pivotal role in driving our progress, receive a comprehensive range of services, including last-mile assistance and personalised support. We prioritise meeting customer needs and enhancing their experience, recognising their vital role in our continued growth. We ensure our customers receive the utmost care and convenience by providing last-mile and assisted services.

For instance, by adopting an Aadhar-enabled Payment System (AePS) model, an assisted banking mode is made available to our customers whereby they can carry out financial transactions at no extra cost. We currently have 21,653 operational Vakrangee Kendras covering 5,444 postal codes, with over 70% of our outlets spread across tier IV and tier VI cities.

In FY2024, we have crossed over 13.2 crore total no. of transactions, and Gross Transaction Value (GTV) crossed Rs. 55,209.9 Crores. As of 31st March 2024, we have 21,653 Vakrangee Kendra outlets spread across 31 States & UTs, 571 districts and 5,444 postal codes. 70% outlets in Tier 4 & 6 locations, and we have appointed Master Franchisees in 437 Districts across 28 states, emerging as India's 'Go to Market Platform'.

Our intellectual capital is built upon our core principles of trust, perseverance, unyielding rigour, entrepreneurial spirit and prudence. We implement standardised policies and procedures to embody these principles, leverage relevant tools and software, employ risk management strategies, and invest in Research and Development (R&D) activities.

Our Impact

Input

- District-level Master Franchisee Scheme
- Virtual assistance
- Cloud Migration
- Digital Payment Solutions
- Internet of Things
- Big Data and Predictive Analytics
- Artificial Intelligence (AI) and Machine Learning (ML)
- Blockchain
- Conversational Interface in the form of Chatbots
- Virtual Assistance – Voice-based services
- Text-to-Speech ATMs for Divyaang (Specially-abled) Customers
- Technical Support Desk (TSD) viz. VKID for Franchisees

Output

- Master Franchisees appointed in 437 Districts
- Vakrangee Kendra Outlets Presence across 31 States and 571 Districts
- Currently, 21,653 Active Transacting Vakrangee Kendras, with 70% outlets across Tier IV and Tier VI cities

Outcome

- Provision of services to underserved and marginalised markets across India

- Availability of vital services such as banking, e-commerce, insurance, healthcare, online demat and trading account services, assisted online education, and online agricultural products and services in remote regions
- Seamless services that save time and boost the efficiency of both customers and franchisees
- Increased inclusivity through offerings like biometric-enabled banking, aiding illiterate individuals in accessing banking services conveniently
- Interoperable banking systems reducing the need for customers to undertake lengthy travel
- Improved accessibility for customers with disabilities

Impact

- Encouragement of entrepreneurship via the Master Franchisee model
- Availability of financial products nationwide via last-mile services
- Provision of digital services (e-commerce, Demat and trading accounts, comprehensive healthcare, etc.) for both personal and business requirements across extensive areas of India
- Ensuring equitable access to all services
- Simplified usage and cultivation of trust among stakeholders

Data Quality and Privacy

Our dedication to efficiency is complemented by our commitment to safeguarding sensitive information and services. Our business endeavours to ensure that our services meet established standards. We have implemented a data quality operating model encompassing services for data delivery, quality assessment and integrity management.

Responsibilities include data owners documenting quality rules based on identified characteristics from data profiling. Conversely, our data controllers and senior management are tasked with expanding and enhancing data elements within context. A control scorecard is maintained for continuous tracking of Key Performance Indicators (KPIs) by data controllers and owners.

Data quality assessment and monitoring are pivotal in ensuring adherence to required standards across data operation and lifecycle stages. In the event of errors, a dedicated remediation function promptly addresses the same and conducts a thorough root-cause analysis for future reference.



Our data protection strategy follows a logical and systematic approach, including conducting Privacy Impact Assessments. Secure data storage is prioritised to safeguard integrity and confidentiality. Continuous risk assessments and awareness efforts are conducted through the programme.



These data monitoring methods are crafted to uphold high accuracy and consistency in our information repository. These endeavours are indispensable for maintaining data quality and ensuring its reliability across our systems.

Maintaining data privacy and ensuring high-quality data is essential to our data management process. Dealing with extensive datasets, they serve as custodians of many customers' personal information, underscoring the importance of safety and integrity.

To address these concerns, a robust Data Privacy Programme has been established. This programme focuses on developing effective strategies for managing data privacy, with a strong emphasis on safeguarding against data breaches, leaks and other cybersecurity threats related to privacy. The commitment to data privacy remains paramount, with continuous efforts to enhance measures to protect entrusted sensitive information.

To uphold protection, privacy and compliance standards, the Data Privacy Programme employs a comprehensive categorisation framework consisting of four fundamental pillars: sensitivity/confidentiality, criticality/availability, identifiability/privacy and compliance.

This systematic approach enables efficient management and safeguarding of data security and privacy, ensuring alignment with relevant regulatory guidelines. By employing this robust framework, we prioritise holistic data management, ensuring security, confidentiality and compliance with applicable privacy regulations.

Our data protection strategy follows a logical and systematic approach, including conducting Privacy Impact Assessments. Clear definitions of sensitive data and a continuous understanding of its lifecycle, from creation to destruction, are emphasised to enforce relevant protection policies effectively. Secure data storage is prioritised to safeguard integrity and confidentiality. Continuous risk assessments and awareness efforts are conducted through the programme.

Efforts to ensure robust data security encompass operational control design, implementation, management and enhancement. Adequate resources, including skilled personnel and advanced technologies, are allocated alongside timely responses to compliance requirements and

incidents. Effective communication fosters a culture of collective responsibility, garnering support from the senior management and user community.

The Data Privacy Programme is instrumental in managing compliance, enhancing data governance and safeguarding new data by establishing classification levels for comprehensive protection. Efficient data governance aligns with core values and is overseen by our Vakrangee Information Security Committee, responsible for defining and improving the Information Security Management System (ISMS). Policies undergo thorough approval processes before implementation, and the committee reviews and assesses standards regularly for relevance and effectiveness.

A dedicated Corporate Security and Compliance (CSC) Team, reporting to the Chief Technology Officer, identifies and addresses security and compliance issues, enhancing overall security posture. Our team remains ardently committed to upholding trust principles and ensuring compliance with data protection laws and industry standards. Annual risk assessment exercises, facilitated by the second line of defence, proactively address emerging risks, aiding in identifying, evaluating and mitigating potential risks.

Moreover, the Governance of Information Security and Data Privacy Organisational Structure assigns a crucial role to a representative from our esteemed Board of Directors. This ensures the implementation of robust governance practices in line with our strategic objectives, further demonstrating our commitment to information security and data privacy.

We conduct workshops to educate our workforce on identifying and reporting risks, promoting effective communication, and promptly addressing any suspicions. Our organisation and vast network of outlets have maintained an impeccable record of not having a single instance of data breach, which is a testament to our dedication.

Policies and Standards

In today's business landscape, businesses are vulnerable to data leaks and cybersecurity breaches. To protect stakeholders' interests, we have implemented a robust system for data protection. We ensure that our privacy systems safeguard ourselves and our value chain partners.

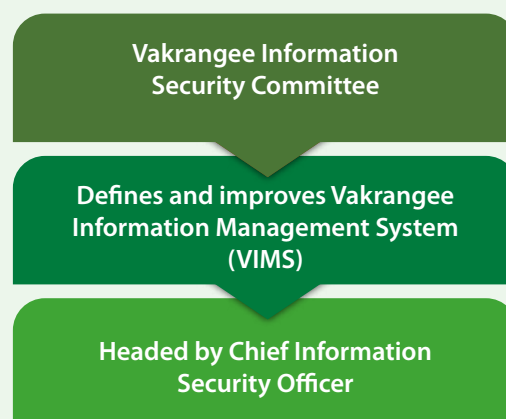
Our data privacy framework is governed by various policies, including the Acceptable Use Policy, Risk Management Policy, Data Privacy Policy, Fraud Prevention Policy, Intellectual Property Rights and Ownership Policy, Information Security and Management Policies, ISO Policy, IT Governance Risk and Compliance Policy, and Data Request Management Policy.

Additionally, we hold certifications and compliance with ISO/IEC 27001:2013 Information Security Management System, ISO 20000-1:2011 Information Technology Service Management System, ISO 27701 – Privacy Information Management System, and ISO 22301- Business Continuity Management System, aiming for continuous enhancement of data management practices.

Acceptable Use Policy

An Access Policy, also referred to as an Acceptable Use Policy (AUP), establishes guidelines and rules governing the usage of computer systems or networks. The AUP outlines how the system or network can be utilised and ensures information systems' security and proper utilisation. As an organisation entrusted with handling significant amounts of personal data, we prioritise protecting sensitive information.

To ensure secure handling and usage of data, we have implemented an Access Policy that requires all new joiners to sign an AUP before being granted access to our information systems. This proactive measure helps safeguard the privacy and security of personal data and promotes responsible and compliant practices within our organisation.



Risk Management Policy

Risk management encompasses the critical process of recognising, evaluating and prioritising risks. It involves efficiently allocating resources to mitigate, monitor and control the probability and impact of uncertain events while capitalising on potential opportunities.

Organisations can proactively address risks by adopting a coordinated and cost-effective approach, ensuring stability and maximising positive outcomes. Their Risk Management Policy is designed to effectively identify, assess and prioritise risks while ensuring the coordinated allocation of resources to minimise risk impact, if any.

Data Privacy Policy

We emphasise the fundamental right to privacy and acknowledge the critical role of safeguarding personal data in maintaining informational privacy. Our Data Privacy Policy is a comprehensive and legally binding document that outlines our approach to collecting, utilising and managing the personal information of customers, business partners, franchisees and suppliers.

Fraud Prevention Policy

Our fraud prevention policy acknowledges the growing vulnerability to fraud risk in today's business environment. It comprises three essential elements: fostering a culture of honesty and ethics, identifying and mitigating fraud risks through processes and controls, and implementing an oversight process.

The policy ensures that our management is cognizant of our fraud detection and prevention responsibilities. Additionally, it provides clear guidance to employees regarding prohibited activities and reporting procedures while safeguarding whistleblowers from harassment or dismissal.

Intellectual Property Rights and Ownership Policy

Our Intellectual Property Policy seeks to uphold the rights and obligations related to intellectual property (IP) for our employees and the organisation. It provides clarity on ownership, rights and liabilities concerning various types of IP, including trademarks, patents, copyrights, trade secrets, domain names and design rights. Additionally, the policy offers guidelines for managing IP, resolving disputes and addressing misappropriation.

Information Security and Management Policy

Our Information Security and Management Policy is specifically designed to protect the confidentiality, integrity and availability of our information assets. We have established an Information Security Management System (ISMS) that adheres to the Plan Do Check Act approach. Compliance with this policy is obligatory for all individuals, including staff members, employees, customers and third parties who utilise our information processing facilities.

Data Request Management Policy

Our Data Request Management Policy prioritises data protection and upholds individuals' rights related to data processing. It outlines procedures for handling requests concerning customer data.

Additionally, the Data Privacy Policy and Security Policy govern the collection, usage and disclosure of personal information in accordance with legal requirements. This policy empowers individuals to request access to their stored personal data, rectify inaccuracies or request deletion if the data was collected or processed unlawfully.

ISO/IEC 27001:2013 Information Security Management System

As a data-driven company, we have consistently focused on improving our data management systems and adapting to the evolving needs of the industry. In alignment with this commitment, we recognise the significance of certifications such as ISO 27001:2013.

This framework is vital in implementing information security controls and effectively managing security risks. Its primary objective is to equip organisations with a comprehensive framework for implementing an Information Security Management System (ISMS) to manage data effectively.

The purpose of ISO 27001 is to establish, operate, maintain, monitor, review and improve information security practices. This framework is essential for ensuring data availability, integrity and confidentiality. By implementing it, we can maintain a robust data management system and effectively carry out security risk assessment and mitigation processes.

Independent third-party audits are instrumental in promoting, adopting and consistently implementing industry-leading data management practices. These audits serve as critical evaluations and validations of our adherence to standards and certifications, reaffirming the effectiveness and strength of our security management practices.

The ISO 27001:2013 certification has helped us demonstrate data security efforts, enhancing our ability to identify and address any existing or potential security gaps, thereby minimising the risk of breaches.



ISO 20000-1:2018 Information Technology Service Management System

The ISO 20000-1:2018 certification indicates the successful implementation of a robust Service Management System (SMS). This certification significantly enhances various aspects of service management, including planning, establishment, implementation, maintenance, operation, monitoring and review.

By obtaining this certification, we demonstrate improved IT service management practices to minimise operational errors, reduce IT downtimes and manage associated costs. As a direct result, customer trust and confidence are strengthened.

ISO 27701:2019 – Privacy Information Management System

The ISO 27701:2019 - Privacy Information Management System (PIMS) serves as an extension of ISO 27001. Building upon the latter, it provides a structured framework for data privacy. This certification applies to companies that are either already compliant with ISO 27001 or are concurrently undergoing the certification process for both standards.

At Vakrangee, compliance with both ISO standards is a point of pride. By obtaining the PIMS certification, we establish a robust framework for maintaining internal and external compliance. This certification ensures adherence to regulations, legal obligations and ethical standards while effectively managing organisational risks. As part of our commitment to data protection, we prioritise privacy and security.



The ISO 27701:2019 - Privacy Information Management System (PIMS) serves as an extension of ISO 27001. At Vakrangee, compliance with both ISO standards is a point of pride. By obtaining the PIMS certification, we establish a robust framework for maintaining internal and external compliance. Building upon the latter, it provides a structured framework for data privacy.



ISO 22301:2019 - Business Continuity Management System

The compliance with ISO 22301:2019 - Business Continuity Management System underscores our dedication to establishing and sustaining a robust management system. Adherence to this standard ensures that the system is structured to safeguard the business against disruptions, reducing the likelihood of such incidents.

Consequently, the certification reflects our readiness to effectively manage, respond to and recover from business disruptions as they arise. Recognising the dynamic nature of the business environment, proactive anticipation and preparation for potential disruptions and other contingency situations are essential. By achieving this certification, we exhibit our commitment to proactive planning and building resilience in confronting unforeseen challenges.

Utilising Technology for Streamlined Operation

We believe in utilising advanced technology to enhance accessibility and foster entrepreneurship. We offer opportunities for aspiring entrepreneurs to establish and expand their businesses by leveraging state-of-the-art technological solutions.

Our 'phygital' operations merge physical and digital components to create a platform for local service providers to deliver our services to communities. This strategy empowers entrepreneurs, drives economic growth in rural and urban areas, and contributes to the ongoing digital revolution.

Our technology platform is seamlessly integrated with the core banking servers of various banks, facilitating real-time and interoperable banking access. Additionally, we have securely integrated with partners in e-commerce, e-governance, logistics and insurance sectors.

Our biometric authentication system enables smooth 'Know Your Customer (KYC)' processes and paperless banking, prioritising data privacy and information security to unify the phygital experience for stakeholders.

We continually invest in and update software to stay abreast of evolving technological trends. We employ an adaptive approach strategy to meet the evolving requirements of India's dynamic landscape.



The 'Phygital' Kendra Model

As the diverse array of technologies is deployed to extend services to even the country's remotest regions, it becomes imperative to grasp the digital accessibility revolution envisioned through our physical model. Our model entails an exclusive multi-line digital convenience store format embodied in physical NextGen Franchisee-owned Kendras.

Our Vakrangee Kendra brings benefits of e-commerce, banking, financial services and more in an assisted format, catering to semi-urban and rural populations lacking access to such amenities. It facilitates digital inclusion and fosters entrepreneurship nationwide through the franchisee-owned Kendras system.

With advantages such as zero-franchise fees, a zero-inventory model, attractive Return on Investments (ROI) and comprehensive last-mile infrastructure and technology support, our business has effectively pursued the twin objectives of expanded coverage and entrepreneurship acceleration. Our endeavour contributes to the advancement of a more digital and self-reliant India.

Cloud Migration

We have embarked on a journey towards a Cloud platform, marking a significant stride in digital transformation. Our BharatEasy Mobile Super App has been crafted on the cloud to facilitate scalability and agility in response to dynamic market conditions. We intend to persist in developing applications on the cloud and automating the development process through the DevOps philosophy.

Moving forward, our 'design by cloud' approach stands as a foundational principle in our technology strategy. Our approach revolves around leveraging the cloud's capabilities to design and construct our systems, enhancing flexibility, resilience and cost-effectiveness. We remain committed to continually enhancing technology infrastructure and delivery processes by embracing the cloud platform and implementing DevOps practices.

Our commitment ensures that we remain nimble, adaptable and responsive to evolving customer needs and market dynamics. Additionally, we are migrating our in-house Vakrangee Kendra

Management System (VKMS) portal to the cloud platform to enhance efficiency, productivity and availability.



Digital Payment Solutions

We have implemented and activated multiple payment modes at our Vakrangee Kendras to support the Digital India initiative and provide customers diverse payment options. Our payment gateway facilitates transactions via various methods, including debit cards, credit cards, UPI and internet banking. Additionally, we prioritise Pin-pad integration to accommodate offline RuPay/Debit/Credit card payments.

Internet of Things (IoT)

The Internet of Things (IoT) stands as a ground-breaking technology that interconnects diverse devices utilising sensors, actuators and other components, including wearables, enterprise assets and electronic gadgets. The seamless integration facilitates a smooth and unified phygital experience for our customers. These smart devices possess the capability to communicate with one another and are managed through our phygital systems. In the event of any intrusion, our security team can promptly respond with appropriate measures.

IoT brings forth a plethora of benefits, including fraud detection, enhanced analytics, improved customer service, and the ability to assess customer needs anytime, anywhere. We have embraced IoT to bolster process efficiency, asset utilisation and productivity.

Big Data and Predictive Analytics

Traditional management systems have been surpassed by big data, which is essential for managing intricate data streams seamlessly. In pursuing operational excellence, we have embraced the potential of big data analytics. By utilising advanced data processing and storage tools, we have the adaptability to manage large data volumes effectively.

Our capability enables us to extract valuable insights from processed and analysed data, which leads to a deeper comprehension of customer behaviours and preferences. These insights allow us to conduct business more efficiently and make well-informed decisions.

We are establishing a Data Lake on AWS to serve as the single source for structured, unstructured, and semi-structured data. Our objective is to utilise AWS Services for BI reporting and predictive analytics. By constructing a customer data platform, we can conduct analytics to comprehend customer behaviour, purchasing patterns and transactions, delivering more personalised experiences and recommendations. Overall, big data tools and technologies are assisting us in adopting a more data-driven approach to customer satisfaction and establishing a robust data infrastructure.



Artificial Intelligence (AI) and Machine Learning (ML)

Artificial Intelligence (AI) has emerged as an essential element in contemporary businesses. Its integration has transformed numerous industries, allowing organisations to utilise advanced algorithms and data analysis to foster innovation, improve decision-making processes and enhance operational efficiency.

Similarly, Machine Learning (ML), a subset of AI, employs data and algorithms to enable computers to learn from data without explicit programming, thus finding extensive applications in managing and understanding large datasets.

Today, AI and ML are fundamental components of our business strategy, owing to our capacity to process vast volumes of data. We harness these technologies to refine product lines, devise sophisticated business solutions and extract pertinent information from substantial datasets to enhance accuracy.

By leveraging the capabilities of AI and ML, we have revolutionised resource allocation and achieved unprecedented levels of automation in operations. These state-of-the-art technologies have played a pivotal role in supporting our Phygital model.

From data preparation and visualisation to predictive modelling, our AI and ML systems seamlessly integrate various processes, empowering us to make informed decisions and optimise efficiency. The harmonious blend of technology with our Phygital model has facilitated enhanced performance and streamlined operations.

Blockchain

Blockchain is a revolutionary technology that functions on a decentralised and public digital ledger. It plays a pivotal role in recording transactions across numerous computers, facilitating robust verification and traceability procedures. We have capitalised on blockchain's potential across various operations within the organisation.

Through blockchain technology, we have bolstered transaction security, eradicated the need for time-consuming reconciliation processes and attained real-time insight into our operations. This capability empowers us to conduct track and trace

analysis, evaluate risks and ensure end-to-end data encryption, among other advantages. Consequently, we have minimised operating expenses and cultivated a culture of trust, transparency and efficiency in our business dealings.

Conversational Interface in the form of Chatbots

Chatbots have transformed customer and stakeholder interactions by employing context identification in text-based conversations. Their capacity to emulate human-like responses saves time and significantly enhances efficiency. We have seamlessly integrated this technology into our operations, focusing on enhancing customer experience, increasing engagement and improving customer retention.

By incorporating Natural Language Processing (NLP) into our chatbots, users receive more precise and comprehensive responses to their queries. This fosters a deeper understanding of our processes and services.

Additionally, we plan to harness the advanced capabilities of ChatGPT alongside chatbots for customer servicing and helpdesk management, catering to franchisees and internal users. Through the synergy between chatbot technology and NLP, we aim to deliver seamless customer support and ensure efficient helpdesk operations management, ultimately contributing to an enriched overall user experience.

Virtual Assistance – Voice-Based Services

Since our business primarily offers services in the country's remotest areas, literacy and language barriers pose significant challenges. We have implemented virtual assistance through voice-based services across all 20,399 operational franchisees to address these issues.

This virtual assistant can understand natural language voice commands and execute the necessary functions. We have embraced Natural Language Processing (NLP), including voice-based services for customers, to enhance accessibility and convenience in their day-to-day tasks.



We employ Text-to-Speech (TTS) technology with lexicon adjustments to address any mispronunciations by the TTS engine. Bilingual (English and Hindi) support is provided, and keypad button orientation is optimised to assist visually impaired individuals in locating Cancel, Clear, and Enter options easily.

Text-to-Speech ATMs for Divyaang (Specially-abled) Customers

We utilise voice-based services to improve accessibility and enhance customer experience. To ensure inclusivity, we have introduced Divyaang-friendly ATMs, also known as Talking ATMs. With over 6,487 ATMs specifically designed for differently-abled individuals, including those with visual impairments, we maintain compliance with the Indian Banks' Association (IBA) norms for Talking ATMs.

These ATMs are equipped with braille-friendly keypads and headphones to facilitate transactions. Additionally, our franchisees are encouraged to install ramps where feasible, ensuring hassle-free access for wheelchair users.

We also employ Text-to-Speech (TTS) technology with lexicon adjustments to address any mispronunciations by the TTS engine. Bilingual (English and Hindi) support is provided, and keypad button orientation is optimised to assist visually impaired individuals in locating Cancel, Clear, and Enter options easily.

Furthermore, we offer bilingual orientation sessions for visually impaired customers using the ATM for the first time, enabling them to familiarise themselves with the process and perform transactions more comfortably in the future.





Technical Support Desk (TSD) viz. VKID for Franchisees

Our franchise-operated NextGen Kendras are outfitted with Technical Support Desks (TSDs) to promptly assist franchisees encountering technical issues. Our TSD serves as a centralised point of contact, furnishing information and supporting franchisees' technical queries.

To ensure efficient management, all calls to the TSD are centrally managed from 8 AM to 8 PM on working days and for 8 hours on non-working days. Franchisees can contact the TSD via a dedicated phone number (022-67765178) or toll-free (18002744427).

During the call, franchisees must provide their Vakrangee ID or VKID, which undergoes verification in the Vakrangee Management System (VKMS). The TSD follows a verification procedure, which entails gathering the franchisee's PAN, Aadhaar, date of birth, Kendra address and other pertinent details.

Upon verification completion, the TSD executive will raise a ticket to address the issue. If necessary, the ticket may be escalated according to an escalation matrix. Subsequently, once the ticket is resolved, the franchisee is promptly notified via automated email.

This streamlined process ensures effective technical support and timely resolution of issues, enabling franchisees to operate their Kendras smoothly.

Licenses

At Vakrangee, we focus on driving performance and nurturing entrepreneurship across India. Our Vakrangee Kendras are specifically designed to empower entrepreneurs with low-cost investment opportunities. Positioned strategically in rural areas, these Kendras often utilise traditional and minimalist premises.

We have adopted an asset-light model to ease financial burdens on our franchisees. We only charge for hardware and software licenses, allowing franchisees to concentrate on delivering exceptional last-mile services without undue financial strain.

Revenue is generated from software licenses and usage, where customers obtain the 'right to use', with revenue recognised upon availability to the customer. Additionally, revenue from licenses, where customers gain the 'right to access', is recognised over the access period.

In addition to our Kendras, we proudly hold a license from the Reserve Bank of India (RBI) to establish and manage White Label ATMs. These ATMs facilitate real-time cash withdrawals from various banks, enhancing convenience and accessibility. Due to our White Label ATMs' high degree of usage, the total number of transactions taking place in FY2023-24 accounted to 4,53,67,972.

Our software VKMS (Vakrangee Kendra Management System) provides services through systematic real-time secured integration with partner systems.

Research and Development (R&D)

At Vakrangee, we aim to enhance service efficiency and elevate the overall customer experience. To accomplish this objective, we harness cutting-edge technologies such as Augmented Reality (AR) and Virtual Reality (VR), the Internet of Things (IoT) and integrated voice-based assistance.

We aim to create immersive and interactive experiences for customers and stakeholders by integrating AR and VR technologies. These advanced technologies enable us to offer engaging and personalised interactions, bringing our services to life in a virtual environment. Additionally, leveraging IoT ensures seamless connectivity and device integration, enhancing convenience and operational efficiency.

Furthermore, we have implemented integrated voice-based assistance to facilitate virtual interactions. This conversational interface is designed to engage with customers in a human-like voice, providing them with a comfortable and user-friendly experience while utilising our services.

Mobile App: BharatEasy Super App

To remain relevant in today's ever-evolving landscape and expand our reach, we maintain the BharatEasy Mobile App. This application is a comprehensive solution for our customers, granting them access to diverse products and services. By consolidating all offerings within a single platform, we aim to augment customer experience and satisfaction.

The BharatEasy Mobile App provides an extensive selection of consumer products and services, making it convenient for customers to fulfil their daily needs. Ensuring a seamless and efficient user experience, the app integrates seamlessly and incorporates contextualised features. Our customised product and service offerings are crafted to be intuitive, visually appealing and easy to navigate, facilitating improved customer interaction.

Through the BharatEasy Mobile App, our objective is to furnish a multi-service platform that caters to the varied requirements of our customers. By delivering a unified, user-friendly and visually engaging experience, we seek to elevate customer satisfaction and engagement.





Our mobile app platform provides an array of services, including online shopping, total healthcare services, online pharmacy, money transfer, insurance, loan products, financial products, mutual funds, credit cards, bill payments, mobile/ DTH recharges, travel services, movie tickets, entertainment, online education, online agri-products and courier booking.

With the BharatEasy Mobile App, we have transitioned into a unique Online-to-Offline model, offering assistance through physical Kendras and digital online services. We have recently launched an upgraded Beta Trial Version of the app. Moving forward, we plan to introduce more services through this platform, establishing it as an all-in-one platform for all customer needs.

Open Network for Digital Commerce (ONDC)

We are designing and launching our Buyer Application on the ONDC platform to provide an e-commerce shopping experience to franchisees and customers in rural markets. We intend to replicate this model on our BharatEasy Super App to offer the ONDC experience to customers directly.

Furthermore, we plan to register as a Seller on the Seller App of ONDC to market our services available on the BharatEasy Mobile Super App. Further, we will develop a dedicated seller app to streamline and optimise the experience for local sellers near the Vakrangee Kendras. The strategic move will enhance our reach and discoverability across multiple platforms.



We are designing and launching our Buyer Application on the ONDC platform to provide an e-commerce shopping experience to franchisees and customers in rural markets. We intend to replicate this model on our BharatEasy Super App to offer the ONDC experience to customers directly.





SOCIAL AND RELATIONSHIP CAPITAL

Leveraging digital tools and platforms to foster deeper, personalised connections and interactions with people

MATERIALITY ISSUES ADDRESSED

- Customer satisfaction
- Profitability and shareholder value
- Employment creation and skill development
- Good governance practices

LINKED CAPITALS

- Intellectual capital
- Manufactured capital
- Human capital

SDGs IMPACTED



Cultivating an environment where entrepreneurship catalyses societal growth and transformative change

We have established a robust network facilitating information sharing, feedback mechanisms, and citizen engagement through strategic partnerships with government agencies, community organisations, and stakeholders. Thus, investing in strong social capital enables us to navigate complex regulatory landscapes, access valuable resources and foster a culture of transparency and accountability. Building positive relationships with citizens and communities also cultivates goodwill, enhances public perception and encourages participation in governance processes. By prioritising social and relationship capital, we contribute to the sustainable development of society.

We are a leading technology-driven company in India that epitomises the significance of social and relationship capital in fostering sustainable growth and resilience. With a vast network of Vakrangee Kendras spanning rural and urban areas, we have cultivated strong relationships with diverse stakeholders, including customers, franchisees, government agencies and local communities.

We are committed to building trust and collaboration, which is at the heart of our success. By prioritising transparency, integrity, and ethical business practices, we have earned the loyalty and confidence of our stakeholders.

We are pivotal in facilitating the last-mile delivery of essential services through strategic partnerships with government entities.

This promotes financial inclusion and drives digital empowerment in underserved regions.

We adopt a Phygital approach through our extensive franchise network to extend services to India's rural populace. Our network serves as a testament to our social capital. Rural areas grapple with knowledge gaps, trust deficits, and a lack of hand-holding assistance, impeding the transition to digital transactions.

Moreover, by empowering rural entrepreneurs with low-cost investment opportunities and comprehensive support, we foster economic growth and entrepreneurship at the grassroots level.

These partnerships enhance operational efficiency and contribute to socio-economic development by creating employment opportunities and stimulating local economies.

Join us on this journey as we delve into the symbiotic relationship between entrepreneurship, social and relationship capital, and driving performance. Together, we will explore the ways in which our entrepreneurial spirit, fuelled by strong partnerships, propels us towards sustainable growth and lasting impact.

We actively engage and collaborate with an array of stakeholders who contribute to our success and help us realise our vision. These stakeholders include shareholders and investors, franchises, master franchisees, business partners, suppliers/vendors, customers, government and regulatory bodies, the local community, industry bodies, employees, and NGOs/NPOs/civil society organisations. Together, we form a diverse network of individuals and entities that share our commitment to driving performance through entrepreneurship. Through their collective involvement, we cultivate a rich tapestry of relationships that fuel our growth, innovation, and societal impact. Our regular engagement with stakeholders enables us to work together in addressing their concerns and needs.

By embracing entrepreneurship, fostering strong relationships, and driving digital inclusion, we

pave the way for a brighter future, where innovation, empowerment, and inclusivity thrive. Together, we create a positive impact, ensuring sustainable growth and a more prosperous society.



Foundational policies and codes

We demonstrate our dedication to meaningful stakeholder engagement by implementing policies that uphold the highest standards across all interactions, showcasing our commitment to fostering strong relationships and effective communication with all stakeholders involved. By adhering to various policies, we ensure that our organisation and business partners consistently meet the required benchmarks. These policies foster trust, transparency, and accountability, underscoring our commitment to responsible and ethical practices in all our engagements. Some of the policies have been mentioned as hereunder:

HUMAN RIGHTS POLICY

We adhere to and uphold a robust Human Rights Policy aligned with the UN Guiding Principles (UNGPs), ILO conventions, UN Global Compact (UNGC) and the Indian constitution. This policy serves as a guiding framework for our commitment to human rights, achieved through certain measures, including the ones listed below.

- Adhering strictly to the labour laws.
- Cultivating ongoing engagement and awareness among employees regarding Human Rights issues.
- Valuing and promoting diversity within the organisation.
- Sustaining a workplace free from harassment.
- Supporting and upholding internationally recognised human rights principles.
- Ensuring the freedom of association for employees.
- Implementing an effective grievance-redressal mechanism.
- Providing a safe and healthy workplace environment overall.

We are committed to upholding human rights and fostering an inclusive and supportive work environment by actively pursuing these measures. The policy can be viewed here by clicking on this here: https://vakrangee.in/pdf/Policies-PDF/Human_Rights_Policy.pdf

WHISTLE-BLOWER POLICY

Our whistle-blower policy is crucial in ensuring effective corporate governance within our organisation. As part of our commitment to ethical practices and transparency, we have developed a whistle-blower policy, which has also been translated into Hindi for greater accessibility. Our policy aims to strengthen and promote ethical conduct throughout the organisation by providing a platform for directors, employees, business partners, franchisees, and other third parties to report concerns regarding actual or potential misconduct. The policy can be viewed here by clicking on this link- https://vakrangee.in/pdf/Policies-PDF/Whistle%20Blower%20Policy_Final.pdf

CORPORATE SOCIAL RESPONSIBILITY POLICY

We acknowledge the interconnectedness of our business success with the well-being of the society we serve. Consequently, we view societal contribution as integral to our fundamental values, aligning our endeavours with a profound sense of social responsibility. Guided by our Corporate Social Responsibility (CSR) policy, we strive to contribute substantially to sustainable community development. This policy sets forth the principles and directives for implementing socially beneficial and welfare-oriented initiatives that resonate with our commitment to fostering positive societal change. The policy can be viewed here - https://vakrangee.in/pdf/Policies-PDF/Corporate%20Social%20Responsibility_Policy.pdf



Guided by our CSR policy, we strive to contribute substantially to sustainable community development.



COMMUNICATION OF PROGRESS POLICY

In alignment with our commitment to the Ten Principles of the United Nations Global Compact (UNGC), we have implemented a Communication of Progress Policy. This policy serves as a declaration of our actions concerning Human Rights, Labour, Environment, and Anti-Corruption.

It outlines the specific measures undertaken by our organisation to meet global standards in these four areas. Through this policy, we emphasise transparency and accountability in communicating our progress towards upholding these important principles. The policy can be viewed here - [https://vakrangee.in/pdf/Franchisee/overview/Communication%20of%20Progress%20\(COP\)%20Policy.pdf](https://vakrangee.in/pdf/Franchisee/overview/Communication%20of%20Progress%20(COP)%20Policy.pdf)

SUPPLIER CODE OF CONDUCT

At Vakrangee, we maintain a rigorous standard internally and in our supply chain. We require all our suppliers to uphold environmental, social and ethical norms in their operations. Our Supplier Code of Conduct delineates these expectations, urging suppliers to align with these criteria to foster positive societal and environmental impacts. The policy document can be viewed here - <https://vakrangee.in/pdf/Policies-PDF/Supplier%20Code%20of%20Conduct.pdf>

Engagement with Stakeholders

At Vakrangee, stakeholder engagement is perceived as an ongoing endeavour. Key stakeholders regularly pinpoint significant matters through consultation and collaborative efforts to tackle them. The significance of flexibility in the approach is duly recognised. We firmly believe that engaging stakeholders in forward-looking and innovative ways is pivotal. Such engagements are aimed at fostering stronger relationships with them.

Stakeholders

NGOs, NPOs, Civil Society

Employees

Industry Bodies

Local Community

Government and Regulatory body

Shareholders and Investors

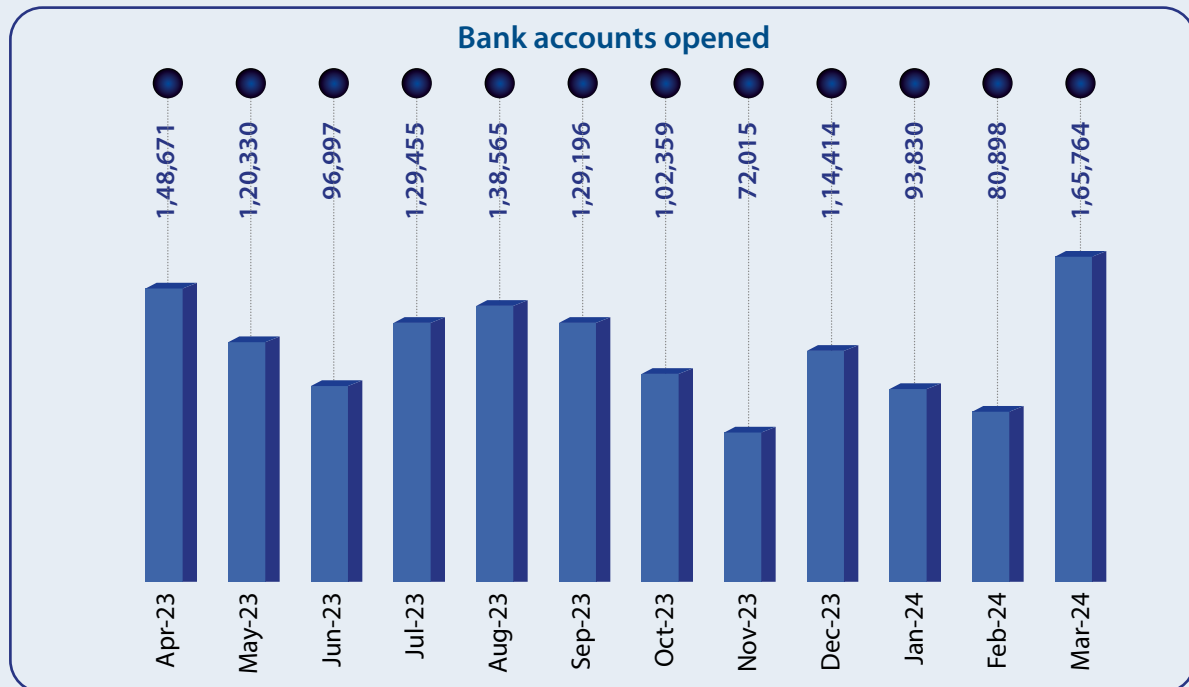
Franchisees/ Master Franchises

Business Partners

Suppliers / Vendors

Customers

Building better relationships with our Customers



At Vakrangee, our Vakrangee Kendras offer a wide range of services in the Banking and financial services industry (BFSI), ATM, e-commerce, and logistics sectors. As one of India's largest last-mile distribution platforms, we have improved accessibility to underserved urban and rural areas through our comprehensive services. Our "One-stop Shop" model aims to ensure that every Indian has access to financial, digital, and social inclusion.

We are proud to announce that in the fiscal year 2023-24, we have facilitated the opening of over 1.4 million new bank accounts, expanding financial and digital access to underserved communities across India. Furthermore, with the launch of the BharatEasy Mobile Super App, we have made it even easier for our customers to avail our services.

From recharges and bill payments to linking existing SBM Bank accounts opened at Vakrangee Kendras and even tele/video consultations, including dietary and psychological consultations, CIBIL Score services, and Online Opening of Demat & Trading Account Services, our app provides a convenient solution. Additionally, we are adding features to locate the nearest Vakrangee Kendra, making it effortless for customers to find and visit the nearest Kendra for their needs.

We prioritise the ease of access for our customers, ensuring they can reach out to us effortlessly for any issues or queries they may have. Our website serves as a comprehensive platform that provides detailed information for query resolution. For those interested in partnering with us as franchisees, they can easily contact us through the designated website link and we guarantee a response within 3 days.

In addition to facilitating communication via email for ATM related complaints, we have also made available on our website the contact details of the nodal officer responsible for handling such matters. Similarly, for SBM-related concerns, we provide customer care details, including the contact number and email address of the designated professional who handles grievances. Our aim is to ensure transparency and accessibility, making it convenient for customers to address their concerns through the appropriate channels available on our website.

Our Kendra outlets are One-stopshops for Individuals in Rural India, which provide Essential critical services such as:

- » Banking Services
- » ATM Services
- » Online Demat & Trading Account opening service
- » Total Healthcare – Telemedicine health services – Including Unlimited Tele & Video Consultation with expert doctors & Home Blood test facility
- » Assisted E-Commerce – Online shopping of Groceries & Other products
- » Online Pharmacy
- » Travel Ticket Booking & Utility Bill Payment services
- » Movie Tickets / Entertainment
- » Online Education
- » Online Agri Products – Seeds & Pesticides
- » Courier Booking



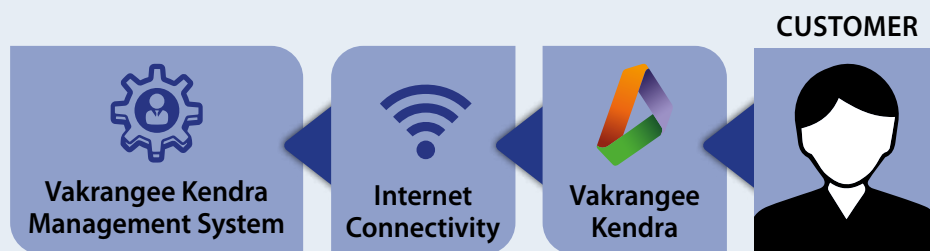
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SERVICES PROVIDED THROUGH REAL - TIME INTEGRATION WITH PARTNER SYSTEMS

Bank-Core Banking Server

All Partner Systems (E-Commerce, E-Governance, Insurance, Financial Services & Logistics)



Accounts to be Maintained For Real-Time Settlement

BANK SETTLEMENT ACCOUNT

VAKRANGEE WALLET ACCOUNT

ATM SETTLEMENT ACCOUNT

Consistent Commitment to Customer Privacy:

	FY 2023-24	FY 2022-23
Complaints concerning breach of customer privacy	0	0
1. Complaints received from 3rd parties and substantiated by organisation		
2. Complaints from regulatory bodies		
3. Complaints received from local community members	Nil	Nil
Total number of identified leaks, theft or loss of customer data		

In our ongoing dedication to safeguarding customer privacy, we are pleased to report that we have received zero complaints concerning breaches of customer privacy in the fiscal year 2023-24. This achievement is a testament to our unwavering efforts to prioritise data protection and maintain the trust of our customers and stakeholders.

Our continuous efforts to uphold the highest standards of customer privacy have yielded exceptional results, reflected in zero complaints for two consecutive fiscal years. We remain committed to maintaining this exemplary track record, continuously improving our privacy protocols, and ensuring the utmost protection of customer data.

By prioritising transparency, accountability, and ongoing improvement, we aim to provide our customers with the peace of mind they deserve, knowing their privacy is safeguarded at all times.

Strengthening Business Partnerships

Our business partners hold immense importance to us as they play a crucial role in the smooth functioning of our business. We highly value their contributions, as they enable us to operate efficiently. We maintain regular engagement with them to comprehend their expectations and to effectively communicate our objectives and strategies.

In order to efficiently communicate with our stakeholders, we adopt the following –

- » Engagements focusing on specific service requirements: To address specific service requirements of our business partners, we conduct dedicated interactions where vertical heads may also participate, depending on the situation.
- » Engagements with business service partners

of senior management: We organise periodic meetings, such as quarterly gatherings or as needed, to engage with business service partners of senior management.

- » Monthly state team webinars: To foster direct interactions, gather feedback, and facilitate Q&A sessions, we invite our business partners to monthly state team webinars.
- » Engagements related to marketing and strategic initiatives: We conduct interactions to discuss marketing initiatives and strategies for service activation and achieving sales targets.
- » Engagements with the IT team: Interactions with the IT team revolve around data security strategies and service integration.
- » Service training and grievance resolution: We facilitate interactions between business partners and our dedicated centralised FRM team and subject matter experts to provide service training and address grievances effectively.

Keeping true to the motto of “Sab Kaam Ek Dukaan”, we have built robust strategic alliances with our business partners for all our services.

To ensure alignment with our goals and values, we have established a comprehensive Code of Conduct for our business partners. This code serves as a guiding framework, fostering a workplace characterised by honesty, fairness, and objectivity while adhering to all applicable laws and our internal policies. It offers general guidance on expected behaviours highlights specific situations that require careful attention, and provides additional

resources and communication channels for reference. The Code of Conduct plays a vital role in identifying potential violations of our company ethics and offers clear guidance on appropriate actions to be taken. It applies to all employees and board members, emphasising their responsibility to comply with the law, comprehend our values, and integrate them into their daily work. Every employee is expected to understand and implement the relevant policies that pertain to their role.

ENGAGEMENT WITH NGOS/ NPOS/CIVIL SOCIETIES

We acknowledge our duty to the society in which we operate by consistently contributing to the betterment of underserved communities and granting them access to facilities to enhance their livelihoods.

KEEPING IN TOUCH WITH SHAREHOLDERS AND INVESTORS

We value consistent and constructive communication with our shareholders and investors. To facilitate this, we have instituted the Shareholder Engagement Policy, delineating our approach to shareholder engagement and encouraging an environment of active and transparent dialogue.

Our policy serves as a framework for meaningful discussions and sharing of ideas. To ensure effective communication, an Investor Relations team has been established as the primary contact point for investors and shareholders, offering accurate and timely information through various channels such as conference calls, analyst meets and press releases for business updates and roadshows to interact with domestic and global investors.

Additionally, one-on-one meetings are arranged to address individual queries and concerns comprehensively. Quarterly conference calls and investor meetings are conducted to discuss our performance and allow shareholders to interact directly with our senior management. These calls include a question-and-answer session to address any queries or concerns raised by shareholders. It serves as a valuable platform for shareholders to interact directly with the company’s leadership. In addition to the quarterly calls, we also hold regular or monthly conference calls with investors to keep them updated on the latest developments and progress of Vakrangee. During our Annual General Meeting, the Board of Directors actively engages with shareholders, addressing their queries and providing direct interaction with the management team.

Our Investor Relations department is committed to facilitating transparent and comprehensive communication with our shareholders and investors, ensuring their needs and interests are met.

The Stakeholder Relationship Committee oversees tasks, including dematerialising shares and addressing security holder grievances to uphold service standards and ensure proactive communication with stakeholders. Through these initiatives, we strive to maintain transparent and proactive communication with our shareholders and investors, fostering a strong and collaborative relationship. We have a detailed shareholders engagement policy which can be accessed at: <https://vakrangee.in/pdf/Policies-PDF/SHAREHOLDER%20ENGAGEMENT%20POLICY.pdf>

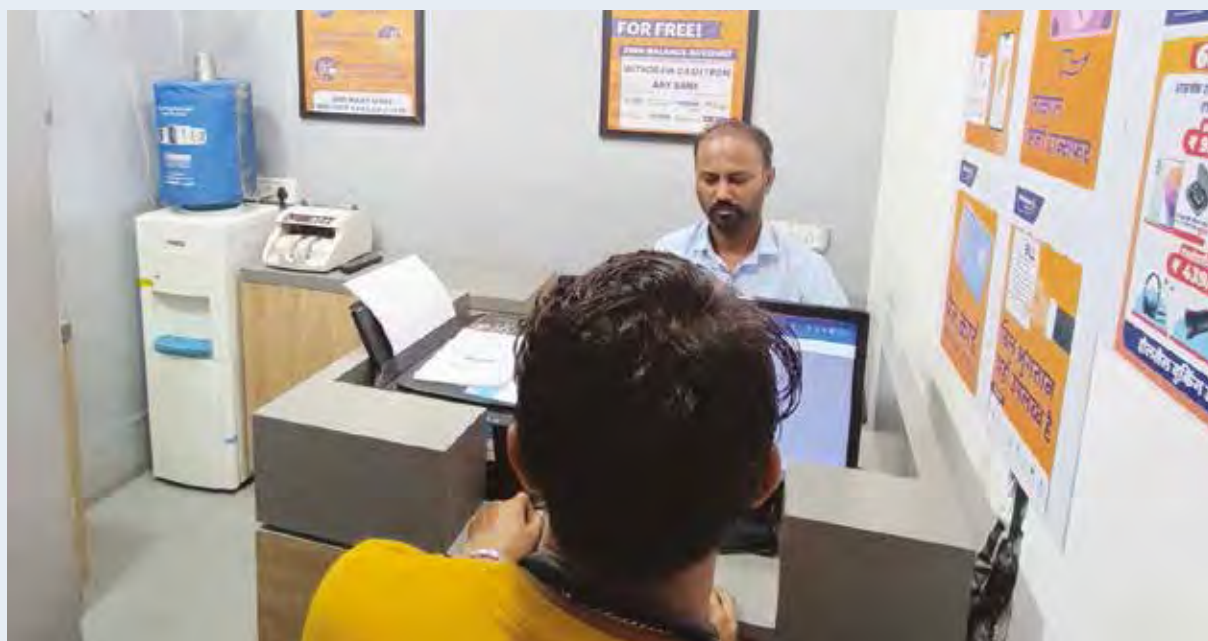
VIGOROUS FRANCHISEES/ MASTER FRANCHISEES ENGAGEMENT

We always remember the importance of continuous engagement with our master franchisees and franchisees. Their pivotal role as business drivers across India is recognised as a cornerstone of our relationship strategy. We extend handholding support to ensure consistent assistance and prompt resolution of franchisee issues.

A recent initiative involves the appointment of District-Level Master Franchisees, empowering them with exclusive district-level rights and various benefits to enhance support for franchisees. Multiple benefits in the form of high returns on minimal investment, exclusive district level rights for setting up Vakrangee Kendra and ATM franchisees, fixed income from franchisees acquired by the master franchisee etc. are being rolled out to support the master franchisees. We have appointed Master franchisees in 437 districts across 28 states, providing operational support and driving new franchisee acquisition.

Our Corporate office, in collaboration with state and field operations teams, works closely with franchisees to oversee and manage operations and sales. To ensure after sales service, a designated Relationship Manager acts as the single point of contact for all the operational aspects assigned to each franchisee. A dedicated field team, operating at the block level, conducts regular visits to our franchisees. During these visits, they engage in a range of activities aimed at expanding the reach of our kendras.

Additionally, they offer training, guidance, and ongoing support to our franchisees, ensuring they have the necessary tools and knowledge to succeed. Trainings are provided periodically to master franchisees and franchisees to ensure that they are equipped to handle the kendras and associated activities in a proper manner. Some of these trainings are:



Indian Institute of Banking and Finance (IIBF):

This includes online remote banking training provided by an experienced staff

Insurance Regulatory and Development

Authority (IRDA): A 45-hour online training programme with training on insurance products, benefits and compensation provided to franchisees from time to time.

ATM: An on-site training programme conducted by a specialised technical engineer for loading cash and other associated functions of ATMs.

Trainings on other services: Online trainings conducted by Relationship Managers and on-ground field-level training conducted by respective Field Officers on new tie-ups, products, schemes, promotional offers, events etc.

In addition to the aforementioned training initiatives, we actively support our franchisees by offering technological and backend assistance. Our Vakrangee Management System (VKMS) serves as a comprehensive platform that seamlessly integrates with our partners and service providers, enabling our franchisees to efficiently operate from a single window.

Any issues raised through VKMS are promptly addressed within 24 hours. Moreover, we employ live monitoring through a CCTV system and dashboard, ensuring real-time connectivity with our franchisees and prioritising their safety and security.

To further assist our franchisees, we provide marketing support through the provision of artwork and marketing materials, state-level marketing efforts, online promotions, as well as WhatsApp and SMS marketing.



Any issues raised through VKMS are promptly addressed within 24 hours. Moreover, we employ live monitoring through a CCTV system and dashboard, ensuring real-time connectivity with our franchisees and prioritising their safety and security.



Communicating with our Suppliers/Vendors

We recognise the significance of engaging with suppliers and vendors. We have implemented policies aimed at improving environmental and social standards within our supply chain. To ensure compliance, all our suppliers are required to adhere to our Supplier Code of Conduct, which is in line with the principles of International Labour Organisation, the UN Global Compact, and the UN Universal Declaration of Human Rights.

Our Supplier Code of Conduct emphasises crucial aspects such as freedom of association and collective bargaining, gender equality and non-discrimination, fair wages and benefits, adherence to a maximum of 48 regular working hours per week, provision of safe and healthy working conditions, active engagement with and protection of local communities, treating all workers with dignity and respect, and establishing effective grievance redressal mechanisms. We maintain a strict policy against any form of child labour or forced labour in our business activities.

By adhering to these guidelines, we strive to create a responsible and ethical supply chain that upholds the highest standards of human rights and sustainability.

In addition, we have implemented a Sustainable Sourcing Policy and Green Procurement Policy that outline the necessary criteria for engaging with our suppliers. These policies are applicable to all individuals associated with our organisation, including employees in permanent and temporary roles and from contract agencies.

To ensure continuous monitoring of our suppliers' adherence to environmental, social, and governance (ESG) requirements, we undertake the following measures:

Audits: Ensuring transparency and fairness in our supplier relationships is a priority for us. In line with this, we conduct impartial reviews of our suppliers' practices and processes to assess their approach towards environmental, social, and governance (ESG) risks. These reviews involve evaluating their strategies and processes based on Key Performance Indicators (KPIs). In the fiscal year 2023-24, we conducted assessments on the social and environmental impacts of four of our suppliers.

These evaluations provide valuable insights into their performance and enable us to foster a culture of responsible and sustainable business practices throughout our supply chain.

Meetings: We maintain regular communication with our suppliers through various types of contract management meetings. These meetings serve as important forums for addressing different aspects of our partnership. Progress Review Meetings are conducted periodically with the management team of our suppliers. During these meetings, we discuss a range of topics, including workers' well-being, sustainable sourcing practices, environmental impact reduction, ESG performance trends, upcoming contract events or milestones, changes to the contract, proposed actions or responses to current or potential issues, and other matters related to contract operations.

Additionally, Technical Review Meetings are held between our technical representatives and the supplier's technical experts. The main focus of these meetings is to review technical reports and assess ESG performance data. We also discuss the role and contribution of the technical teams in meeting the ESG parameters set forth in our partnership.

By maintaining an open and proactive dialogue with our suppliers through these meetings, we ensure that we stay aligned with their progress, address any concerns, and work together to achieve our shared ESG goals.

Long-term Review and Audits: Long term review meetings are systematised to ensure that the ESG objectives outlined for our suppliers are achieved. We closely monitor and verify the performance and improvement of our suppliers throughout our extended supply chain, in line with our policy. As part of our effort to promote sustainability, we value the commitment of our suppliers in integrating sustainable practices into their business operations. To ensure supply chain compliance, we may request suppliers to provide a mapping of their supply chains back to the source. Additionally, we retain the right to conduct periodic audits of our suppliers' facilities. Following the completion of an audit, we share the results, including areas for improvement, with the suppliers to support their ongoing progress in this direction.

Government Relations and Advocacy

We have discontinued the legacy e-Governance business and are currently only in the business of Vakrangee kendras whereby there is no direct relationship with any government bodies. Even though we are not directly engaged with the Government, we operate White Label ATMs under a license provided by the Reserve Bank of India, subject to annual audits. Today, we are the 4th largest White Label ATM players in India. Overall, we are the 13th largest ATM operator in India and more than 2/3rds of our ATMs are located across rural areas making us one of the largest ATM operators.

Our primary goal is to establish a trusted network of ATMs that caters to a wide range of basic transactions, encompassing both financial and non-financial activities. Alongside our robust ATM business, we are associated with renowned public sector banks and private entities. By actively engaging with government institutions and private players, our aim is to foster the advancement of financial, social, and digital inclusion, thereby making a meaningful impact on the lives of individuals.

» **Business Correspondent Federation of India (BCFI):** Business Correspondent Federation of India (BCFI) is the national federation of Corporate Business Correspondents (CBCs) and Agent Business Correspondents (ABCs) in India. It is a not-for-profit organisation that promotes responsible finance by systematising and harmonising delivery of financial services to the less privileged through the critical last mile delivery i.e. the ABCs. The federation, among others, is also engaged in policy advocacy, promotes financial literacy and customer awareness. BCFI undertakes studies, workshops/conclaves and supports collaborative development activities related to financial inclusion in general and the BC sector in particular. The federation works with its stakeholders towards setting up a quality network, standardised systems, and processes that address both supply and demand side challenges holistically. As an esteemed member of the Business Correspondent Federation of India (BCFI), we actively participate in conducting comprehensive studies and organising workshops and conclaves dedicated to promoting financial inclusion. Our

collaboration with BCFI enables us to receive support for various development initiatives aimed at enhancing financial inclusivity. Together, we strive to drive positive change and expand access to financial services for all.

- » **Confederation of ATM Industry (CATMi):** The CATMi is a registered not-for-profit trade association that represents ATM Manufacturing and Outsourcing companies. It is dedicated to promote the interests of the ATM industry through collaborative efforts of liaison with Government regulators and financial institutions / banks across India. Being a member of CATMi since 2016, we have actively contributed to the advancement of the White Label ATM (WLA) business in India. Our support to CATMi has primarily focused on promoting the franchisee model throughout the country. Additionally, we have actively participated in several committees of the Confederation, working towards policy advocacy specifically related to the WLA business. Our involvement in CATMi reflects our commitment to driving the growth and success of the ATM industry in India.

BENEFITTING FROM INDUSTRY ASSOCIATIONS

We maintain active memberships in various esteemed national associations, including ASSOCHAM, NASSCOM and BCFI, among others. These memberships provide valuable opportunities for regular interactions with industry bodies, fostering collaborative efforts and facilitating knowledge exchange. Additionally, we actively participate in crucial meetings with NPCI, focusing on initiatives such as Digital India, RuPay cards and ATM expansion.

Furthermore, we actively participate in crucial meetings with the National Payment Corporation of India (NPCI), focusing on critical initiatives such as Digital India, RuPay cards, and ATM expansion. In addition to the above partnerships, we are proud signatory members of the United Nations Global Compact. We have joined a prestigious global network of over 9,500 companies and 3,000 non-business participants, united in our commitment to building a sustainable future. Our active involvement in these industry bodies and global initiatives allows us to contribute meaningfully to addressing economic challenges and shaping a brighter future for all stakeholders

FOSTERING PARTNERS ENGAGEMENT

We place great importance on our business partners, recognising their critical role in ensuring the smooth functioning of operations. Their contributions are highly valued as they enable efficient operations. Regular engagement is maintained to understand their expectations and effectively communicate objectives and strategies.

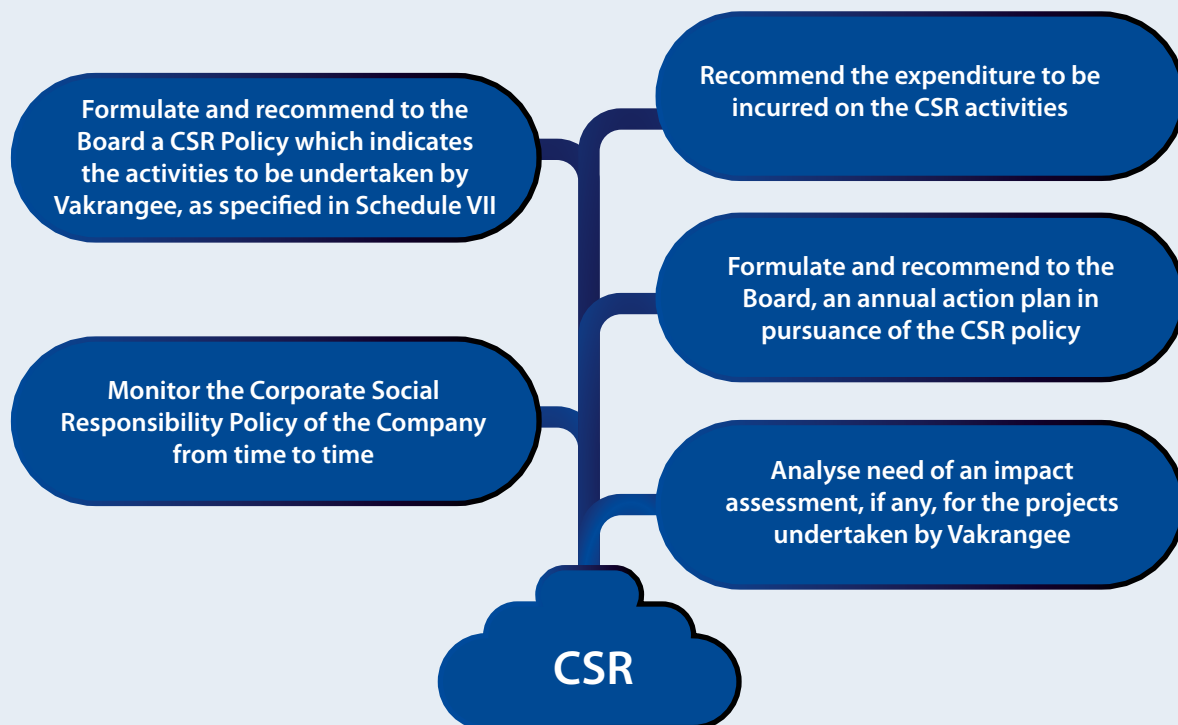
To ensure efficient communication with stakeholders, we adopt various approaches, including the ones listed below.

- **Specific service requirement engagements:** Dedicated interactions address specific service needs, with the potential involvement of vertical heads.
- **Meetings with business service partners of senior management:** Periodic gatherings, like quarterly meetings, engage with business service partners with the senior management.
- **Monthly state team webinars:** Business partners are invited to monthly webinars to foster direct interactions, gather feedback and facilitate Q&A sessions.
- **Engagements related to marketing and strategic initiatives:** Interactions discuss marketing strategies for service activation and sales targets.
- **Engagements with the IT team:** Discussions revolve around data security strategies and service integration.
- **Service training and grievance resolution:** Facilitated interactions between business partners, the centralised FRM team, and subject matter experts to address training and grievances.

Aligned with the motto 'Sab Kaam Ek Dukaan', we form robust strategic alliances with our business partners for all services. Our comprehensive Code of Conduct ensures alignment with our goals and values, fostering a workplace characterised by honesty, fairness, and objectivity while adhering to laws and internal policies. This code guides our expected behaviours, identifies potential violations, and outlines appropriate actions.

STRENGTHENING RELATIONSHIPS WITH LOCAL COMMUNITIES

As a responsible corporate citizens, we acknowledge our role in Corporate Social Responsibility (CSR) to impact society positively. Our social objectives are aligned with the United Nations Sustainable Development Goals (UNSDGs), aiming to tackle urgent challenges like poverty, inequality, climate change, environmental degradation, sustainable prosperity, and peace and justice and to achieve them within our local spheres of influence.



i. Our CSR Policy

Our CSR policy adheres to The Companies (Corporate Social Responsibility Policy) Rules, 2014, mandated by the Government of India under Section 135 of the Companies Act, 2013, and Schedule VII of the same Act.

Our Corporate Social Responsibility (CSR) policy reflects our commitment to creating a positive impact on the environment, society, and governance. We strive to integrate social and environmental responsibility into every aspect of our business, from operations to supply chain management. Thus, the Company's CSR policy provides guidelines to conduct CSR activities of the Company.

This policy directs our dedication to cultivating an inclusive environment conducive to sustainable development while fostering a harmonious relationship between the community and our business operations.

Our primary objective is to drive significant advancements in uplifting underserved segments of society. Our CSR committee is central in strategising and executing our CSR endeavours.

ii. The CSR Committee

Under the Companies Act 2013, a business must establish a committee responsible for supervising all CSR endeavours. The Board comprises the following members -

S. No.	Name of Board Member	Designation
1	Mr. Dinesh Nandwana	Chairman
2	Mr. Ramesh Joshi	Member
3	Mr. Sunil Agarwal	Member

Our CSR Committee strives to integrate CSR as a fundamental business process for sustainable community advancement in the operational areas. To achieve this objective, the CSR Committee

devises the CSR Policy, proposes activities and expenditures, oversees policy implementation, devises the annual action plan and evaluates the necessity for impact assessment of our initiatives.

iii. The Guiding Principles of the CSR implementation

In order to achieve our CSR goals in a holistic manner, we adhere to certain guiding principles:

- **Stakeholder engagement** – Ensuring proactive engagement with stakeholders remains crucial for contributing to the socio-economic development of the communities where operations are conducted.
- **Environment-friendly production** – The focus is on employing environmentally-friendly processes throughout production operations.
- **Judicious use of natural resources** – Striving to ensure environmental sustainability by embracing good environmental practices that advocate for the conservative and efficient use of natural resources.
- **Providing equal opportunities** – The objective is to foster inclusivity and equal opportunities by prioritising collaboration with marginalised segments of society.
- **Educating vulnerable groups** – Emphasis is placed on providing education and infrastructure to empower the girl child and underprivileged individuals, nurturing their potential to become valuable contributors to society.



Our focus is on raising awareness about the importance of adopting strategies that reduce carbon emissions, decrease reliance on fossil fuels, and promote adopting alternative energy solutions.



- **Upskilling vulnerable and marginalised groups** – There is a commitment towards facilitating skill development through comprehensive guidance and technical expertise, empowering vulnerable individuals to achieve dignity and self-sufficiency.
- **Providing healthcare facilities** – Prioritising essential nutrition and healthcare facilities, focusing on establishing dedicated health centres for the well-being of mothers, children and the elderly.
- **Water conservation** – Actively promote water conservation through measures to reduce water consumption at facilities and undertake conservation initiatives through rainwater harvesting.
- **Creating a sustainable value chain** – Our objective is to establish a sustainable business value chain that addresses environmental, social and economic aspects.
- **Inclusivity** – We aim to foster an inclusive work culture throughout our business operations.
- **Public awareness generation regarding inclusivity** – Our efforts are directed towards promoting awareness and advocating for the development of public infrastructure that is accessible, inclusive and accommodating for individuals of all abilities, including the elderly and the differently-abled.
- **Public awareness regarding carbon and energy footprints** – Our focus is on raising awareness about the importance of adopting strategies that reduce carbon emissions, decrease reliance on fossil fuels, and promote adopting alternative energy solutions.
- **Employee well-being** – We seek to foster and promote the well-being and development of employees and their families through an inspiring corporate culture that instils good values.
- **Encouraging employee volunteering** - Employee participation is encouraged as an essential aspect of developing responsible citizenship. We motivate and support employees in volunteering in areas of their interest.
- **Aiding during national crises** - We believe in responding to emergencies and disasters by

providing timely assistance to affected victims and their families. We extend our corporate responsibility to those in need during such calamities.

- **Promoting local initiatives** – We actively promote and endorse local initiatives in various areas encompassing economic, social, educational, infrastructure, and health development, offering our full support.
- **Aligning initiatives with sustainable development** – We aim to change stakeholders' lives by aligning our CSR initiatives with sustainable development goals.
- **Active collaborations** – We aim to collaborate with governmental organisations, community-based organisations, donor agencies, foundations, corporations, and other like-minded partners to achieve optimal outcomes.

- **Enhancing Capacity** - We focus on enhancing the capacity, skills and competence of our employees, development partners, community members and other stakeholders. This empowers them to engage actively in sustainable development initiatives.
- **Promoting youth participation in sports, art, and culture** – We aim to mobilise and engage local youth in promoting sports, art, and culture while providing them opportunities to represent the country.

iv. Our CSR initiatives

Here are our transformative Corporate Social Responsibility (CSR) programmes, which reflect our unwavering dedication to sustainable initiatives and the profound desire to create a meaningful and lasting impact on society.

Project area	Implementation Agency	State and district where projects or programs were undertaken	Amount spent on the projects or programs (in lacs)
Promoting Education	Swadeshi Jagran Foundation	New Delhi	25.30
Promoting Education	Smt Samira Sinha Foundation	Mumbai (Maharashtra)	1.50
Total			26.80

Well-being

At the heart of our principles, we prioritise the welfare of individuals. Acknowledging the manifold benefits of good health, we actively support and sponsor marathons, urging our employees to engage and adopt a more active lifestyle. Furthermore, we arrange health sessions conducted by medical professionals, offering valuable insights and advice on health-related matters for our employees' overall well-being.

Healthcare:

1. Our Kota-based medical facility provides an array of specialised treatments, such as urology, general surgery, cardiology and neurology, among others. Operating on a non-profit basis, the facility offers these services at subsidised rates, approximately 30-40% lower than prevailing market prices. Additionally, we extend our commitment to the community by delivering free medical services to patients unable to afford treatment. Annually, we contribute treatment

valued at approximately Rs 50,00,000, ensuring access to necessary care without financial strain for those in need.

2. The contributions made by our organisation are directed towards the establishment of a cardiac setup (CTVS) within the hospital. This facility has so far achieved successful completion of approximately 40-50 bypass and valve surgeries on a monthly basis.

More information can be found at this link: <https://vakrangee.in/healthcare.html>.

Education

As an industry partner, we have played a vital role in establishing IIT Kota by contributing Rs 3.20 crore, which constitutes 2.5% of the total capital cost of Rs 128 crore. This contribution aims to support the establishment of a prestigious institution focusing on information technology and related fields with a global perspective.

We aspire to foster and empower talented individuals with attributes of innovation and entrepreneurship. Our vision encompasses achieving leadership in IT and allied disciplines while maintaining the highest standards of transparency in areas such as admissions, appointments, academic evaluations, administration and finance.

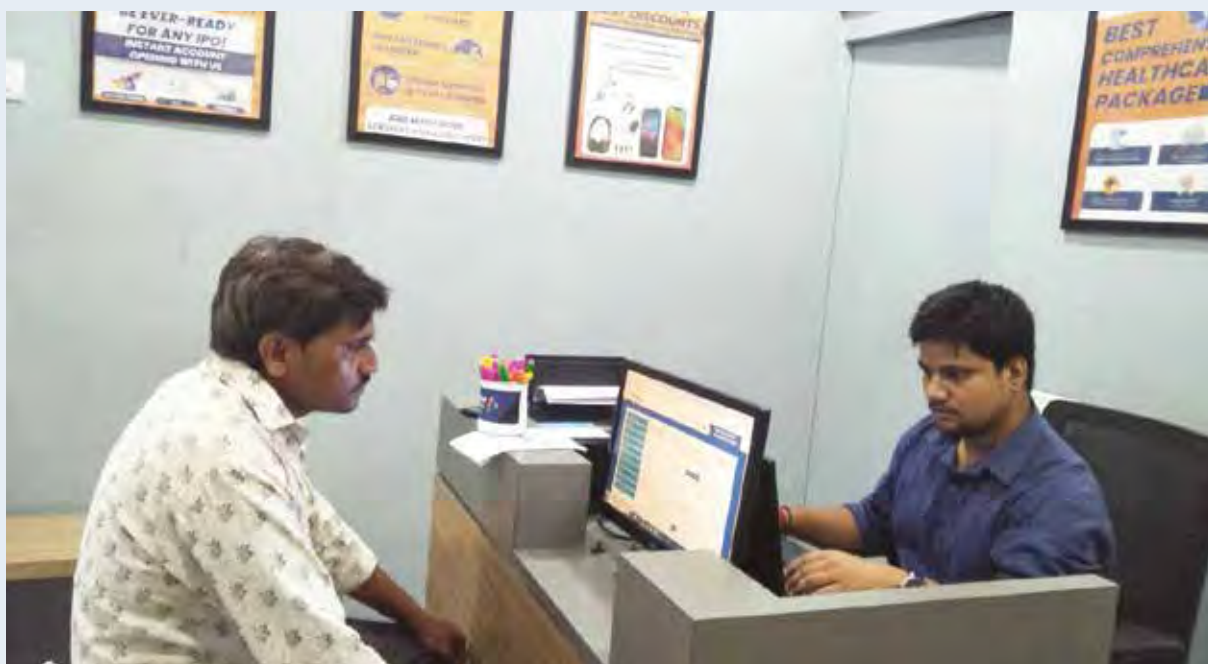
V. Key social impact due to our business initiatives

We have Consistently upheld our commitment to social responsibility, we actively promote financial and digital literacy among underserved and unserved segments of society. Serving as a vital last-mile connection, we endeavour to bridge the gap between rural and urban communities by ensuring equal access to a wide range of products and services.

We aim to provide these offerings simultaneously, at competitive prices, and with uniform service standards. Through these endeavours, we serve as a significant equaliser, fostering inclusivity and narrowing the gap between urban and rural populations in India.

At the core of our guiding principle lies a profound dedication to serving and uplifting the communities where we operate. Accordingly, we strive to positively impact society through our operations, extending support in various meaningful ways.

- 1. Reducing inequalities** - Committed to enhancing the quality of life in rural communities nationwide, we act as a catalyst for social equality, working to bridge the gap between India's urban and rural populations. Our Vakrangee Kendras epitomise our philosophy of 'Sab Kaam EK Dukaan', providing comprehensive convenience stores that provide consistent pricing, availability, and quality goods and services to urban and rural residents.
- 2. Promoting Gender Equality** - Gender equality is of paramount importance to us. We actively encourage the participation of both men and women as master franchisees and franchisees. Inclusive decision-making processes are ensured, offering equal opportunities for leadership at all levels. We implement robust policies and initiatives aimed at promoting gender equality and empowering women within our ranks.
- 3. Skills Enhancement** - Our business model is centred on skill enhancement, taking ordinary individuals and providing them with valuable skill sets that result in exceptional outcomes. Furthermore, individuals providing Aadhaar and banking services acquire essential certifications contributing to their technical skill development.
- 4. Decent Work and Economic Growth** - We aim to offer individuals meaningful employment opportunities characterised by productivity, stability and fair compensation. Through our Kendras, we stimulate rural consumption and



promote rural growth. Our master franchisees and franchisees generate local employment opportunities by recruiting resources and facilitating skill development, particularly in banking and insurance services. By empowering individuals to contribute to India's economic development, our goal is to promote fair globalisation and alleviate poverty.

5. Innovation and Infrastructure for Communities - Utilising our technology platform, we provide a comprehensive solution with instant access to over 100 million products and 1,000 services in one place, thus creating essential last-mile infrastructure for distributing various products and services. We emphasise developing resilient infrastructure and advancing technological innovation through real-time, paperless and biometric-enabled banking. Moreover, we facilitate interoperable banking by linking the core banking servers of major banks.

6. Clean Water and Sanitation - Our Vakrangee Kendras are outfitted with water coolers that offer drinking water amenities to the public. As a considerable portion of our Kendras are situated in Tier V and Tier VI cities, we play an important role by establishing clean drinking water facilities in remote regions, guaranteeing access to sanitation and advocating for public health.

Promoting gender equality

2,937

Female franchisee owners

Engagement with our People

In our ethos, employees hold significant value, and open communication is prioritised as a vital element of our corporate culture. Acknowledging the importance of fostering a two-way exchange of information, ideas and feedback, we have implemented various platforms facilitating transparent and effective communication.

These initiatives empower employees to articulate their thoughts, concerns and suggestions, ensuring their voices are heard and valued. By establishing such channels, we aim to nurture an environment where collaboration, engagement and continuous improvement flourish.

The HR Manual

The HR Manual, encompassing our policies, values, standards and norms, undergoes regular updates and is accessible to all employees via the shared folder on the Vakrangee internal server. Furthermore, copies of the HR manual are maintained by the HR department and respective department heads for employee reference.

HRMS

The internal Human Resource Management System (HRMS) serve as the portal where our latest policies, circulars, notices, etc., are showcased for the employees.

WhatsApp Group

A WhatsApp broadcast group is utilised to disseminate updates regarding our policies and processes.

Group Email ID

A common email ID group has been established for all employees to facilitate important and regular communication. This platform includes circulars and notices aimed at updating employees on behavioural norms, standards and processes, among other things.

VKMS

The Vakrangee Kendra Management System (VKMS) serves as an IT platform accessible to all our employees. It functions as a means to keep our employees updated and informed about us and our values.

Grievance Redressal Mechanism

Through our Human Rights policy, we demonstrate an unwavering commitment to upholding the human rights of our workforce, communities and all those affected by our business operations. The belief is firmly held that fostering an empowered workforce and promoting open communication creates an environment conducive to receiving feedback and identifying areas for improvement.

A comprehensive Grievance Redressal Procedure has been established, equipped with robust systems and mechanisms to address employee concerns related to human rights and decent labour practices. If a complaint is filed, no retaliatory action can be taken against any employee or stakeholder for raising concerns. We investigate, address and respond to concerns and take appropriate corrective action in response to any violation.

The Grievance Redressal Procedure, supported by policies and statutory provisions, is implemented through an online portal, enabling transparent and structured discussions to achieve fair resolutions.

Additionally, a zero-tolerance approach towards sexual harassment is strictly adhered to, as mandated by regulations. A POSH Committee and an Internal Complaint Committee have been established to promptly address and resolve any reported incidents. Furthermore, an Internal Complaint Committee is in place to address any acts of misconduct.

The Committee currently comprises the following members:

S. No.	Name of the members
1	Ms. Akshata Mali
2	Ms. Divya Nandwana
3	Mr. Deepak Ambre
4	Ms. Himangi Ghadi
5	Mr. Viral Majmudar
6	Ms. Veena Shetty.

We continuously identify and address human rights impacts, risks and opportunities, strengthening our workplace policies, practices and programmes. Our unwavering commitment drives us to establish robust frameworks that enable the implementation of human rights standards across the organisation. We proudly announced that we consistently received zero complaints regarding unethical and unlawful behaviour.

	FY 2023-24	FY 2022-23
No. of complaints issued regarding unethical and unlawful behaviour	Nil	Nil
No. of complaints resolved regarding unethical and unlawful behaviour	Nil	Nil

To enhance transparency in our operations, we have adopted a Whistleblower policy, providing a mechanism for reporting any instances of irregularities, misconduct, or unethical behaviour to the designated individuals listed below:

GROUP ETHICS OFFICER

The contact details of the Group Ethics Officer are under:

Mrs. Akshata Mali, Head – HR, Vakrangee Corporate House, Plot No. 93, Road No. 16, MIDC, Marol, Andheri – East, Mumbai – 400 093.

Email: infohumanresource@vakrangee.in

Phone: 022- 67765100

COMPLIANCE OFFICER (AS ON MARCH 31, 2024)

The contact details of the Compliance Officer are as follows:

Mr. Sachin Khandekar

Company Secretary,

Vakrangee Corporate House,

Plot No. 93, Road No. 16, MIDC, Marol,

Andheri – East, Mumbai – 400 093.

Email: infocompliance@vakrangee.in

Phone: 022- 67765100

CHAIRMAN OF THE AUDIT COMMITTEE (AS ON MARCH 31, 2024)

The Contact details of the Chairman of the Audit

Committee are as follows:

Mr. B.L. Meena,7, Shanti Vihar, Saraswati Nagar, Jaipur – 302017.

Email: blmeena1950@gmail.com

In addition, we have established a 24-hour Hotline number (18001023411) has also been established to address questions, concerns, or complaints. The hotline is administered by a reputable third party, allowing stakeholders to raise concerns anonymously through applicable local laws.

This ensures a secure and confidential platform for stakeholders to voice concerns or file complaints. Further information is available at this link: https://vakrangee.in/pdf/Policies-PDF/Whistle%20Blower%20Policy_Final.pdf

Transparency and adherence to ethical practices

	FY 2023-24	FY 2022-23
Monetary value of financial and in-kind political contributions made directly and indirectly by us	No	No

For the fiscal year 2023-24, our organisation has made zero monetary value contributions, both financial and in kind, directly and indirectly, towards political activities. This decision was made in order to maintain our impartiality, independence, and focus on our core mission.

Driving Sustainability through Stakeholder Engagement and Governance

In Alignment with the United Nations’ Sustainable Development Goals (SDGs), we have strategically outlined our sustainability endeavours. These global objectives provide a holistic framework to foster positive change and enhance the future. We are deeply committed to addressing critical global challenges, including poverty, inequality, climate change, environmental degradation, prosperity, peace and justice.

We are proud to be recognised as a Signatory of the United Nations Global Compact, we are part of a prestigious global network comprising over 9,500 companies and 3,000 non-business participants dedicated to the cause of sustainability. This esteemed recognition underscores our dedication to fostering a sustainable future through ethical business practices.

We recognise the intricate interconnections among the UN SDGs, we endeavour to embed them into our operations, striving to contribute to global betterment. Firmly believing in the transformative potential of businesses to effect positive societal change, we have established two specialised committees dedicated to steering our sustainability initiatives: the ESG Committee and the GHG Committee.



BOARD ESG COMMITTEE: ENHANCING SUSTAINABLE PERFORMANCE AND GOVERNANCE

The introduction of the Board ESG Committee marks a significant milestone in our commitment to enhancing our environmental, social, and governance (ESG) performance. Comprising esteemed individuals, this dedicated group is pivotal in driving forward our ESG initiatives. Working with other Board Committees, our ESG Committee supports the Board in executing its duties and upholding its status as a global leader in ESG practices.

S. No.	Name	Designation
1	Mr. Avinash Vyas	Chairman
2	Mr. Ramesh Joshi	Member
3	Ms. Sujata Chattopadhyay	Member

The Board ESG Committee assumes the following responsibilities in order to support the Board in understanding and addressing material ESG issues related to our business activities:

Strategic Considerations:

Assessing the impact of ESG issues on the company’s ability to create long-term value
Monitoring external ESG trends, risks, and opportunities

- Stakeholder Expectations:**
Understanding the expectations of key stakeholders and incorporating them into decision-making processes
- Alignment with Sustainable Development Goals:**
Assisting in integrating sustainable development goals into new business strategies and initiatives
- Performance Monitoring:**
Reviewing the results of key ESG investor initiatives and global benchmarks
Overseeing the implementation of identified initiatives and areas for improvement based on ESG investor surveys and global benchmarks
- Senior Management Evaluation:**
Supporting the NRC Committee in evaluating the performance of senior management from an ESG deliverable perspective



	Responsibility
Environmental factors	1. Supervise the implementation of diverse environmental sustainability initiatives and commitments, covering performance, challenges and opportunities.
	2. Monitor the dissemination of disclosures concerning Climate-Related and GHG Carbon Emissions.
	3. The Committee, with assistance from the Board Risk Management Committee, evaluates the adequacy of the Management's approach in identifying and managing environmental risks and opportunities, including climate-related matters.
Social factors	1. Oversee the implementation of group social responsibility and sustainability initiatives or commitments, analysing their performance, challenges and opportunities to gauge their effectiveness in generating social impact.
	2. Monitor and oversee the processes and mechanisms for fostering relationships with Master Franchisees, Franchisees, customers, suppliers, and other key stakeholders, aiming to comprehend their expectations.
	3. Review the effectiveness of the initiatives and policies supporting human rights and diversity within our operations and supply chain.
	4. The Committee along with Board Remuneration Committee has oversight of Company's inclusion, diversity and general people & culture practices and related frameworks.
Governance factors	1. Oversee the reputational impacts arising from our business strategies and practices.
	2. Monitor the implementation of our policies and initiatives to verify the presence of adequate safeguards for fair and ethical dealings with third-party capital partners, suppliers and other stakeholders.
	3. Review and endorse to the Board regarding the group's Governance Management Framework.
	4. Review and endorse to the Board annually on our Sustainability Performance Pack, Corporate Governance Statement, as well as the ESG achievements, future commitments and targets.

GHG COMMITTEE: STAKEHOLDER CONSULTATION AND GOVERNANCE: DRIVING SUSTAINABILITY FACTORS

At Vakrangee, we recognise the imperative of reducing our greenhouse gas (GHG) emissions as a key aspect of our commitment to environmental stewardship and sustainability. In line with our dedication to mitigating climate change and demonstrating tangible progress in this area, we have established a dedicated committee entrusted with the responsibility of setting ambitious targets and closely monitoring our progress. This committee plays a pivotal role in driving our efforts to minimise GHG emissions across our operations. By setting measurable targets, we ensure that our initiatives are aligned with global best practices and industry standards. Through rigorous monitoring, we maintain a clear focus on tracking our progress, identifying areas for improvement,



In line with our dedication to mitigating climate change and demonstrating tangible progress in this area, we have established a dedicated committee entrusted with the responsibility of setting ambitious targets and closely monitoring our progress. This committee plays a pivotal role in driving our efforts to minimise GHG emissions across our operations.



and implementing effective strategies to achieve our emission reduction goals. By establishing this committee, we showcase our unwavering commitment to sustainable practices and environmental responsibility. Through its diligent work, we are able to enhance our performance, continuously strive for greater efficiency, and contribute to the collective effort of combating climate change. We are proud to introduce the esteemed members of our ESG (Environmental, Social, and Governance) Committee, a dedicated group of individuals who bring diverse expertise

and a shared commitment to advancing our sustainability goals. Each member of this committee plays a crucial role in guiding and overseeing our ESG initiatives, ensuring that we uphold the highest standards of environmental stewardship, social responsibility, and effective governance.

Name	Designation
Ammeet Sabarwal	Chief Strategy Officer
Ajay Jangid	Chief Financial Officer

	Responsibility
Board Oversight: Board-level Responsibility: Board ESG Committee	1. The Board ESG Committee takes the lead in providing governance and ESG oversight over the strategy, operations and management.
	2. Enterprise risk, including climate-related factors, is actively and regularly reviewed by the Board.
	3. The Board identifies its own priorities and considers enterprise risk, including climate-related risks, as a key area for regular review on continuity, if identified as significant.
	4. The Board exercises oversight over the senior management, who have been authorised to manage day-to-day climate-related and ESG-related matters.
	5. Within our most senior management group, there exists a dedicated committee - The GHG Reduction Strategy Committee, responsible for determining and monitoring key environmental strategies.
	6. Our Management provides briefings to the Board or the Nominating and Governance Committee as applicable.
Chief Executive Officer (CEO) / Chief Strategy Officer	1. Incorporating sustainable development goals into business strategy and operations.
	2. Evaluating and addressing ESG-related risks and opportunities on a quarterly basis.
	3. Establishing and advancing progress towards Company-wide objectives across various business groups.
Chief Operating Officer (COO) / Chief Financial Officer (CFO)	1. The Environment Management team assesses and manages environment-related risks and opportunities on a quarterly basis.
	2. Implementing environment-related initiatives across business operations at the field level.
	3. Collaborating with the Administration Team to drive operational progress required to achieve resource efficiency targets, such as supporting facilities management teams in enhancing energy efficiency and ensuring adequate resourcing for programmes.
	4. Our dual strategy accelerates progress and ensures consistent communication of our journey to employees and other stakeholders.
GHG Reduction Strategy Committee	1. The team regularly discusses and identifies various environment-related issues and initiatives, monitoring and measuring the initiatives periodically.
	2. Reporting and disclosure occur on an annual basis. Bottom of Form

Responsibilities of the GHG Reduction Committee:
Driving Environmental Sustainability

Environmental Integration

Ensuring the seamless integration of environmental considerations into business operations by proactively leveraging technology and innovation to conserve energy, lower the carbon footprint and reduce carbon emissions.

Sustainable Infrastructure

Incorporating energy and environmental considerations into the design of our new IT infrastructure, including data centres and other facilities, to promote energy efficiency and environmental sustainability.

Renewable Energy Focus

We aim to reduce our carbon footprint through energy efficiency measures, with particular emphasis on enhancing the utilisation of renewable energy sources in our overall energy consumption.

Circular Waste Management

We embrace a sustainable waste management philosophy that aligns with our principles of circularity, implementing best practices for waste management, recycling and eco-friendly disposal.

Resource Efficiency

We are implementing initiatives to enhance resource efficiency in our operations, focusing

on optimising the usage of key resources such as energy and water.

Stakeholder Engagement

Considering and deliberating stakeholder expectations concerning infrastructure enhancement, operational improvements, process streamlining and strategies to achieve sustainability objectives.

Green Procurement Monitoring

Overseeing the execution of our green procurement policy to verify the acquisition of eco-friendly and sustainable products and services.

Key Environmental Impact due to our business activities

We actively participate in initiatives to benefit the environment and encourage eco-conscious practices. We acknowledge the significance of tackling environmental issues and endeavours to contribute positively through our business endeavours. By adopting sustainable practices and integrating environmentally friendly measures, we seek to minimise our ecological footprint and promote for a more environmentally friendly future.

Leveraging Disruptive Technology

We harness disruptive technologies such as e-KYC, interoperability and real-time transactions to improve our services. Moreover, we emphasise



environmentally sustainable practices by adopting features like paperless banking, real-time transactions and biometric authentication. Consequently, our Kendras operate digitally and paperlessly, leading to a substantial reduction in paper consumption and the elimination of plastic waste.

Reducing Carbon Footprint

Our Vakrangee Kendras contribute significantly to reducing our carbon footprint. Providing a wide array of products and services such as banking, insurance, e-governance, logistics and e-commerce, we allow customers to access these amenities within convenient walking distances. This not only saves time and fuel expenses but also leads to a considerable reduction in carbon emissions. The strategically positioned Kendras are dedicated to advocating sustainable practices.

Ethical Consumption and Production

At Vakrangee Kendras, 'Go Green' initiatives have been embraced. The banking procedures operate based on the Aadhaar-enabled Payment System (AePS) model, reducing the need for printed receipts. Instead, transaction acknowledgements are transmitted via SMS, encouraging responsible paper consumption.



In our offices, significant strides have been made towards sustainability. Solar power systems have been implemented, reducing reliance on conventional electricity sources. The workplace design integrates glass walls, facilitating ample sunlight to illuminate the premises and reduce the necessity of artificial lighting.



Additionally, environmentally friendly practices such as paper prevention, reduction, recycling and reuse are adopted to mitigate any environmental impact. Moreover, minimising hazardous waste is prioritised through refillable ink cartridges, ensuring the safety of community members and reducing exposure to hazardous and non-hazardous waste.

Eco-friendly Practices at Vakrangee Workplaces

In our offices, significant strides have been made towards sustainability. Solar power systems have been implemented, reducing reliance on conventional electricity sources. The workplace design integrates glass walls, facilitating ample sunlight to illuminate the premises and reduce the necessity of artificial lighting.

Additionally, energy-efficient LED lighting has been installed to encourage responsible electricity usage. These initiatives, implemented at our Kendras and workplaces, underscore our commitment to sustainable practices, showcasing our dedication to environmental responsibility and advancing an eco-friendly future.

ISO certifications

We firmly acknowledge ISO certifications as crucial milestones for businesses to pursue. Demonstrating a strong commitment to ISO standards and policies, we proudly hold several certifications, including the following.

- ISO 26000:2010 Social Responsibility Management System: This certification underscores our commitment to sustainable development, surpassing mere legal obligations.
- ISO 37001:2016 Anti-bribery Management System: This certification showcases our dedication to conducting business ethically, transparently and fairly.
- ISO 45001:2018 Occupational Health and Safety Management System: This certification demonstrates our commitment to ensuring a safe and healthy workplace environment.
- ISO 20400:2017 Sustainable Procurement Management System: This certification highlights our rigorous sustainable procurement practices.

Additionally, we have acquired additional ISO accreditations, further strengthening our overall business performance and improving service delivery capabilities.

New Alliances

E-Commerce Services

- We have an association with Nexg Devices Private Limited (Authorised Distributor for the sale of Vivo smartphones), to provide customers with the opportunity to purchase Vivo smartphones at the best prices, along with assured quality and warranty through Vakrangee Kendra outlets.
- Tie-up with JK Cement Limited for lead generation for the sale of grey Cement through Vakrangee Kendra networks. JK Cement is one of India's leading manufacturers of Grey Cement, White Cement, white cement-based wall putty and other building material.
- Tie-up with Global One Enterprises Pvt Ltd (Max TV) for offering Subscription-based OTT Plans through Vakrangee Kendra networks.

Banking Services:

- Entered into a partnership with Karnataka Bank Limited to deliver BC banking services through Vakrangee Kendra outlets nationwide. This collaboration aims to provide seamless digital and assisted banking services to the most remote areas of the country, ensuring high scalability and rapid activation of Banking Business Correspondent (BC) services..

STRATEGIC GROWTH INITIATIVES

Update on Business Strategy : Acquisition of Vortex Engineering Private Limited (Vortex)

The Company has completed the acquisition of ~79% equity share capital of Vortex Engineering Private Limited from the IFC, Tata Capital Innovation Fund, Aavishkaar India Investors & other Shareholder ("Seller"). The Company is in process for acquisition of another ~14% equity share capital of Vortex Engineering Private Limited from other shareholders of the Company and post acquisition the total shareholding will increase to ~93%. This is a strategic investment which will help the Company to have a backward integration in place and thereby unlocking future growth opportunities, leverage the cost synergies and technology know-how.

About Vortex Engineering : Pioneer in low-power ATMs and is an India-based technology company incubated by IIT-Madras, with annual production capacity of over 12,000 ATMs.

The Company has 9 patents in the field of ATM & Cash Dispensers (Make in India – Atma Nirbhar Bharat). Has own cash dispensers (core part of an ATM), with lowest life cycle cost. The Company had developed an advanced remote ATM monitoring software tool 'PERFO', which is a cross-platform, cross-vendor offering.





NATURAL CAPITAL

Protecting the environment through actions

MATERIALITY ISSUES ADDRESSED

- Sustainable sourcing
- Emissions & waste
- Energy efficiency
- Water consumption
- Compliance
- Climate change

LINKED CAPITALS

- Human capital
- Social and relationship capital
- Financial capital
- Intellectual capital
- Manufactured capital

SDGs IMPACTED



Promoting sustainable economic growth through global goals

At Vakrangee, natural capital encompasses the environmental resources and ecosystems that support our operations. This includes energy consumption, water usage, and waste generation associated with data centres, office buildings, and transportation. Additionally, our reliance on renewable energy sources, sustainable infrastructure, and eco-friendly practices contributes to our natural capital. Ultimately, recognising and managing natural capital is crucial for our long-term sustainability and resilience, aligning our operations with environmental conservation and responsible stewardship of natural resources.

The foundation for sustainability is rooted in the sustainable growth of the economy at large. The Sustainable Development Goals (SDGs) set by the United Nations (UN SDGs) are objectives we aim to integrate effectively into our business operations to address the growing challenges of climate change and environmental degradation. We are committed to environmental preservation, striving to achieve it through sustainable practices and robust governance.

We also endeavour to synchronise our activities with the National Guidelines on Responsible Business Conduct (NGRBC) outlined by the Indian Government. Additionally, we advocate for environmental conservation, labour standards, and human rights as we have gained acceptance as a signatory member of the United Nations Global Compact. We aim to contribute to the broader objective of fostering a sustainable nation through our affiliations and pledges.



We have explored few key strategies that we tend to employ to encourage sustainable entrepreneurship

Incorporating Sustainable Innovation: Incorporating sustainability is essential for long-term success and responsible business practices. We aim to prioritise sustainable innovation by integrating and encouraging environmentally friendly technologies and practices into core business operations. This involves leveraging renewable energy sources, implementing energy-efficient solutions, and optimising resource consumption.

Support for Eco-Entrepreneurs: We establish programs and initiatives to support and nurture eco-entrepreneurs developing sustainable solutions. This includes providing mentorship, funding opportunities, and access to resources such as infrastructure, networks and market channels. We intend to help sustainable entrepreneurs thrive and scale their impact by fostering a supportive ecosystem.

Collaboration and Partnerships: We proactively pursue partnerships with like-minded organisations, sustainability-focused start-ups, and social enterprises to promote sustainable entrepreneurship. These collaborations can take various forms, such as joint ventures, knowledge-sharing initiatives, and co-creation of sustainable solutions. By combining our resources and expertise, we aim to foster a robust ecosystem that accelerates the growth of sustainable entrepreneurship.

We are proud to announce that we have become a Participant and Signatory member of the United Nations Global Compact (UNGC). This membership signifies our commitment to upholding the UNGC's principles in the areas of human rights, labour, environment, and anti-corruption. Additionally, our Company is now fully compliant with the ESG Framework, demonstrating our adherence to environmental, social, and governance standards.

Furthermore, we have also become a Signatory member of the United Nations Women Empowerment Principles (UN WEP). By joining this initiative, we affirm our dedication to promote gender equality and empowering women in the workplace, marketplace, and community.

Capacity Building and Education: We intend to play a vital role in promoting sustainable entrepreneurship by investing in capacity-building and education programs. This involves organising workshops, training sessions, and awareness campaigns highlighting the importance of sustainable practices and entrepreneurial opportunities in renewable energy, waste management, and sustainable agriculture sectors. By equipping individuals with the necessary knowledge and skills, we can empower them to become sustainable entrepreneurs.

Encouraging sustainable entrepreneurship aligns with our vision for a greener and more inclusive future. By incorporating sustainable innovation, supporting eco-entrepreneurs, fostering collaborations, investing in capacity building and promoting transparency, we believe in creating an ecosystem that nurtures and amplifies the impact of sustainable entrepreneurs.

Through these efforts, we anticipate to drive positive change, contribute to sustainable development and position ourselves as a leader in responsible business practices.

Sustainability Policies

We recognise a duty to take part in sustainable practices. Our mission revolves around embedding sustainability into every facet of our business operations. Initiatives such as paperless banking, Go Green ATM services, and Vakrangee Kendras underscore our commitment to diminishing our environmental footprint and fostering a sustainable future.

A robust governance and risk management framework bolsters our dedication to sustainability and aspiration to mitigate carbon impact. Our Communication of Progress policy delineates our strategy for averting environmental degradation and adopting sustainable business practices. The following section describes our policies for environmental protection.

Environmental Policy:

We demonstrate our commitment to environmental responsibility by implementing an Environmental Management System (EMS) based on the ISO 14000 series standards. This system facilitates regular assessments and operations monitoring, allowing

the identification of potential environmental risks and opportunities. By Integrating these findings into our corporate strategy ensures we uphold our environmental responsibilities.

Furthermore, we actively encourage environmentally and socially responsible practices throughout our value chain. This includes employees, franchisees, business partners, clients, and shareholders. We believe the collective adoption of sustainable measures can create a significant positive impact.

Looking towards the future, we plan to incorporate a lifecycle perspective into our environmental management. This will involve considering the environmental impact of our products and services

throughout their entire lifecycle - from production to disposal - minimising our environmental footprint at every stage.

Our environmental commitments encompass various areas, including:

- Sustainable practices
- Resource conservation
- Waste reduction
- Pollution prevention
- Continuous improvement

By adhering to the principles of the EMS, we strive to achieve our environmental objectives and contribute to a greener future.

By forming connections and fulfilling our commitments, we can enhance the overarching goal of creating a sustainable nation.



Environmental Protection



Environmental Targets and its Monitoring



Environmental Management System



Compliance Obligations



Consult with and train stakeholders on environmental parameters



Procurement



Waste Management



Continuous Improvement







Periodic Review of Environmental Policy

Sustainable Sourcing Policy:

We acknowledge that the primary sustainability challenges confronting businesses and society revolve around the impacts of the environment and climate change. These issues affect the economy, vulnerable groups, and the environment itself. Our commitment lies in achieving sustainable growth through the enactment of supportive laws.

Due to our dedication to sustainable sourcing, we implement best practices to minimise our adverse environmental impact. We require all suppliers to adhere to necessary regulations to mitigate the environmental impact of the products and services they procure. The guiding principles of our Sustainable Sourcing Policy are outlined herein.

Social Sustainability Focus	Business Ethics Quality	Environmental	Quality Focus
<p>In all our business interactions, the policy fosters an atmosphere of confidence and demands the same from their suppliers. We require that our suppliers abide by all relevant laws, according to the principles of the International Labour Organisation, the UN Global Compact, and the UN Universal Declaration of Human Rights.</p>	<p>We operate our business ethically and expect the same from our suppliers. Suppliers must be aware of issues including conflicts of interest, bribery and corruption, gifts and donations, confidentiality protection, anticompetitive behaviour, fraud, regulatory compliance, fair compensation, grace, and whistleblower channels.</p>	<p>We are committed to complying with all applicable environmental laws and regulations in the countries and areas where our suppliers do business and where they obtain their raw materials, finished goods, and services. We pledge to provide preference to vendors whose products and services have a less adverse effect on the environment.</p>	<p>We hold the ISO 9001 certification for our Quality Management Systems since 1998. Our commitment to excellence is evident in all our endeavours. By adhering to ISO 9001:2015 standards, we consistently deliver goods and services that meet customer expectations and legal requirements while continuously improving our processes.</p>
			



We expect suppliers to uphold the environmental sustainability standards outlined in our environmental policy and adopt best practices to minimise the overall environmental impact, provided they adhere to procurement regulations.



Green Procurement Policy:

As a company committed to long-term growth, we ensure alignment with the Sustainable Sourcing Policy. When selecting office supply sources, we prioritise environmental factors, recognising our direct influence on the durability and sustainability of the products and services utilised.

We expect suppliers to uphold the environmental sustainability standards outlined in our environmental policy and adopt best practices to minimise the overall environmental impact, provided they adhere to procurement regulations.

Additionally, suppliers must regularly assess these standards, ensure compliance, and continuously improve criteria to contribute to society and the environment positively. Our procurement team emphasises adherence to the green purchasing/procurement policy for all products.

GHG Reduction Program:

We consider climate change to be the most difficult challenge of our era, necessitating immediate action from everyone. In line with our corporate strategy, we have integrated sustainable practices to address the issue of climate change. Our products and services are delivered through Vakrangee Kendras in the most environmentally sustainable manner feasible.

Efforts have been made to reduce our carbon footprint in our offices and across Vakrangee Kendras. Leveraging our extensive Vakrangee Kendras network, we ensure accessibility to every individual nationwide, thereby reducing the carbon footprint associated with long-distance travel. By providing sustainable access to financial and digital information to all, we aspire to serve as the ultimate link connecting everyone.

Environmental Governance

Through collaboration with various teams and roles, sustainability has been seamlessly integrated into every aspect of our business operations. Our unwavering commitment to sustainability is reinforced by a robust governance system that closely monitors the impact areas of our operations and addresses critical global risks our organisation faces.

The governing bodies listed in the table oversee and ensure sustainable practices. This committee actively incorporates environmental considerations into business operations, takes proactive measures, and leverages technology and innovation to conserve energy, thereby reducing our carbon footprint and emissions.

Personal Responsibility	
Board Oversight: Board-level Responsibility	<ul style="list-style-type: none"> • Oversight begins with our Board, which directs and supervises strategy, operations, and management. • Our Board actively and regularly assesses enterprise risks, encompassing our environmental impacts, climate change, and other risk factors affecting business continuity. • Our Board establishes its priorities and considers enterprise risk management as a critical aspect for regular continuity reviews, especially regarding severe climate-related risks. • Our senior management operates under the supervision of the Board, which holds authority over daily climate-related matters. • Our senior management team includes a dedicated committee, the GHG Reduction Strategy Committee, comprising senior executives, responsible for determining and monitoring significant environmental strategies. • Climate and environmental considerations are evaluated and reported by management to the board or the nominating and governance committee, as deemed appropriate.
Chief Executive Officer (CEO)	<ul style="list-style-type: none"> • Quarterly assessments are conducted to evaluate, monitor, and manage opportunities and risks/ hazards associated with the environment. • At the operational level, implementation of environmental policies and measures across all business operations is ensured. • Guidance and support are provided to the facilities management teams to enhance energy efficiency, with adequate resourcing facilitated in collaboration with the administrative team. This collaboration drives operational progress required to meet resource efficiency objectives. • This combined strategy accelerates progress while regularly informing employees and other stakeholders about our advancements.
Chief Operating Officer (COO)	<ul style="list-style-type: none"> • Environmental risks and opportunities are evaluated and managed on a quarterly basis. • Environmental initiatives are integrated into all field operations. • Operational progress required to attain resource efficiency goals is propelled forward by assisting facilities management teams in enhancing energy efficiency and ensuring adequate resourcing through collaboration with the administrative team. • This dual strategy enables accelerated advancement while ensuring regular updates to workers and other stakeholders about progress.
GHG Reduction	<ul style="list-style-type: none"> • Various environmental issues and actions are deliberated upon, with consistent tracking and evaluation of such endeavours.
Strategy Committee	<ul style="list-style-type: none"> • Reporting and disclosure are conducted annually.

We prioritise the issue of addressing rising temperatures and reducing greenhouse gas (GHG) emissions. We ensure that we drive towards increasing the use of renewable energy for our daily operations and investing in pioneering technologies.

Energy and Greenhouse Gas (GHG)

It is imperative for all to promptly address the escalating environmental, social, and economic threats posed by climate change. We have established a target to reduce greenhouse gas (GHG) emissions, contributing to a more sustainable and environmentally friendly future.

Our rigorous waste and materials management techniques and policies ensure minimal adverse impact during our daily operations. We are committed to decreasing GHG emissions, transitioning to alternative and green energy sources, and pioneering state-of-the-art technologies, sustainable initiatives, and start-ups.

Our new business model, 'Next-Gen Vakrangee Kendras', launched in FY 2018-19, serves as a benchmark, wherein we have set goals to reduce our carbon footprint. By fostering and offering opportunities to emerging entrepreneurs through a district-level franchisee model to oversee and expand their local district-level Kendra network, we adopt a decentralised and customer-focused strategy that aids in further reducing our greenhouse gas emissions. Since our inception, we have undertaken to monitor and report progress, as the initiative has facilitated a transition to paperless operations, resulting in decreased carbon emissions.

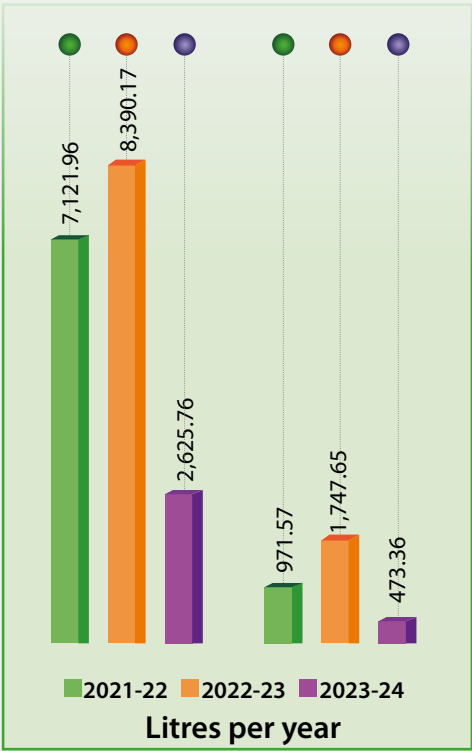
Direct Energy Consumption - Fuel consumed by company-owned cars for transportation

	Units	FY2021-22	FY2022-23	FY2023-24
Diesel	Litres	7,121.96	8,390.17	2,625.76
Petrol	Litres	971.57	1,747.65	473.36
Total	Litres	8,093.53	10,137.82	3,099.12

Indirect Energy Consumption at Corporate Office – Non-Renewable and Renewable

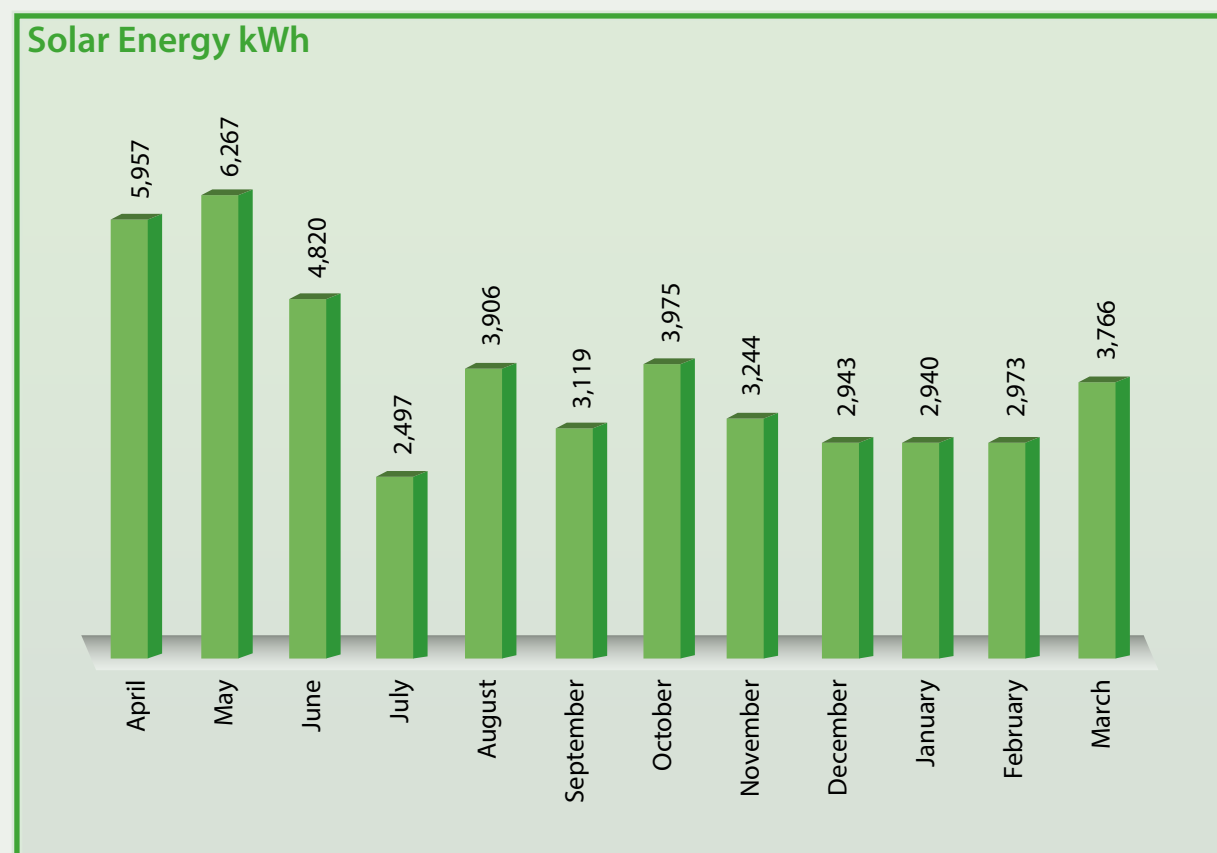
	Units	FY2021-22	FY2022-23	FY2023-24
Grid – Conventional	kWh	83,103	-	28,636
Grid – Green Energy	kWh	2,41,347	3,31,024	2,94,466
Solar	kWh	31,012	51,909	46,407
Total	KWH	3,55,462	3,82,933	3,69,509

The extensive Vakrangee Kendras network, placed strategically close to customers, communities, and franchisees, contributes to reduced scope-3 GHG emissions.



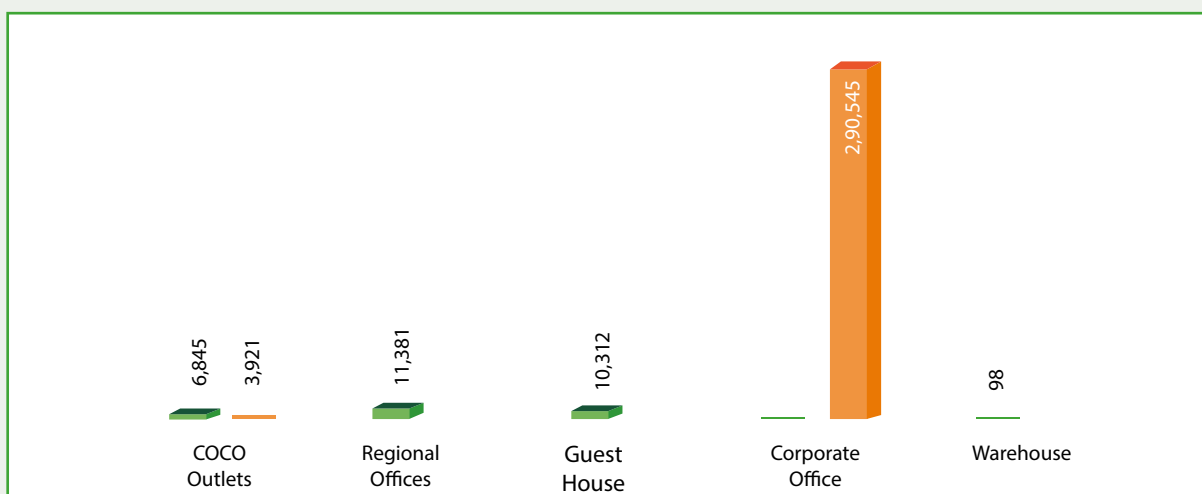
Renewable Energy Consumption - Solar Energy

Month	FY2021-22	FY2022-23	FY2023-24	Unit
April	6,293	5,727	5,957	kWh
May	5,802	5,467	6,267	kWh
June	5,258	4,414	4,820	kWh
July	4,540	2,965	2,497	kWh
August	1,674	3,740	3,906	kWh
September	Under maintenance	3,391	3,119	kWh
October	Under maintenance	4,274	3,975	kWh
November	Under maintenance	4,132	3,244	kWh
December	Under maintenance	3,742	2,943	kWh
January	2,096	4,098	2,940	kWh
February	Under maintenance	4,552	2,973	kWh
March	5,349	5,407	3,766	kWh
Total	31,012	51,909	46,407	kWh

**Renewable Energy Consumption - Solar Energy**

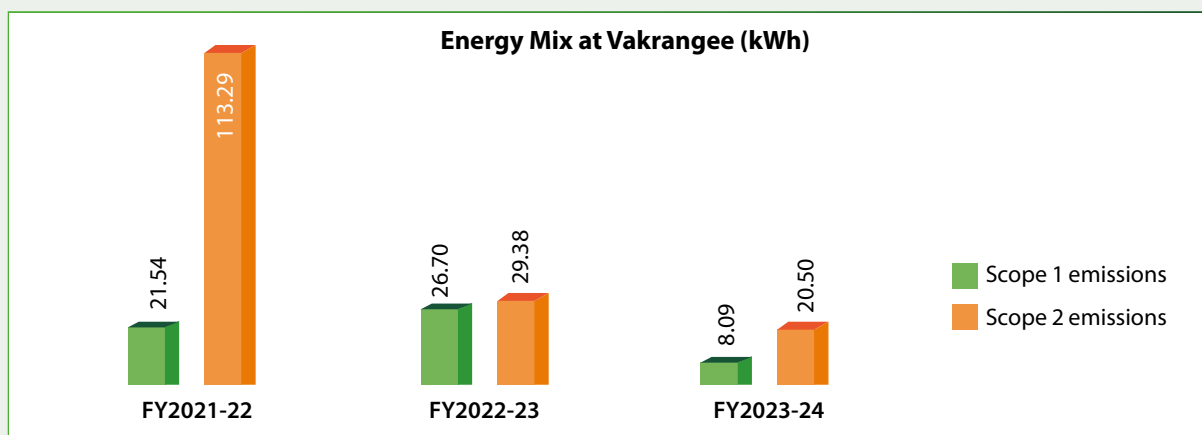
We act responsibly regarding our energy usage at our COCO outlets and regional offices, enabling us to monitor our environmental footprint. Initiatives have been implemented to procure green power for our offices and outlets, facilitating a transition to renewable energy sources.

Location	Total consumption - Grid	Total consumption - Green Wheeling	Total consumption - Solar	Unit
Company Owned Company Operated (COCO Outlets)	6,845	3,921	-	kWh
Regional Offices	11,381	-	-	kWh
Guest House	10,312	-	-	kWh
Corporate Office	-	2,90,545	46,407	kWh
Warehouse	98	-	-	kWh
Total Consumption	28,636	2,94,466	46,407	kWh



Energy Mix at Vakrangee (kWh)

	FY2021-22	FY2022-23	FY2023-24	Unit
Scope 1 emissions	21.54	26.70	8.09	tCO2e per year
Scope 2 emissions	113.29	29.38	20.50	tCO2e per year
Intensity trends	0.00000012553	0.00000003408	0.00000001541	tCO2e per rupee of turnover



GHG emissions in tCO₂e

The Scope 1 emissions stem from utilising petrol and diesel in company-owned vehicles.

Over the past three years (FY24, FY23, and FY22), our energy intensity trend, measured in Joules per Rupee of turnover, has been as follows: 776.07, 1,164.08, and 1,680.09 Joules/Rupees of turnover, respectively. Scope 2 emissions are ascribed to the electricity purchased from the local grid.

GHG emission reduction initiatives

- Combatting climate change remains our top priority. We ensure that our services are delivered in a sustainable manner aimed at minimising our carbon footprint. Efforts are made to reduce environmental impact and improve health and safety standards at our corporate headquarters and all Next-Gen Vakrangee Kendras. We transitioned to using 100% renewable energy for our corporate office for one COCO outlet in Andheri.
- Our extensive network of stores and eco-friendly endeavours have significantly reduced our carbon footprint. We offer biometric-based digital banking, ATM, financial, insurance, e-governance, logistics, and e-commerce products and services while upholding our commitment to sustainability. Providing a diverse range of goods and services to customers conveniently accessed on foot helps save both time and fuel. Our hybrid operational model greatly influences our environmentally friendly initiatives as our services are easily accessible through digital channels.



Efforts are made to reduce environmental impact and improve health and safety standards at our corporate headquarters and all Next-Gen Vakrangee Kendras.



Green building offices

Our corporate headquarters was constructed following green building principles. It integrates energy-efficient design and incorporates various green technologies, including rooftop solar panels for renewable energy, solar thermal installations, chiller waste heat recovery units, and solar panel-based peripheral illumination systems, to create a sustainable environment.

The building primarily features glass walls to optimise natural light and reduce electricity consumption. LED lights have been installed to enhance electricity efficiency further, and all energy requirements for our corporate office are met through green wheeling.

Green Data Centres

The demand for storing, processing, and analysing information has surged alongside the transition to a digital economy. Consequently, the capacity of existing data centres has expanded. To optimise efficiency and regulate energy consumption, we have taken measures to consolidate the "Data Centre" facility into a single unit.

We have adopted various strategies to improve the energy performance of data centres. These include establishing high and medium server-density rooms, implementing server virtualisation and consolidation, deploying cold aisle containment, and fine-tuning incoming air temperature. These initiatives have resulted in notable reductions in the energy intensity of data centres and have contributed to advancing environmental sustainability.

Targets on Greenhouse Gas Emissions Reduction

Consistent efforts are underway to implement initiatives aimed at reducing GHG emissions. Oversight of the endeavour to decrease greenhouse gas emissions is managed by our GHG Reduction Strategy Committee, which rigorously evaluates progress against established objectives.

The committee's primary focus is on regularly discussing and identifying different projects and assessing and monitoring our progress. Subsequently, this information is reported and disclosed annually.

Environmental goals are continuously established and compared against ecological objectives and targets to improve environmental performance and overall management systems. Moreover, ongoing monitoring and evaluation of the effectiveness of various essential measures to reduce greenhouse gas emissions are consistently conducted.

A set of short-term and long-term objectives has been defined to facilitate the achievement of environmental goals, as these goals offer tangible and measurable outcomes to be accomplished within specified timeframes.

Short-term reduction goals

Our goal is to attain an annual reduction of 5% in operational greenhouse gas (GHG) emissions, particularly in Scope 1 and 2, relative to a baseline established in 2019. Furthermore, emphasis will be placed on reducing Scope 3 Emissions, which pertain to the indirect emissions throughout our value chain while providing and utilising services and products.



Our corporate headquarters was constructed following green building principles. It integrates energy-efficient design and incorporates various green technologies, including rooftop solar panels for renewable energy, solar thermal installations, chiller waste heat recovery units, and solar panel based peripheral illumination systems, to create a sustainable environment.



In 2023-24, through our paperless ATMs, Banking transactions and Digital Annual Report initiatives, we collectively saved 1,055.77 metric tonnes of paper.

Particulars	Energy/ resources saved in banking			Energy/resources saved in ATM			Energy/ resources saved by Digital Annual Report		
	2021-22	2022-23	2023-24	2021-22	2022-23	2023-24	2021-22	2022-23	2023-24
Year									
A4 size paper save (in millions)	35.76	34.02	34.40	NA	NA	6.40	49.58	76.31	192.64
Quantity of paper saved (in metric tonnes)	178.78	154.32	156.01	30.41	29.21	25.95	247.88	346.15	873.81
CO2 equivalent of GHG emissions avoided (in pounds)	35,40,000	30,60,000	30,90,000	6,47,000	6,21,000	5,52,000	49,10,000	68,50,000	1,73,00,000
Wood saved (in gallons)	787	679	686	70	67	59.7	1,090	1,520	3,840
Water saved (in gallons)	42,20,000	36,40,000	36,80,000	13,90,000	13,30,000	11,90,000	58,50,000	81,60,000	2,06,00,000
Solid waste avoided (in pounds)	2,32,000	2,00,000	2,03,000	26,600	25,500	22,700	3,22,000	4,49,000	11,30,000
Energy saved (in million BTU)	4,720	4,070	4,380	322	420	804	6,540	9,140	24,600
Trees saved from being cut for paper (in number)			4,120			358			23,100

Long-term reduction goals

By 2025, our primary aim is to accomplish a 25% reduction in operational greenhouse gas (GHG) emissions, particularly in Scope 1 and 2 emissions, compared to the 2020 baseline. We also give priority to efforts aimed at minimising Scope 3 emissions.

Recognising the significance of certifications in our sustainability journey, we underwent a third-party audit at our corporate office to validate emissions from anthropogenic sources of greenhouse gases within our boundaries.

Accomplishing Long-term GHG Reduction Targets – 2025

To achieve our long-term goals of reducing greenhouse gas emissions, we are adopting the following approaches:

- We are developing energy-efficient solutions, such as utilising renewable energy sources, to decrease overall energy usage. Our strategy of implementing an exclusive district-level master franchisee model aids in reducing emissions by promoting fewer transportation requirements and digital transactions, minimising paper waste, and optimising operational efficiency, aligning with our commitment to sustainability and fostering a greener and more environmentally conscious business ecosystem.

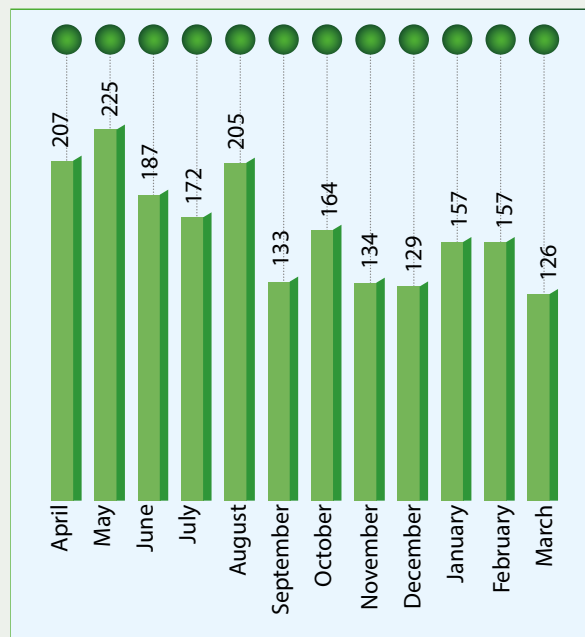
- Our strategy involves expanding our utilisation of renewable energy by establishing power purchase agreements with private renewable energy providers for our corporate office.
- We emphasise sustainable purchasing by adhering to our green procurement policy, prioritising procuring products certified by EPEAT.
- Our main office embodies the principles of green building. Notable characteristics of our green buildings include energy-efficient planning, utilising rooftop solar panels for renewable energy, glass walls to maximise natural light, incorporating recycled materials, and efforts to achieve zero waste discharge.
- We encourage employees to choose carpooling/ vanpooling, biking, and public transportation as means of transportation, contributing to reducing Scope 3 greenhouse gas emissions. Incentives have been implemented to support these commuting alternatives.
- We intend to promote sustainability among employees by establishing electric vehicle charging stations at our facilities.
- By utilising video conferencing technology to minimise local and long-distance travel and encouraging customers to transition to digital transactions and biometric-enabled banking, we aim to eliminate travel and paper usage.
- We have implemented regulations against plastic packaging and drinking water bottles to minimise plastic consumption. Instead, we have introduced glass water bottles for office meetings. Additionally, we have embraced a waste management approach that aligns with the circularity concept, encompassing recycling, eco-friendly disposal methods, and industry best practices.
- Our goal is to implement energy-saving measures in our facilities. This includes using renewable energy in our last-mile franchise infrastructure and utilising technology to promote innovation and digital transactions, resulting in minimal paper waste and reduced greenhouse gas emissions.

Water

Vakrangee Kendras recognise the significance of clean and safe water access, particularly in rural regions of India. Each Vakrangee Kendra has a water cooler system to address this need, ensuring safe, potable water for all. Leveraging our extensive network, Vakrangee Kendras actively contribute to providing clean and safe water. Additionally, ongoing efforts involve constructing drinking facilities in rural areas, ensuring accessibility at all times. Notably, approximately 83% of Vakrangee Kendras are strategically located in tier IV, tier V, and tier VI cities.

Water consumption at the Corporate Office

Month	FY2021-22	FY2022-23	FY2023-24
April	112	70	207
May	196	64	225
June	98	58	187
July	130	70	172
August	181	161	205
September	183	190	133
October	208	218	164
November	192	172	134
December	159	183	129
January	181	203	157
February	170	140	157
March	88	169	126
Total	1,898	1,698	1,996



Our objective of green initiatives is to advance toward a society that depends less on paper and to reduce its usage.

Waste

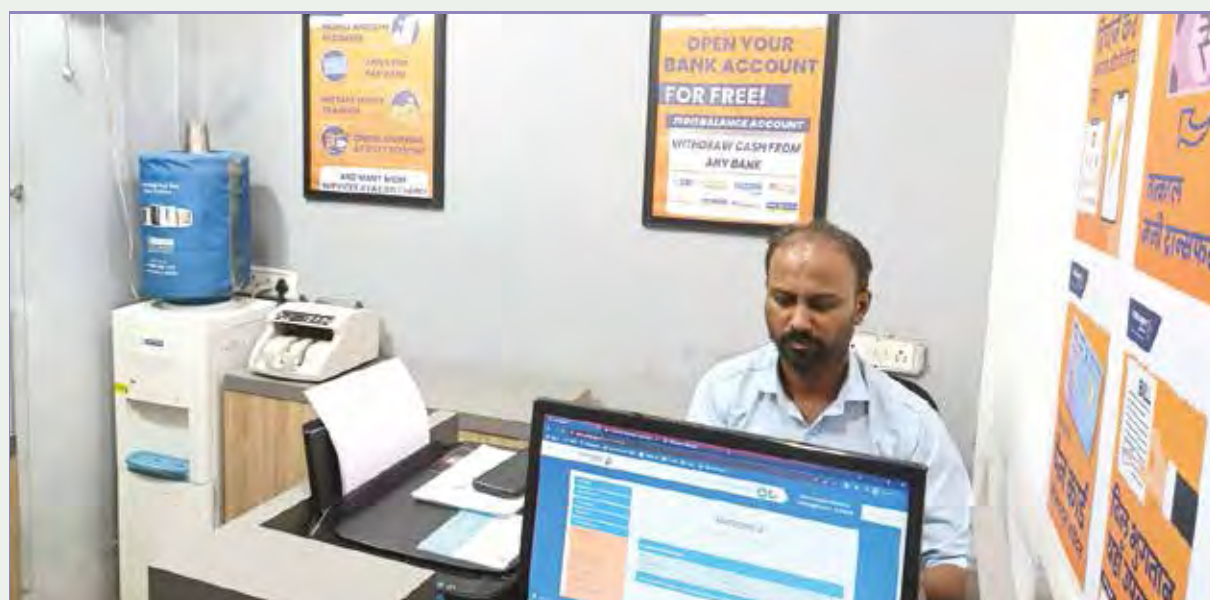
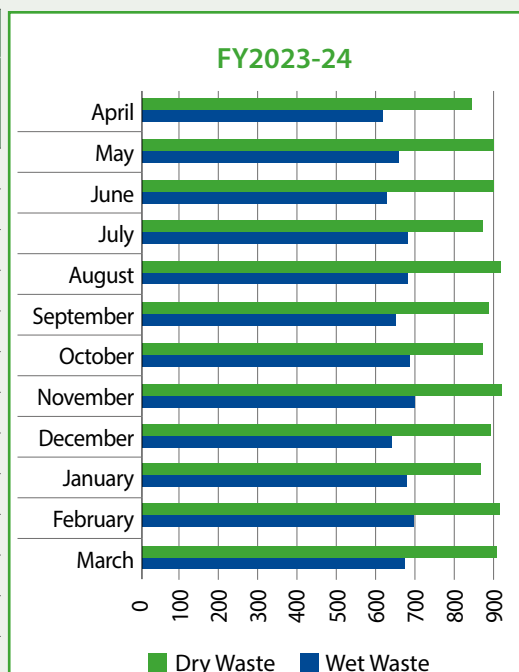
Our goal is to transition society towards a paperless environment through green initiatives. We reduce the quantity of ink and paper waste with our paperless banking services and electronic KYC. At our Next Gen Vakrangee Kendras, we employ cutting-edge technology like paperless banking, real-time banking, and biometric assessment to reduce the production of paper or plastic waste.

Implementing prevention, reduction, recycling, and reuse into practice can lessen the adverse effects on the environment.

To reduce hazardous waste, our stores also utilise refillable ink cartridges. As a result, our activities as a whole produce very little waste. Earning the Green India Certificate for recycling e-waste attests to the fact that we safely disposed of e-waste in a way that safeguarded the environment, and we have been recognised for our efforts in recycling e-waste.

Waste generated at the corporate office

Month	FY2021-22		FY2022-23		FY2023-24	
	Dry Waste (in Kg)	Wet Waste (in Kg)	Dry Waste (in Kg)	Wet Waste (in Kg)	Dry Waste (in Kg)	Wet Waste (in Kg)
April	410	550	750	495	770	560
May	425	650	735	590	820	595
June	390	450	790	585	815	570
July	450	490	745	498	795	615
August	580	510	785	525	835	620
September	690	700	780	610	805	590
October	770	650	795	599	790	620
November	680	590	788	615	840	635
December	790	550	810	555	810	580
January	710	750	840	560	785	615
February	775	840	835	568	830	630
March	790	780	830	545	825	610
Total	7,460	7,510	9,483	6,745	9,720	7,240



E-Waste Recycling **Top of Form**

For the generation and management of our e-waste, we collaborate with a third-party vendor. After recycling our e-waste, they ensure that a certification is obtained from the vendor. This certification proves the e-waste has been properly collected and managed according to applicable regulations and environmentally responsible practices. This ensures the safe disposal of our e-waste in an environment-friendly manner for the reporting year. Zero e-waste was generated and disposed of during the reporting year.

Working with our Suppliers

As per our Supplier Code of Conduct, we expect all our suppliers to comply with the necessary social, business integrity, and environmental sustainability standards defined in our policy and adopt best practices to reduce our environmental footprint.

To assess supply chain compliance, we retain the right to demand that the supplier generate an in-depth supply chain mapping that returns to the origin. Each supplier is required to sign their Supplier Code of Conduct as proof of their commitment. We require our suppliers to follow our company's sustainable procurement policy to protect the sustainability of our value chain.

We conduct business operations that uphold social rights, environmental responsibility, and corporate integrity, and we want our suppliers to do the same. All employees are covered by the policy, including temporary employees, permanent employees, contract agency employees, and employees of any of our suppliers.

Specialised contract managers who routinely assess and check our ESG standards oversee supplier relationships. Suppliers' social, ethical, and environmental practices are carefully examined to guarantee knowledge, transparency, and independence of assessments. The risks and opportunities related to each type of purchase have been identified and mapped for all transactions they made.

The assurance matrix establishes three levels of stake — low, medium, and high — impacting society, the environment, how goods and services are used, the supply chain, and corporate ethics.

We emphasise the supplier's performance score as a crucial selection criterion. The scorecard is built on four pillars: supply chain management, labour standards, the environment, and company ethics.

Suppliers receive scorecards after a thorough examination that shows how they stack up against other suppliers and identify potential growth areas. Suppliers are urged to consider feedback when implementing a Corrective Action Plan (CAP) to boost performance.





We also undertake onsite audits of low-performing suppliers through our Dedicated Contract Managers. These onsite audits focus on creating establishments that promote environmental sustainability and utilise energy-saving and waste-management methods.

This year, we conducted supplier assessments for four of our suppliers. Our sustainable procurement policy encompasses various aspects of environmental sustainability at our suppliers' operational sites.



Each supplier is required to sign their Supplier Code of Conduct as proof of their commitment. We require our suppliers to follow our company's sustainable procurement policy to protect the sustainability of our value chain.



			
<p>Environmental management principles at manufacturing plants</p>	<p>Reduction of Greenhouse gas emissions and other harmful air emissions</p>	<p>Applying principles of Reduce, Reuse and Recycle</p>	<p>Adopting green initiatives and practices</p>

Our primary focus is establishing entities that foster environmental sustainability and employ energy-saving and waste-management methods.

Our initiatives – reducing the impact on the environment

The pressures on the Earth’s finite natural resources and the urgency of climate change demand swift and coordinated action. We are deeply dedicated to social and environmental responsibility, driving our commitment to sustainable operations. We have translated this dedication into various initiatives to mitigate the negative environmental impacts of our company operations and supply chain.

Training Employees

To be sustainable, all employees must fully understand their individual and collective responsibilities toward the environment as an integral part of their roles. Systems have been established to provide guidance and actively involve suppliers in enhancing their practices, demonstrating improvement. This initiative is an integral component of our risk management strategy.

Energy-saving Technologies

We prioritise establishing outlets that support environmental sustainability and implement energy-saving and waste-reduction techniques. We develop strategies to protect the local ecology

and offer cutting-edge solutions to lessen adverse environmental effects. Various energy-saving technologies have been incorporated into our offices and Kendras to further reduce our environmental footprint. Sensor-based lighting, green data centres, and solar power have significantly decreased energy consumption at our franchisees’ and offices’ locations.

Saving Paper - Saving Paper through Biometric-enabled Paperless Banking

Through several environmentally friendly initiatives, such as e-KYC, interoperability, and real-time transactions, we continue to strive for a paperless economy. We also employ cutting-edge, environmentally friendly technology, including paperless banking, real-time banking, and biometric evaluation. As a result of these digital and paperless approaches, our Kendras have significantly reduced paper waste.

Utilising e-KYC to open bank accounts and biometrically enabled AePS (Aadhaar-enabled Payment System) paperless banking services has been a key focus since FY 2021–2022. This program has saved approximately five A4-size documents for each new account opened and one A4-size paper for every three financial banking transactions. Collaboratively, we have saved over 34.40 million A4-size papers from 21,653 outlets in the most recent year, 2023–2024. The outcomes of saving A4-size papers are as follows:

S. No.	Particulars	Energy/ resources saved
1.	A4 size paper saved (in million)	34.40
2.	Quantity of paper saved (in metric tonnes)	156.01
3.	CO2 equiv. Of greenhouse gas emissions avoided (in pounds)	30,90,000
4.	Wood saved (in U.S. short tonnes)	686
5.	Water saved (in gallons)	36,80,000.00
6.	Solid waste avoided (in pounds)	2,03,000
7.	Energy saved (in million BTU)	4,380.00
8.	Trees saved from being cut for paper (in number)	4120.00

Save Paper through Go-Green Initiative at ATM

Through the “Go Green” campaign for ATM services, we have successfully decreased paper consumption by eliminating the requirement for printed receipts during ATM transactions. Customers receive transaction acknowledgements via SMS. We aim to advocate for environmentally responsible paper management by prioritising prevention, reduction, recycling, and reuse to mitigate the adverse environmental effects of paper usage.

S. No.	Particulars	Energy/ resources saved
1.	A4 Size Paper Saved (In Million)	6.40
2.	Quantity of paper saved (In Metric Tonnes)	25.95
3.	CO2 equiv. of Greenhouse Gas (GHG) emissions avoided (In Pounds)	5,52,000.00
4.	Wood saved (In U.S. short tones)	59.7 0
5.	Water saved (In Gallons)	11,90,000.00
6.	Solid waste avoided (In Pounds)	22,700
7.	Energy saved (In Million BTUs)	804.00
8.	Trees saved from being cut for paper (In Number)	358.00

Since FY 2019-20, we have transitioned to the concept of a Digital Annual Report, successfully preserving 192.64 million A4 size papers.

S. No.	Particulars	Energy/ resources saved
1.	A4 size paper saved (in million)	192.64
2.	Quantity of paper saved (in metric tonnes)	873.81
3.	CO2 equiv. Of greenhouse gas emissions avoided (in pounds)	1,73,00,000.00
4.	Wood saved (in U.S. short tonnes)	3,840
5.	Water saved (in gallons)	2,06,00,000.00
6.	Solid waste avoided (in pounds)	11,30,000.00
7.	Energy saved (in million BTU)	24,600.00
8.	Trees saved from being cut for paper (in number)	23,100.00



Through several environmentally friendly initiatives, such as e-KYC, interoperability, and real-time transactions, we continue to strive for a paperless economy. We also employ cutting-edge, environmentally friendly technology, including paperless banking, real-time banking, and biometric evaluation.



Global Recognition for Sustainability – ESG Focus

- We were ranked as the world’s No.1 company in the Software and Services industry according to the Sustainalytics ESG Assessment.
- We are rated among the Global 100 Top Rated ESG companies by Sustainalytics ESG Ratings.*

- We have been identified as a top ESG performer out of more than 4,000 comprehensive companies covered by Sustainalytics in the global universe in 2022.
- We have been awarded the ‘ESG Performance Award in Financial Services’ at the 2nd Annual ESG Summit & Awards 2022.



We ensure that we maintain certifications to guarantee that our systems and procedures are in place and compliant with our environmental responsibilities. We ensure that we hold the appropriate certifications that support sustainable operations. We have obtained significant environmental-related ISO certifications, including ISO 20400:2017 - Sustainable Procurement Management System, ISO 14001:2015 - Environmental Management System, ISO 45001:2018 - Occupational Health & Safety Management System, ISO 50001:2018 – Energy Management System, and ISO 9001 - Quality Management System. Additionally, we have been certified by Green India for E-waste recycling.

We underwent an Independent ISO Audit and received ISO 14001:2015 Environmental Management System certification on Mar 12, 2020. This standard aids in improving environmental performance by identifying, managing, monitoring, and controlling environmental issues, leading to more efficient resource utilisation and gaining a competitive advantage and the trust of stakeholders.

We were accredited with ISO 20400:2017 Sustainable Procurement Management System on Mar 12, 2020. This standard assists organisations in developing and implementing a responsible sourcing strategy.

We have opted for the Energy Management System ISO 50001, based on the management system model of continual improvement. This makes it easier for organisations to integrate energy management into their overall efforts to improve quality and environmental management. The key benefits of ISO 50001 include developing a policy for more efficient energy use, fixing targets and objectives to meet the policy, using data to understand better and make decisions about energy use, measuring the results, reviewing how well the policy works, and continually improving energy management.

SDG MAPPING

UN SDG Goal	Report sections describing activities	Page no	<IR> Mapping
 2 ZERO HUNGER End hunger, achieve food security and improved nutrition and promote sustainable agriculture	Building better relationships with our Customers	147	Social and Relationship Capital
 3 GOOD HEALTH AND WELL-BEING Ensure healthy lives and promote well-being for all at all ages	Health and Safety Policy	146	Social and Relationship Capital
	Guiding Principles of CSR Implementation	156	
	Our CSR Initiatives	157	
	Our ISO Certifications	166	
 4 QUALITY EDUCATION Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Health and Safety in workplace	123	Human Capital
	Building better relationships with our Customers	147	Social and Relationship Capital
	Guiding Principles of CSR Implementation	156	
	Our CSR Initiatives	157	
 5 GENDER EQUALITY Achieve gender equality and empower all women and girls	Training & Development	110	Human Capital
	Gender Equality	104	Human Capital
	Guiding Principles of CSR Implementation	156	Social and Relationship Capital
 6 CLEAN WATER AND SANITATION Ensure availability and sustainable management of water and sanitation for all	Water	180	Natural Capital
	Guiding Principles of CSR Implementation	156	Social and Relationship Capital
 7 AFFORDABLE AND CLEAN ENERGY Ensure access to affordable, reliable, sustainable, and modern energy for all	Energy Saving Technologies	183	Natural Capital
 8 DECENT WORK AND ECONOMIC GROWTH Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all	Organisation culture	95	Human Capital
	Human Rights Policy	146	Social and Relationship Capital
	Diversity & Inclusion	102	Human Capital
	Retirement Policy	121	
	Whistle-blower Policy	146	
	Code of Conduct – For Directors and Senior Executives, Employees, and Franchisee and its Employees	146	
	Improving engagement with Franchisees	151	
	Guiding Principles of CSR Implementation	156	
	Our CSR initiatives	157	
	Meaningful Engagement with our People	149	

UN SDG Goal	Report sections describing activities	Page no	<IR> Mapping	
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation	Data Quality and Privacy	132	Intellectual Capital
		Policies and Standards	133	
		Leveraging Technology to achieve Efficiency	137	
		Our Mobile App: BharatEasy Mobile Super App	142	
		Our last mile infrastructure	86	Manufactured Capital
		Unique technology platform- BharatEasy Mobile Super App	81	
		Green Building Offices	178	Natural Capital
		GHG Emissions Reduction Initiatives	173	
		Waste	181	
		Driving Sustainability through Stakeholder Consultation and Governance	150	Social and Relationship Capital
		Our Association with Industry Bodies	154	
		Building better relationships with our Customers	147	
		New Alliances	167	
 <p>10 REDUCED INEQUALITIES</p>	Reduce inequality within and among countries	The 'Phygital' Kendra Model	137	Intellectual Capital
		Virtual Assistance – Voice-Based Services	139	
		Text to Speech ATMs for Divyang (Speciallyabled) Customers	140	
		Our Mobile App: BharatEasy Mobile Super App	142	
		Human Rights Policy	146	Social and Relationship Capital
		Guiding Principles of CSR Implementation	156	
		Gender Equality	104	Human Capital
		Diversity & Inclusion	102	
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	Ensure sustainable consumption and production patterns	Waste	181	Natural Capital
		Energy Consumption	174	
		Working with our suppliers	182	
		GHG emissions	174	
 <p>13 CLIMATE ACTION</p>	Take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy	GHG Emission Reduction Initiatives	177	Natural Capital
		Green Building Offices	178	
		Sustainable Sourcing	172	
		Green Procurement Policy	172	
		GHG Reduction Program	173	
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Robust Governance	173	Natural Capital
		Working with our Suppliers	182	
		Business Ethics	172	
		Grievance redressal	160	Human Capital
		Organisation Culture	95	

GRI INDEX

GRI standard	Disclosure	Reference	Page Number
GRI 2: General Disclosures 2021	2-1 Organizational details	Corporate Identity	30
		Statutory Reports – Business Responsibility and Sustainability Reporting	268
	2-2 Entities included in the organization's sustainability reporting	About the Report	8
	2-3 Reporting period, frequency and contact point	About the Report	8
		Statutory Reports – Business Responsibility and Sustainability Reporting	268
	2-4 Restatements of information	About the report	8
	2-5 External assurance	Assurance statement	193
	2-6 Activities, value chain and other business relationships	Statutory Reports – Business Responsibility and Sustainability Reporting	268
		ESG Performance - Social and Relationship Capital	147
	2-7 Employees	Performance of Capitals – Human Capital	102-106
	2-8 Workers who are not employees	Performance of Capitals – Human Capital	103
	2-9 Governance structure and composition	Corporate Identity - Corporate Governance	50, 55
	2-10 Nomination and selection of the highest governance body	Corporate Identity - Corporate Governance	54
	2-11 Chair of the highest governance body	Message from the Chairman	20
		Letter from the Managing Director & Group CEO	20
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Identity	51-53
	2-13 Delegation of responsibility for managing impacts	Corporate Identity	50-55
	2-14 Role of the highest governance body in sustainability reporting	Corporate Identity - Our Key Management	51-53
		Statutory Reports – Business Risk and Opportunities	66-71
	2-15 Conflicts of interest	Statutory Reports – Business Responsibility and Sustainability Reporting	279
2-16 Communication of critical concerns	Message from the Chairman	20	
2-16 Communication of critical concerns	Letter from the Managing Director & Group CEO	20	
	Strategy and Performance - Materiality Analysis	60-63	

GRI standard	Disclosure	Reference	Page Number
	2-17 Collective knowledge of the highest governance body	Corporate Identity - Our Key Management	46-49
	2-18 Evaluation of the performance of the highest governance body	Corporate Identity - Corporate Governance	
	2-19 Remuneration policies	Corporate Identity - Corporate Governance	106
	2-20 Process to determine remuneration	NA	
	2-21 Annual total compensation ratio	ESG Performance – Human Capital	106
	2-22 Statement on sustainable development strategy	Message from the Chairman	20
		Our Strategy - Stakeholder Engagement and Materiality	60-63
	2-23 Policy commitments	Corporate Identity – Corporate Governance	54
	2-24 Embedding policy commitments	Corporate Identity – Corporate Governance	54
	2-25 Processes to remediate negative impacts	NA	
	2-26 Mechanisms for seeking advice and raising concerns	ESG Performance - Human Capital	127
	2-27 Compliance with laws and regulations	Corporate Identity – Corporate Governance	54
	2-28 Membership associations	Rewards and Recognition	18-19
	2-29 Approach to stakeholder engagement	Our Strategy - Stakeholder Engagement and Materiality	60-63
	2-30 Collective bargaining agreements	NA	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our Strategy - Stakeholder Engagement and Materiality	63
	3-2 List of material topics	Our Strategy - Stakeholder Engagement and Materiality	63
	3-3 Management of material topics	Our Strategy - Stakeholder Engagement and Materiality	60-63
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	ESG Performance - Financial Capital	77
	201-2 Financial implications and other risks and opportunities due to climate change	Statutory Reports – Management Discussion and Analysis	219-231
	201-3 Defined benefit plan obligations and other retirement plans	ESG Performance - Human Capital	121
	201-4 Financial assistance received from government	NA	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	NA	
	202-2 Proportion of senior management hired from the local community	NA	

GRI standard	Disclosure	Reference	Page Number
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	ESG Performance - Financial Capital	77
	203-2 Significant indirect economic impacts	ESG Performance - Social and Relationship Capital	157
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	NA	
GRI 205: Anticorruption 2016	205-1 Operations assessed for risks related to corruption	Statutory Reports – Management Discussion and Analysis	228
	205-2 Communication and training about anticorruption policies and procedures	ESG Performance - Human Capital	127
	205-3 Confirmed incidents of corruption and actions taken	ESG Performance - Human Capital	127
	205-3 Confirmed incidents of corruption and actions taken	ESG Performance - Human Capital	127
GRI 206: Anticompetitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	ESG Performance - Human Capital	127
GRI 207: Tax 2019	207-1 Approach to tax	NA	
	207-2 Tax governance, control, and risk management	ESG Performance - Financial Capital	77
	207-3 Stakeholder engagement and management of concerns related to tax	Our Strategy - Stakeholder Engagement and Materiality	60-63
	207-4 Country-by-country reporting	NA	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	NA	
	301-2 Recycled input materials used	NA	
	301-3 Reclaimed products and their packaging materials	NA	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	ESG Performance - Natural Capital	176
	302-2 Energy consumption outside of the organization	NA	
	302-3 Energy intensity	Statutory Reports – Business Responsibility and Sustainability Reporting	291
	302-4 Reduction of energy consumption	ESG Performance - Natural Capital	178
	302-5 Reductions in energy requirements of products and services	NA	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	NA	
	303-2 Management of water discharge-related impacts	NA	
	303-3 Water withdrawal	Statutory Reports – Business Responsibility and Sustainability Reporting	291
	303-4 Water discharge	No water discharge	
	303-5 Water consumption	ESG Performance - Natural Capital	180

GRI standard	Disclosure	Reference	Page Number
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	NA	
	304-2 Significant impacts of activities, products and services on biodiversity	NA	
	304-3 Habitats protected or restored	NA	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	NA	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	ESG Performance - Natural Capital	176
	305-2 Energy indirect (Scope 2) GHG emissions	ESG Performance - Natural Capital	176
	305-3 Other indirect (Scope 3) GHG emissions	ESG Performance - Natural Capital	176
	305-4 GHG emissions intensity	Statutory Reports – Business Responsibility and Sustainability Reporting	291
	305-5 Reduction of GHG emissions	ESG Performance - Natural Capital	177
	305-6 Emissions of ozone-depleting substances (ODS)	NA	
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	ESG Performance - Natural Capital	176
GRI 306: Waste 2020	306-1 Waste generation and significant wasterelated impacts	ESG Performance - Natural Capital	181-182
	306-2 Management of significant waste-related impacts	ESG Performance - Natural Capital	181-182
	306-3 Waste generated	ESG Performance - Natural Capital	181
	306-4 Waste diverted from disposal	ESG Performance - Natural Capital	181
	306-5 Waste directed to disposal	NA	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	ESG Performance - Social and Relationship Capital	152
	308-2 Negative environmental impacts in the supply chain and actions taken	ESG Performance - Social and Relationship Capital	152-153
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	ESG Performance - Human Capital	103, 112
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	ESG Performance - Human Capital	113
	401-3 Parental leave	ESG Performance - Human Capital	113
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	NA	

GRI standard	Disclosure	Reference	Page Number
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	ESG Performance - Human Capital	123
	403-2 Hazard identification, risk assessment, and incident investigation	NA	
	403-3 Occupational health services	ESG Performance - Human Capital	124-127
	403-4 Worker participation, consultation, and communication on occupational health and safety	ESG Performance - Human Capital	124-127
	403-5 Worker training on occupational health and safety	ESG Performance - Human Capital	126
	403-6 Promotion of worker health	ESG Performance - Human Capital	124-127
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	ESG Performance - Human Capital	124
	403-8 Workers covered by an occupational health and safety management system	ESG Performance - Human Capital	124-127
	403-9 Work-related injuries	ESG Performance - Human Capital	127
	403-10 Work-related ill health	ESG Performance - Human Capital	127
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	ESG Performance - Human Capital	110
	404-2 Programs for upgrading employee skills and transition assistance programs	ESG Performance - Human Capital	110-112
	404-3 Percentage of employees receiving regular performance and career development reviews	ESG Performance - Human Capital	113
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	ESG Performance - Human Capital	102
	405-2 Ratio of basic salary and remuneration of women to men	ESG Performance - Human Capital	106
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	ESG Performance - Human Capital	102
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	NA	
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	NA	
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	NA	

GRI standard	Disclosure	Reference	Page Number
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	NA	
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	NA	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	NA	
	413-2 Operations with significant actual and potential negative impacts on local communities	NA	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	ESG Performance - Social and Relationship Capital	152
	414-2 Negative social impacts in the supply chain and actions taken	No negative impacts	
GRI 415: Public Policy 2016	415-1 Political contributions	NA	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	NA	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	NA	
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labelling	NA	
	417-2 Incidents of non-compliance concerning product and service information and labelling	NA	
	417-3 Incidents of non-compliance concerning marketing communications	NA	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	ESG Performance - Social and Relationship Capital	149

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Independent Practitioner’s reasonable assurance and Type 1 High assurance report on identified non-financial information included in Vakrangee Limited’s Integrated Annual Report for the financial year ended 31 March 2024

To
The Board of Directors
Vakrangee Limited
Mumbai, Maharashtra, India

We have been engaged to perform assurance engagement for Vakrangee Limited ('Vakrangee' or 'the Company') vide our engagement letter dated 12 July 2024 to provide reasonable assurance in accordance with the International Standard on Assurance Engagements ('ISAE') 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') issued by the International Auditing and Assurance Standards Board ("IAASB") and Type 1 High Assurance in accordance with third version of AA1000 Assurance Standard ('AA100AS v3') issued by AccountAbility, on identified non-financial information included in the Integrated Annual report of the Company for the financial year ended 31 March 2024 (hereinafter referred to as the "identified Sustainability Information") prepared by management with reference to the Criteria stated below.

Identified Sustainability Information

The Identified Sustainability Information included in the Integrated Annual Report of the Company for the financial year ended 31 March 2024, is summarised as below:

Capital	Parameter	Performance Indicators	GRI Disclosure
Manufactured	Vakrangee Kendras	Active Transacting Vakrangee Kendras Number of Vakrangee Kendras in General districts	GRI – 2

Capital	Parameter	Performance Indicators	GRI Disclosure
		Number of Vakrangee Kendras in Tribal districts/LWE districts/ Aspirational districts	GRI – 2
		Number of Master Franchisees	
	Vakrangee Kendra operating model	Number of Vakrangee Kendras with ATM model	
		Number of Vakrangee Kendras without ATM model	
		Only ATM model	
	Geographical Presence	Presence in Tier 4 & Tier 6 cities	
Certifications	ISO 9001:2015 Quality Management System		
Human	Employee Details	Total Employees – Permanent	GRI – 2, 401, 405
		Average Age	
		Age – under 30 years	
		Age – 30-50 years	
		Age – above 50 years	
	Employees in Corporate Headquarter	Male	GRI – 2, 401
		Female	
		Male/Female ratio at corporate headquarter	
	State Office	Male	GRI – 2, 401
		Female	
	New Employees Hire	Male & Female	GRI – 401
	Employees Resigned	Male & Female	GRI – 401
	Training (HR induction, POSH, ESIC, PF, Human Capital Manual and Fire Fighting)	Number of employees trained	GRI – 404
		Training hours	
	Parental Leave	Female employees	GRI – 401
	Corruption	Incidents of corruption recorded at the organization	GRI – 205
	Complaints	Complaints regarding child labour, forced labour or sexual harassment	GRI – 408, 409
	Ratio of basic salary and remuneration of Male to Female – Corporate Headquarter	Average salary across organisation	GRI – 405
		Median salary across organisation	
		Median salary male/ female and ratio at corporate headquarter*	
		Average salary of Assistant Manager	
		Average salary of Manager	
Average salary of Deputy General Manager			

Capital	Parameter	Performance Indicators	GRI Disclosure
		Average salary of General Manager	
		Average salary of Associate Vice President	
		Average salary of Vice President	
	Employee Satisfaction	Employees are satisfied with their job responsibilities;	GRI – 2, 401
		Employees are proud to work for Vakrangee	
		Employees can reach their full potential in this organisation by using their skillsets and expertise	
		Employees have a clear understanding of their career goals in Vakrangee	
		Employees feel that their manager encourages collaboration in the team;	
		Employees feel inspired and connected with the co-workers;	
		Employees feel their manager is committed to delivering good quality results	
		Employees feel their manager provides guidance and motivation whenever required;	
		Employees feel that they can count on their peers in need of help;	
		Employees feel that their manager assigns challenging assessments/projects to them;	
		Employees are satisfied with the compensation that is offered to them for their job role	
		The benefits that are provided to employees are commensurate with industry standards	
		Employees are allowed to take regular breaks in between their works	
		Employees have flexibility to take personal leaves whenever required	
Employees who feel that they receive recognition from their managers for a good job			
Employees are happy and satisfied at Vakrangee			
Employees will recommend the Company to their friends and family			
	Fatalities	Fatalities as a result of work-related ill-health	GRI – 403
Intellectual	ISO Certifications	ISO/IEC 27001:2013 – Information Security Management System	GRI – 2

Capital	Parameter	Performance Indicators	GRI Disclosure
		ISO 20000-1:2018 – Information Technology Management System	
		ISO 9001:2015 – Quality Management System	
		ISO 27701:2019 – Privacy Information Management System	
		ISO 22301:2019 – Business Continuity Management System	
	ATM Transactions	White Label ATM transactions	
	Data Breach	Instances of data breach in: 1. Organisation 2. Vakrangee Kendras	GRI – 418
Social & Relationship	Kendra break-up as per services	BFSI	GRI – 203
		ATM	
		E-Commerce & Logistics	
	CSR spent	Activity – wise CSR spent	GRI – 413
	Franchisee Owner	Women	GRI – 2, 405
	Local Community	Kendras centered in Tier IV and Tier VI cities – Percentage	GRI – 2
	Grievance redressal mechanism	Recorded complaints from customers, third parties, regulatory bodies and local community members, concerning breach of customer privacy	GRI – 205, 418
		Recorded theft, identified leak or loss of customer data	
		Recorded complaints regarding unethical and unlawful behaviour	
	Sustainable Procurement	Suppliers assessed on their environmental and social impact	GRI – 308
Certifications	ISO 37001:2016 – Anti-bribery Management System	GRI – 2, 403	
	ISO 45001:2018 – Occupational Health and Safety Management System		
	ISO 20400:2017 – Sustainable Procurement Management System		
Natural	Energy	Direct Energy consumption	GRI – 302-1
		Indirect Energy Consumption	
	Emissions	Direct (Scope 1) GHG emissions	GRI – 305-1
		Energy indirect (Scope 2) GHG emissions	GRI – 305-2
	Green Building Initiatives	Rooftop Solar PV – KWh generated	GRI – 302-1
	Water	Water consumption at the Corporate Headquarter	GRI – 303-5
Waste	Waste Generated (Corporate Headquarter) – Dry	GRI – 306-3	

Capital	Parameter	Performance Indicators	GRI Disclosure
		Waste Generated (Corporate Headquarter) – Wet	
	Paperless Transactions	ATM transactions	GRI – 306-4
		Banking transactions	
		Digital Annual Report	
	Paper Saved	Quantity of paper saved (through paperless banking and ATM) for FY 23-24	GRI – 306-4
	Certifications	ISO 14001:2015 – Environmental Management System	GRI – 2
		ISO 20400:2017 – Sustainable Procurement Management System	
		ISO 50001 – Energy Management System	

Our assurance engagement is with respect to the financial year ended 31 March 2024 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the Integrated Annual Report, therefore, do not express any opinion/conclusion thereon.

Boundary

- Boundary of the report for Identified Sustainability Information pertaining to Indirect energy consumption and Scope 2 emissions –
 - Corporate Office located in Mumbai (MIDC Office)
 - 4 regional offices located in Lucknow, Pune, Raipur and Rajasthan
 - 3 Company Owned Company Operated Outlets in Andheri, Jijamata and Parel
 - 3 guest houses located in Delhi, Ulwe and Andheri
 - 1 warehouse located in Bhiwandi
- Boundary for Identified Sustainability Information for other than Indirect energy consumption and Scope 2 emissions –
 - The Corporate Office located in Mumbai (MIDC Office)
 - 21,653 active Transacting Vakrangee Kendra outlets
 - 6,487 Vakrangee White Label ATMs
 - 437 Master Franchisees

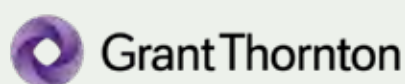
Criteria

The Company has prepared the Identified Sustainability Information included in the Integrated Annual report, based on the principles of the International Integrated Reporting Framework published by the International Integrated Reporting Council ('IIRC') of the Value Reporting Foundation, with reference to Global Reporting Initiative ('GRI') Sustainability Reporting Standards ('the GRI Standards') issued by Global Sustainability Standards Board (GSSB).

Management's Responsibilities

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Identified Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the Integrated Annual Report and the measurement of the Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent limitations



The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Auditor's Independence and Quality Control

We are independent of the Company and have fulfilled our other ethical responsibilities in accordance with the requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (the 'IESBA Code') and have the required competencies and experience to conduct this assurance engagement.

Our firm applies International Standards on Quality Management ('ISQM') 1 - Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibility

Our responsibility is to express a reasonable assurance in the form of an opinion on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained. We conducted our reasonable assurance engagement in accordance with the ISAE 3000 (Revised). This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information is free from material misstatement.

A reasonable assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Sustainability Information.

Our responsibility is also to provide Type 1 High Assurance in accordance with third version of AA1000 Assurance Standard ('AA1000AS v3') issued by AccountAbility which requires us to obtain sufficient evidence from internal and external sources and parties including stakeholders, and at all levels of organization to express a conclusion in a form that conveys whether based on the procedures performed and evidence obtained, the Identified Sustainability Information is prepared, in all material respects, with respect to GRI Standards and to conclude on the nature and extent of adherence of the Identified Sustainability Information to the AA Accountability Principles 2018 ('AA1000AP, 2018'), i.e., Inclusivity, Materiality, Responsiveness and Impact and report findings and conclusions thereon. Further, with respect to assessing the specified information at a high level of assurance, we will review the design of relevant processes, systems, and controls and available specified information.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, our work procedures included the following:

- Physical site visit to the corporate office for document verification and sample visits to Kendras, Master Franchisees and ATMs.
- Interviewing senior executives and department heads to understand the reporting process, governance, systems and controls in place during the reporting period.
- Reviewing the records and relevant documentation including information from audited financial statements or statutory reports submitted by the Company to support relevant performance disclosures within our scope.

- Evaluating the suitability and application of Criteria and that the Criteria have been applied appropriately to the Identified Sustainability Information.
- Selecting key parameters and representative sampling, based on statistical audit sampling tables and agreeing claims to source information to check accuracy and completeness of claims such as source data, meter data, etc.
- Re-performing calculations to check accuracy of claims,
- Reviewing data from independent sources, wherever available,
- Reviewing data, information about sustainability performance indicators and statements in the report.
- Reviewing and verifying information/ data as per the IIRC framework;
- Reviewing accuracy, transparency and completeness of the information/ data provided;

Exclusions

Our assurance engagement scope excludes the following and therefore we do not express an opinion/ a conclusion on the same:

- Any disclosure other than those mentioned in the Identified Sustainability Information section above
- Data and information outside the defined reporting period
- Data related to Company's financial performance, strategy and other related linkages expressed in the Integrated Annual Report.
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, forward looking statements provided by the Company and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in Reporting Criteria above.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

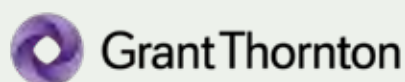
Opinion

Based on the procedures we have performed and the evidences we have obtained, Identified Sustainability Information included in the Integrated Annual Report for the financial year ended 31 March 2024, is prepared in all material respects, with reference to the Criteria.

Conclusion

Our conclusions on the Integrated Annual Report's adherence to the AA1000 Accountability Principles of Inclusivity, Materiality, Responsiveness and Impact are as follows:

- **Inclusivity** – The Company has identified its key stakeholder groups based on the level of influence and impacts the company has on these stakeholder groups. However, they should implement a structured, documented process for stakeholder prioritisation.
- **Materiality** – The Company has reported on material topics across economic, environmental, social, and governance aspects, post stakeholder consultations. However, the process of obtaining stakeholders' feedback and determination of materiality score needs to be well documented.
- **Responsiveness** - The Company has demonstrated their commitment to understand stakeholder concerns, as evident from the various stakeholder consultation and engagement mechanisms that have been applied.



- Impact - The company acknowledges its impact on the wider society and has established policies and processes to measure, monitor and evaluate the economic, environmental and social impacts for select aspects material to the Company. The company communicates its performance across these aspects through its integrated annual report. It also evaluates its performance through scoring from organizations like Sustainalytics and S&P Global.

Restriction on use

The Assurance Statement is prepared by the Company's management solely for the purpose of inclusion in Annual Report of the Company for the year ended 2023-24. The Assurance statement issued by us shall be prepared and addressed to the Board of Directors of the Company at the request of the Company solely to assist the company in reporting on the Company's Sustainability performance and activities. Accordingly, the Assurance Statement may not be suitable for any other purpose, and should not be used by any other party other than Board of Directors of the Company. Further, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom the Assurance Statement is shown or into whose hands it may come without our prior consent in writing.

Grant Thornton Bharat LLP

Abhishek Tripathi

Partner

Dated: 31 August 2024

Place: Grant Thornton Bharat LLP

Plot No. 19A, 2nd Floor, Sector – 16A,

Noida - 201301,

Uttar Pradesh, India



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Management Discussion and Analysis

ECONOMIC OVERVIEW

India's economy has achieved a remarkable milestone in the fiscal year 2023-24, with GDP growth surpassing 8%. This impressive growth is all the more noteworthy given the global economic landscape, where many major economies are struggling with recessionary pressures. As a result, India has solidified its position as the world's fifth-largest economy, boasting a total output of US\$ 3.7 trillion while cementing its status as a beacon of growth and resilience.

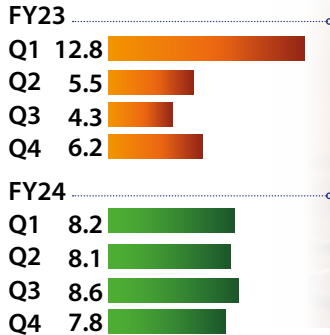
This forecast, endorsed by India's Chief Economic Advisor and corroborated by RBI and several global rating agencies like Moody's and Fitch, suggests that India is set to maintain its status as the fastest-growing major economy in the world.

This growth has been supported by government capital expenditure and robust domestic consumption. Furthermore, the country stands to gain from the growing global trade and



STATE OF THE ECONOMY

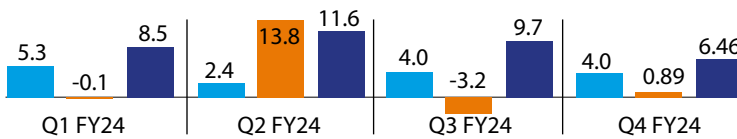
Quarterly GDP growth



All figures show Y-o-Y change in %

Govt spending recovers

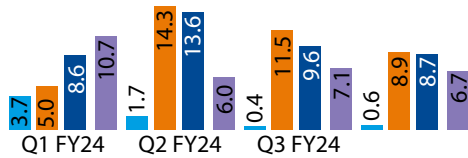
Private spending (PFCE) Govt spending (GFCE) Investment (GFCF)



PFCE: Private final consumption expenditure GFCE: Government final consumption expenditure GFCF: Gross fixed capital formation

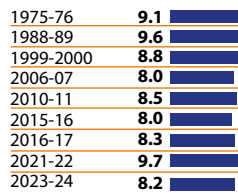
Manufacturing moderates

Agriculture Manufacturing Construction Services



A LOOK BACK

Nine times GDP growth rates crossed 8% since 1961-62



Risks to the growth outlook are now broadly balanced. Potential factors such as political or policy uncertainties, significant spikes in oil prices, inadequate or irregular rainfall, global risk aversion leading to sudden withdrawals of capital flows, heightened external financing costs, and other forms of macroeconomic instability could potentially impede future growth.

investment opportunities as companies explore better options than China.

In March 2024, the inflation rate, measured by the Consumer Price Index (CPI), decreased to 4.85%, reaching a 10-month low, except for high food and beverage prices. In April of the preceding year, inflation had peaked at 7.8%.

As of February 2024, credit to micro, small, and medium enterprises (MSMEs) in India had increased by 19.3% to ₹24.42 lakh crore compared to February 2023. This is despite the end of the Emergency Credit Line Guarantee Scheme (ECLGS) in H1-FY2024, which indicates the sector's underlying growth momentum.

The GST collection for March 2024 was ₹1.78 lakh crore, the second-highest record level. The GST revenue net of refunds for FY 2024 was ₹18.01 lakh crore, a 13.4% increase from the previous year.

Outlook: The Reserve Bank of India (RBI) forecasts an inflation rate of approximately 4.5% for the entire fiscal year 2025, contingent on an above-normal monsoon. Additionally, with improved capital inflows stimulating private investments and ongoing advancements in supply-side infrastructure, physical connectivity, digital connectivity and financial inclusion, the central bank anticipates a growth rate of around 7% in FY25.



Sources

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- https://www.business-standard.com/economy/news/indian-economy-likely-to-grow-close-to-8-in-fy24-says-rbi-governor-124030601081_1.html
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- <https://www.thehindu.com/business/Economy/india-to-become-third-largest-economy-with-gdp-of-5-trillion-in-three-years-finance-ministry/article67788662.ece>

FINTECH INDUSTRY

India's fintech industry has recently experienced a meteoric rise, driven by a potent mix of factors. The surging internet penetration rate and massive underbanked population have created a fertile ground for innovative financial technologies. India boasts a vibrant fintech ecosystem with an adoption rate exceeding the global average.

This sector is transforming traditional finance, with digital payments leading the charge. Mobile wallets and UPI (Unified Payments Interface) have revolutionised how Indians transact, fostering financial inclusion.

Beyond payments, lending, wealth management and insurance are witnessing a fintech makeover. Start-ups leverage AI and big data to offer personalised financial products and services, making finance more accessible and convenient.

India's fintech future thrives on a unique foundation of widespread telecom access, affordable smartphones, universal identity verification, democratised payment systems and a transformative mindset shift, setting a global precedent for sustainable growth.

This comprehensive framework assists and drives the industry forward, positioning India as a unique example for global fintech ecosystems.

Performance in FY24: The fiscal witnessed a surge in digital payments. Reports suggest India crossed 210 trillion digital payment transactions by January 2024. UPI transactions are expected to have surpassed 100 billion by the year's end.

India continues to boast one of the highest fintech adoption rates globally, at around 87% compared to the global average of 64%. Moreover, there's a growing focus on using fintech to expand financial services to the underbanked rural population. This includes leveraging technologies like AI and regional language chatbots to bridge the gap.

However, VC funding for Indian fintech companies dipped significantly in 2023, dropping 63% compared to the record-breaking figures of 2021.

Despite the funding slowdown, FY24 was a positive year for the Indian fintech industry in terms of user base and digital payment adoption. The industry's focus on innovation, particularly with AI and rural outreach, indicates potential for continued growth.

Outlook: The digital lending market is projected to grow around 22%, nearly triple its size by 2030, based on favourable socio-economic factors and timely regulatory measures. Embedded finance, where financial services are seamlessly integrated into non-financial apps, is another emerging trend that will enhance convenience and user experience.

Open Banking APIs (Application Programming Interfaces) and Blockchain technology will facilitate the wider integration of various financial products and services to ensure secure and transparent transactions. At the same time, Artificial intelligence (AI) and big data will be



extensively used to personalise financial experiences and offer data-driven insights for making informed financial decisions.

The government and regulatory bodies are expected to be more active in establishing robust frameworks to ensure data security, consumer protection, and responsible lending practices.

Overall, the Indian fintech industry is poised for a bright future. Increased digital adoption, a growing focus on financial inclusion and continuous technological advancements will propel this sector to heights. By 2030, India has the potential to become a global fintech leader, with a market size exceeding US\$ 2.1 trillion.

Despite the optimistic outlook, challenges like data privacy concerns and potential disruptions due to economic downturns must be addressed to ensure sustainable growth.

Sources

<https://www.khaitanco.com/sites/default/files/2024-03/KCO%20DLAI%20FintechRoundUp%20March%202024.pdf>

<https://inc42.com/features/decoding-indias-720-bn-consumer-lending-opportunity/>

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ENTREPRENEURSHIP AND THE FINTECH INDUSTRY

The number of new entrants in the Indian fintech industry is surging remarkably, fuelled by technological innovation, a favourable regulatory environment and increasing demand for digital financial solutions.

These start-ups leverage cutting-edge technology such as artificial intelligence (AI), blockchain and big data analytics to revolutionise traditional financial services and address the evolving needs of consumers and businesses alike.

One key driver of this kind of entrepreneurship is the widespread adoption of digital payments. With the government's push towards a cashless economy and the rise of smartphone penetration, fintech start-ups have capitalised on this opportunity to offer convenient, secure and efficient payment solutions.



As a result, mobile wallets, UPI-based payment apps and digital lending platforms have become increasingly popular, empowering millions of Indians to transact seamlessly and access credit instantaneously.

Furthermore, regulatory bodies such as the Reserve Bank of India (RBI) have introduced progressive measures to promote financial

inclusion, foster competition, safeguard consumer interests and encourage experimentation and collaboration within the fintech ecosystem.

Entrepreneurs in the Indian fintech industry also address niche market segments and underserved demographics, such as micro, small and medium enterprises (MSMEs), rural populations, and unbanked individuals. Thus, by leveraging technology to overcome traditional barriers to financial access and inclusion, fintech start-ups democratise finance and empower previously marginalised communities to participate in the digital economy.

However, entrepreneurship in the Indian fintech industry is not without its challenges. Intense competition, regulatory compliance requirements, cyber security threats, and access to funding are some hurdles that start-ups must navigate.

QoQ funding trends for Indian fintech startups

Period	Funding Amount (\$mn)	No. of Deals
Q1 2024	550.8	33
Q4 2023	346.7	53
Q3 2023	476.6	33
Q2 2023	138.5	38
Q1 2023	1300	56

Source

https://www.business-standard.com/companies/start-ups/indian-fintech-startup-funding-surges-59-in-q1-cy2024-tracxn-report-124041200695_1.html

INDUSTRY'S PERFORMANCE AND OUTLOOK



Our entrepreneurial spirit and expansive last-mile network have been instrumental in driving operational efficiency and success. As One of India's largest network of last-mile retail outlets, Vakrangee Kendra are present in 577 districts and 5444 postal codes, ensuring widespread coverage across unserved rural, semi-urban, and urban markets. This extensive network, powered by advanced technology, allows Vakrangee to deliver a wide range of essential services, including real-time BFSI, ATM, e-commerce, and logistics, thereby promoting financial inclusion in line with government policies. At the heart of our operational excellence is its district-level master franchisee model, which fosters a culture of entrepreneurship and innovation. Local entrepreneurs, serving as master franchisees, are entrusted with the responsibility to manage

and expand their district-level Kendra networks. They bring their unique insights, passion, and commitment to drive business growth within their territories. This approach ensures that our services effectively cater to the diverse needs of consumers. Our commitment to operational efficiency extends beyond empowering franchisees. We continue to invest in cutting-edge technology and infrastructure to support our master franchisees, franchisees and our staff. By providing the necessary tools and resources, we enable our network of entrepreneurs to deliver exceptional service and create seamless consumer experiences. This steadfast dedication to innovation and customer satisfaction solidifies our position as a leader in the phygital market, successfully integrating physical and digital channels.

Despite the challenges, we have managed to overcome obstacles and achieve commendable performance. We have demonstrated resilience and adaptability by implementing effective strategies to mitigate risks and capitalise on opportunities. By leveraging our entrepreneurial mindset and strong technological capital, we have not only sustained our operations but also delivered stable results. Our master franchisee initiative is going to play a crucial role in strengthening our business model. By empowering and fostering entrepreneurship, this model shall enable us to expand our reach and tap into new markets effectively. Through strategic partnerships with master franchisees, we shall be able to leverage local expertise, resources, and networks, driving business growth and enhancing customer engagement. We have a clear Focus on Market Expansion & to strengthen our First Mover Advantage, we are planning to cover entire 764 districts which is 100% of District coverage across the country through appointing exclusive District level Master Franchisees. We have successfully appointed master franchisees in 437 districts across 28 states across the country. These Master franchisees would provide

on-ground operational support to our existing franchisees as well as drive new franchisee acquisition. This would lead to help us scale at a faster pace and expand on a pan India basis. We believe this Master Franchisee initiative is a game changer and strengthens our local field presence and operational control at the ground level. We Plan to achieve 100%

The turnover and profit/(loss) are on a standalone basis of our Company are given below (in Rs Lakhs):

Particulars	FY 2023-24	FY 2022-23
Total income	21,492.10	16,553.88
EBITDA	2,805.61	1,930.44
Profit before tax (PBT), before exceptional	465.36	227.55
Profit before tax (PBT)	519.80	227.55
Profit after tax (PAT)	386.66	60.01

District coverage by March 2025. These new initiatives would help us scale at a much faster pace and thereby achieve our Long Term targets well ahead of targeted timelines. We have introduced BharatEasy App, India's Super App, a revolutionary mobile platform designed to cater primarily to Rural India. Our goal is to provide a comprehensive range of services to empower the people of rural areas. With the launch of our app, we are thrilled to announce the availability of key services such as Online Shopping, Online Agriculture products, Total Healthcare services, Online Demat Account opening, CIBIL credit score rating services, and Online PAN Card application services.

What sets us apart and gives us a sustainable competitive advantage is our unique ability to tap into the extensive Vakrangee On-Ground Ecosystem. This ecosystem comprises a diverse network of physical stores spread across India, enabling us to offer unparalleled physical assistance to consumers residing in semiurban and remote rural locations. With BharatEasy App, we bridge the gap between digital and physical experiences, ensuring that everyone has access to essential services regardless of their geographical location.

We are committed to serving all Indians, including remote areas, with financial, social, and digital inclusion. Through the master franchisee model, we empower local entrepreneurs, accelerating our expansion. By 2030, we plan to have 100% Pan India coverage through our Physical Vakrangee Kendra outlet network along with BharatEasy Digital Mobile App. Our target is to reach 3 lakh + outlets along with Minimum 15,000+ ATMs. With this, our plan is to achieve a Revenue target of US\$ 1 Billion by 2030 along with a Gross Transaction Value of more than US\$ 150 Billion. The entrepreneurial spirit of our master franchisees and Kendra franchisees is further fuelled by solid performance incentives and commissions, which encourage them to strive for excellence and continually raise the bar. By providing performance incentives and commissions, we foster a culture of excellence among our franchisees, motivating them to deliver exceptional services and experiences. This dynamic partnership between our master franchisees and Kendra franchisees fuels our growth and enables us to reach more communities across the country. Together, we are building a network of empowered entrepreneurs who contribute to the economic development and progress of India.

Particulars	FY 2023-24
Active Transacting Vakrangee Kendras Outlets	21,653
No. of Kendras offering following services:	
BFSI	21,653
ATM	6,487
E-Commerce & Other Services	21,653



One of India's largest network of last-mile retail outlets, Vakrangee Kendra are present in 577 districts and 5444 postal codes, ensuring widespread coverage across unserved rural, semi-urban, and urban markets.



INDUSTRY'S PERFORMANCE AND OUTLOOK

1) E-Governance

We take pride in our role as a catalyst for social, digital, and financial inclusion in India. We plays a significant role in e-governance by leveraging our extensive network of Vakrangee Kendras (VKs) across Pan India. Our Kendras act as last-mile service delivery points, providing a wide range of government services to citizens in remote and rural areas where access to traditional government offices may be limited. Achieving comprehensive socioeconomic growth in a country requires prioritising financial inclusion.



By bridging the gap between government services and citizens, Vakrangee enhances efficiency, transparency and inclusivity in delivering e-governance services, empowering individuals and communities nationwide.

The government, on its part, is leaving no stone unturned to promote financial and social inclusion. The sustained effort towards uplifting India at its roots widens the opportunity landscape for Vakrangee.

In 2015, three schemes were introduced to prioritize the wellbeing of citizens by addressing the importance of safeguarding lives and providing financial stability during unexpected events. The government launched PMJJBY (Pradhan Mantri Jeevan Jyoti Beema Yojana) and PMSBY (Pradhan Mantri Suraksha Beema Yojana) as insurance schemes to cater to the financial security of individuals in the unorganized sector, while APY (Atal Pension Yojana) was introduced to address the financial needs during old age. Here are some key highlights of the government's efforts to promote both financial and social inclusion:



a) Pradhan Mantri Jan Dhan Yojana (PMJDY)

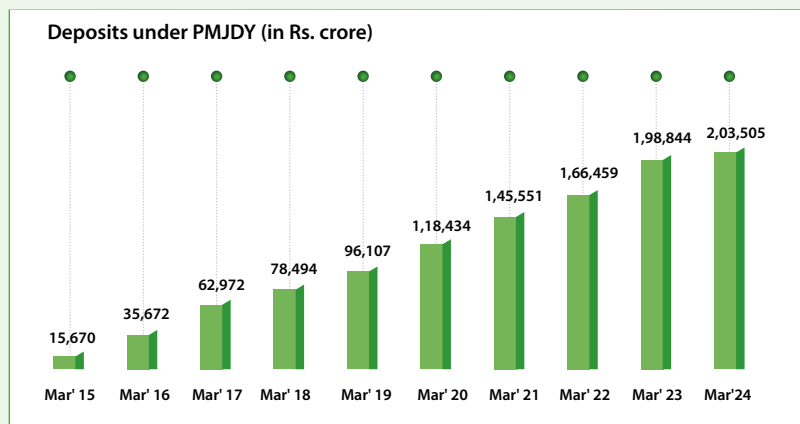
The Pradhan Mantri Jan Dhan Yojana (PMJDY), launched in 2014, is a flagship initiative of the Indian government aiming for financial inclusion. It strives to ensure every household can access at least one basic savings bank account. It goes beyond accounts, promoting access to remittance facilities, credit, insurance and pension products.

The scheme also aims to educate people on managing their finances effectively.

This scheme allows basic savings accounts to be opened with zero balance, eliminating a barrier for the underbanked. Account holders receive a RuPay debit card for secure and convenient transactions. Eligible account holders can avail themselves of an overdraft facility that promotes access to small loans. Additionally, insurance cover for death and hospitalisation is available for PMJDY account holders under specific schemes.

PMJDY has significantly increased bank account penetration in India, particularly in rural areas. It has brought millions into the formal financial system, promoting financial well-being. The scheme facilitates Direct Benefit Transfers (DBT) of government subsidies, ensuring transparency and reducing leakages.

PMJDY continues to evolve in 2024; it holds immense potential to catalyse inclusive growth. The scheme will play a pivotal role in shaping India's financially secure and prosperous future by bridging the financial divide, empowering individuals and fostering financial literacy.



Source

<https://pib.gov.in/PressReleaselframePage.aspx?PRID=1952793>



b) Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)

The Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is a government programme revolutionising life insurance in India which is one-year renewable life insurance scheme that provides coverage for death.

Launched in 2015, it offers affordable term life cover to a vast population segment. With a minimal annual premium automatically deducted, it provides financial security to families in case of the policyholder's death. The scheme is administered by both public and private sector insurance companies in collaboration with scheduled commercial banks, regional rural banks, and cooperative banks. The government aims to extend insurance coverage to a wider section of the population, particularly the poor and underprivileged, as part of its inclusive growth vision. To be eligible for PMJJBY, individuals must be between 18 and 50 years old and have a bank account. Aadhaar serves as the primary KYC for the bank account. The scheme offers a life cover

of Rs. 2 lakhs for the one-year period from June 1st to May 31st, with the option to renew. In the event of the insured person's death, a risk coverage of Rs. 2 lakhs is provided regardless of the cause. The premium for the scheme is Rs. 436 per annum, which is auto-debited in a single installment from the subscriber's bank account based on their chosen option by May 31st of each coverage period.

This low barrier to entry makes it ideal for the underbanked, ensuring their dependents are taken care of. Though limited in coverage amount, PMJJBY's ease of access and affordability have empowered millions, fostering financial inclusion and peace of mind.

As of 26th April 2023, the cumulative enrolments under the scheme have been more than 16.19 crore, and an amount of Rs13,290.40 crore has been paid for 6,64,520 claims.

Source <https://pib.gov.in/PressReleasePage.aspx?PRID=1922622#:~:text=Scheme%3A%20PMJJBY%20is%20a%20one.to%20enroll%20under%20the%20scheme.>



Pradhan Mantri
Suraksha Bima Yojana

c) Pradhan Mantri Suraksha Bima Yojana (PMSBY)

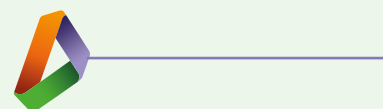
The Pradhan Mantri Suraksha Bima Yojana (PMSBY) is an Indian government scheme launched in 2015 to provide accidental insurance to low-income citizens. For a mere ₹20 per year, automatically deducted from a bank account, individuals aged 18-70 can receive ₹2 lakh for accidental death or complete disability.

Partial disability benefits are ₹1 lakh. This micro-insurance scheme empowers the underprivileged by offering crucial financial support

in case of unforeseen accidents, safeguarding their families from financial hardship. Despite a limited coverage amount, PMSBY's affordability and ease of access make it a valuable safety net for millions of Indians.

As of 26th April 2023, the cumulative enrolments under the scheme have been more than 34.18 crore, and Rs 2,302.26 crore has been paid for 1,15,951 claims.

Source <https://pib.gov.in/PressReleasePage.aspx?PRID=1922622#:~:text=Scheme%3A%20PMJJBY%20is%20a%20one.to%20enroll%20under%20the%20scheme.>



By bridging the gap between government services and citizens, Vakrangee enhances efficiency, transparency and inclusivity in delivering e-governance services, empowering individuals and communities nationwide.





d) Atal Pension Yojana (APY)

The Atal Pension Yojana (APY), launched in 2015, aims to address a crucial challenge – securing retirement for India’s vast unorganised workforce.

This scheme's key focus is increasing awareness among the younger gig workers. Targeted campaigns and leveraging technology through mobile apps will encourage early enrolment and a culture of saving for the future.

Additionally, the scheme may introduce flexible contribution options to accommodate the fluctuating income streams often faced by workers in the informal sector.

Technological integration will be a major driver in this scheme. Streamlining the online enrolment process and allowing seamless contribution management through digital wallets will make participation more accessible.

However, ensuring a comfortable retirement income requires further attention. Exploring ways to offer inflation-adjusted returns could mitigate the impact of rising living costs. Expanding spousal benefits would also provide greater financial security for families.

By promoting early planning, leveraging technology and potentially offering improved

benefits, the Atal Pension Yojana promises a brighter retirement horizon for millions of Indians in 2024. It can empower them to navigate the golden years with financial security and dignity.

As of December 2023, the total enrolment under the Atal Pension Yojana (APY) has crossed six crore, with over 79 lakh enrolments in the current Financial Year. This feat of bringing in the most vulnerable sections of society under pension coverage has been made possible by the untiring efforts of all banks.

Our role: We understand that social security and insurance schemes can be out of reach for many in India. Vakrangee, through its network of kendras nationwide, is making it easier for underserved communities to access these important programmes.

These kendras specialise in helping people enrol in schemes like the Atal Pension Yojana, Pradhan Mantri Jeevan Jyoti Bima Yojana and Pradhan Mantri Suraksha Bima Yojana.

The Company’s commitment to simplicity and convenience translates into no-waiting policies

issued instantly upon enrollment. Additionally, we leverage secure electronic verification (e-KYC) to eliminate paperwork hassles. Our extensive reach ensures we can serve people even in remote areas, working alongside the government’s initiative to make insurance accessible nationwide.

2) Banking

The Indian banking landscape covers a diverse range of institutions, including 12 public sector banks, 22 private sector banks, 46 foreign banks, 56 regional rural banks, 1485 urban cooperative banks and 96,000 rural cooperative banks, alongside co-operative credit institutions.

By October 2023, the country boasted a staggering 15,30,287 micro ATMs. Additionally, there were 1,25,969 on-site ATMs and Cash Recycling Machines (CRMs), along with 93,771 off-site ATMs and CRMs.

In the initial four months of FY23, banks introduced 2,796 new ATMs, a notable increase compared to the 1,486 in FY22 and 2,815 in FY21. The entirety of rural bank account openings now occur digitally. According to BCG



forecasts, digital payments will represent 65% of all transactions by 2026.

As of 1st December 2023, the total assets in India's public and private banking sectors stood at US\$1688.15 billion and US\$1017.26 billion, respectively. Public sector banks held a significant share of 58.32% of the total banking assets, encompassing public, private and foreign banks.

The Indian banking industry has undergone a remarkable metamorphosis in the last ten years, driven by several factors. Technological advancements, regulatory reforms and a growing emphasis on financial inclusion have reshaped the financial landscape, making it more accessible, efficient and innovative.

One of the most striking changes has been the rise of digital banking. With the help of smartphones and internet penetration into some of the deepest corners of the country, digital solutions have revolutionised the way Indians conduct financial transactions,

ushering in an era of convenience and ubiquity.

This digital revolution isn't limited to transactions. Banks are increasingly leveraging technology to offer a wider range of services. Technologies like AI-powered chatbots and cloud computing provide personalised customer support and scalability, while data analytics tailor financial products and services to individual needs.

The rise of fintech has further disrupted the traditional banking model. Fintech start-ups are challenging incumbents with innovative solutions in areas like lending, wealth management and insurance.

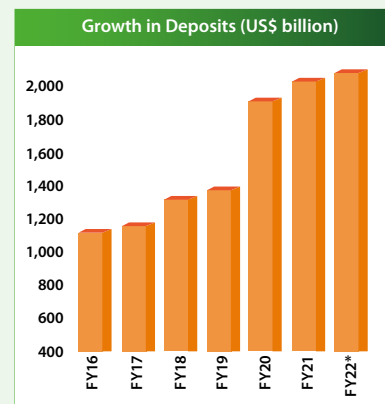
Financial inclusion has become a national priority in the last decade. In collaboration with banks, the government has launched several initiatives to bring millions of unbanked and underbanked individuals into the formal financial system.

However, the transformation hasn't been without its challenges. Cybersecurity threats are a growing concern as digital adoption increases. Meanwhile,

regulatory frameworks need to evolve alongside technology to stay ahead of emerging threats and maintain consumer trust.

Financial literacy remains a challenge, especially in rural areas. Promoting financial literacy initiatives is crucial to ensure that individuals can take full advantage of the expanding financial ecosystem and avoid financial pitfalls.

According to CareEdge Ratings, bank credit growth in India is expected to be between 14 and 14.5% in the FY25. However, S&P Global Ratings predicts that loan growth will be moderated to 14% in FY25 due to the Reserve Bank of India's (RBI) regulatory actions to control lenders.



We are future ready with a clear focus on building long term sustainable & profitable business model.

- » Non-Cash based Banking Offering such as Account Opening, Loan Product, Insurance Services, Fixed Deposits & NPA Recovery
- » No dependency on single line of product or services such as ATM or Banking Services.
- » Wide portfolio of product & services such as Online Shopping, Total Healthcare Services, Bill Payments, Online Travel Services, Mobile Recharges, CIBIL Score services, Pan Card Services, Online Opening of Demat & Trading Account Opening Services and many more
- » Highest commission in the industry

Our role: Vakrangee delivers comprehensive banking solutions nationwide as a Business Correspondent for leading public-sector and private banks. Our kendras provide seamless, interoperable banking services in real-time, from account initiation, cash transactions, fund transfers, and fixed and recurring deposits to balance inquiries, statement retrievals, Direct Benefit Transfer disbursements, and loan product leads.

Our outlets Operate beyond standard banking hours, its outlets employ paperless, biometric-enabled procedures, facilitating convenient banking services for rural populations with limited educational access. With an extensive network spanning Gram Panchayats and villages, the Company's customers are spared long and cumbersome travel.

Furthermore, Vakrangee extends SBM banking services & Karnataka Banking services, featuring free real-time zero-balance account setups, Aadhaar-linked interoperable banking, and attractive interest rates on fixed and recurring deposits, with added perks for senior citizens.

Some of the Company's offerings are listed below.

- Diversified non-cash banking offerings covering account opening, loan products, insurance services, fixed deposits and NPA recovery.
- Mitigation of reliance on a single line of product or service, such as ATMs or banking services.
- A broad spectrum of products and services, including online shopping, comprehensive healthcare services, bill payments, online travel arrangements, mobile recharges, CIBIL score services, PAN card facilitation, online demat and trading account setups, and many others.
- Provision of the highest commissions within the industry.

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- <https://www.thehindu.com/business/rbi-clampdown-on-lenders-could-moderate-credit-growth-in-2024-25/article67994838.ece>
- <https://bfsi.economictimes.indiatimes.com/news/banking/bank-credit-growth-in-india-expected-at-14-14-5-in-fy25-careedge-ratings/108889245#:~:text=CareEdge%20Ratings%20estimates%20bank%20credit.cent%20excluding%20the%20HDFC%20merger.>

3) Insurance

Regarding total premium volumes, it is the 10th largest market globally and the 2nd largest of all emerging markets, with an estimated market share of 1.9%. The rise of the insurance industry in India can be attributed to growing incomes and increasing awareness about the industry.

As of March 2022, the country has 67 insurers, of which 24 are life insurers, 26 are general insurers, 5 are stand-alone health insurers, and 12 are re-insurers.

The sector has witnessed a dynamic shift in the last decade. Fuelled by a growing middle class and rising disposable incomes, demand for insurance products has surged.

Technology has been a game-changer for the sector, with mobile apps and the internet facilitating easy policy purchase and claim settlements. Like the banking industry, insurance companies leverage AI and big data to personalise offerings and assess risks more accurately.

Regulatory reforms, like opening the sector to foreign players, have fostered competition and innovation. Previously underserved segments are targeted by the government with micro-insurance schemes like PMJJBY and PMSBY.

Challenges like low insurance penetration and lack of awareness persist, but India's insurance sector is poised for further growth, aiming to provide financial security to a nation on the move.



During FY24 (until September 2023), non-life insurers experienced a 14.86% year-over-year surge in premium income, reaching `1,43,802 crore (US\$ 17.29 billion), primarily driven by robust demand for health and motor policies.

The Indian non-life insurance sector witnessed a 14.86% expansion in the first half of FY24, slightly lower than the 15.30% growth recorded during the corresponding period in the previous year. This growth was fuelled by health insurance, particularly in the group segment, and motor and crop insurance.

According to the Life Insurance Council data, life insurers' new business premiums surged to ` 211,690.65 crore (US\$25.38 billion) from April to November 2023.

Additionally, insurance premiums are expected to grow by an average of 9% p.a. (in real terms) over the next decade. India is poised to emerge as one of the fastest-growing insurance markets in the coming decade.

Our role: Vakrangee have partnered with marquee insurance firms nationwide to deliver streamlined and user-friendly insurance solutions to everybody. The Company's endeavours, including paperless insurance processes and immediate policy issuance, propel us as a premier insurance service provider nationwide, specialising in serving rural communities.

Source

https://www.business-standard.com/industry/news/insurance-industry-to-grow-at-an-average-rate-of-7-1-in-2024-28-swiss-re-124011600770_1.html

<https://www.investindia.gov.in/sector/bfsi-insurance>

<https://www.ibef.org/industry/insurance-sector-india>

4) ATM

India's ATM network has gone through an enormous change since its inception. Driven by a focus on expansion and technological advancements, the future of ATMs promises greater convenience and accessibility, specifically for underserved rural areas.

A projected surge of 10,000 new machines heralds significant network growth, bridging the gap between India and other developed nations in ATM penetration. Replacing nearly 40,000 ageing ATMs with upgraded models ensures enhanced security and functionality.

Technology plays a key role in this transformation. Upgradable ATMs offer flexibility to banks, allowing them to adapt these machines into Cash Recycling Machines (CRMs). UPI integration is another exciting development, enabling cash deposits and withdrawals using UPI alongside traditional card transactions.

Improved accessibility remains a central theme, though. The expansion prioritises rural areas, promoting financial inclusion. Additionally, introducing cash deposit functionalities in ATMs has enhanced convenience and potentially reduced reliance on bank branches.

However, challenges remain for the ATMs. Robust cybersecurity measures are crucial to combat emerging threats. Promoting financial literacy, especially in rural areas, empowers users to leverage ATMs effectively.

Our role: Vakrangee has set up a network of White-Label ATMs to improve financial accessibility for rural communities. Our kendras provide various financial services, including cash withdrawals, balance inquiries, PIN changes and mini statements.

Furthermore, value-added services such as Aadhaar seeding, card-to-card fund transfers, chequebook requests and mobile banking registration ensure

convenient access to financial services in underprivileged markets throughout the country.

The Company has also completed the acquisition of ~79% equity share capital of Vortex Engineering Private Limited from the IFC, Tata Capital Innovation Fund, Aavishkaar India Investors & other Shareholder ("Seller"). The Company is in process of acquisition of another ~14% equity share capital of Vortex Engineering Private Limited from other shareholders of the Company and post-acquisition the total shareholding will increase to ~93%. This is a strategic investment which will help the Company to have a backward integration in place and thereby unlocking future growth opportunities, leverage the cost synergies and technology know-how.

Source

<https://bfsi.economicstimes.indiatimes.com/news/banking/banks-set-for-big-atm-expansion-in-2024-to-build-on-3-5-expansion-last-year/107107747>

5) E-commerce

India's e-commerce market is a tale of explosive growth and transformation. Fuelled by a rising internet-savvy population, increasing smartphone penetration and affordable data plans, online shopping has become a mainstream phenomenon.

Today, e-commerce giants offer a wide variety of products, from groceries and electronics to fashion and furniture, delivered to even the remotest corners of the country. Easy payment options, including digital wallets and cash-on-delivery, cater to diverse customer preferences.

The rise of social media commerce further fuels this growth. Platforms like Instagram and Facebook Marketplace allow small businesses and individual sellers to reach a wider audience, fostering entrepreneurship and product innovation. Government initiatives like Digital India have also played a crucial role in expanding internet access and bridging the digital divide.

However, ensuring robust last-mile delivery infrastructure remains challenging, especially in rural areas. Counterfeit products and data security concerns require ongoing vigilance. Encouraging greater digital literacy among consumers is

essential to ensure they can navigate the online marketplace safely and effectively.

India's e-commerce boom faces a further transformation with ONDC (Open Network for Digital Commerce). This government initiative aims to break the dominance of major platforms, creating a level playing field. In ONDC, small sellers can reach customers directly without relying on specific marketplaces. ONDC fosters competition, wider product selection and potentially lower prices for consumers.

Thus, the online marketplace is rapidly transforming how Indians shop, offering convenience, variety and a gateway to a world of possibilities.

Industry experts predict a market size exceeding ₹ 4,400 billion (around US\$60 billion) in 2024, reflecting a consistent rise over the past decade. This exponential growth signifies the increasing preference for online shopping among Indian consumers.

Furthermore, the e-commerce user base is expected to reach a staggering 500 million by 2024, driven by rising internet penetration and smartphone adoption, especially in Tier 2 and 3 cities. This wider user base creates a vibrant online marketplace.

Our role: Vakrangee Kendras extends to customers the convenience of assisted online shopping, ensuring product delivery in rural areas. Leveraging the e-commerce model and the BharatEasy Mobile Super App, customers can seamlessly shop online for branded and new-age products and solutions.

Moreover, customers can purchase genuine gold and silver items, including coins and jewellery, with the flexibility of instalment payments over 3, 6 or even 9 months, with the option to cancel orders within the instalment period.

With renowned brands like Augmont and competitive pricing, luxury goods and services are now within the reach of customers across India. Additionally, the Company has launched its proprietary e-commerce platform, Vakrangee e-Mart, offering customers access to a variety of products at affordable and discounted prices. The Company to foray into Sourcing and Distribution of Private label and White Label Products. Vakrangee to launch our own Private label and White label category of products in Consumer and Retail segment. The Company plans to leverage the Vakrangee kendra Franchisee as well as Master Franchisee network for distribution of our own Private label branded E-Commerce consumer and retail products.

In line with its commitment to enhancing accessibility, Vakrangee is launching its Buyer Application on the ONDC platform to provide an e-commerce shopping experience to franchisees and customers in rural markets.



The Company plans to replicate this model on its BharatEasy Super App to offer the ONDC experience directly to customers. Furthermore, it will register as a Seller on the ONDC Seller App to market its services on the BharatEasy Mobile Super App.

To streamline and optimise the experience for local sellers near Vakrangee Kendras, the Company will develop a dedicated seller app, enhancing its reach and discoverability across multiple platforms.

Source
<https://www.forbes.com/advisor/in/business/ecommerce-statistics/>

6) E-health

India's e-health market is growing rapidly. Fuelled by rising internet penetration and smartphone use, online healthcare services are gaining traction. Telemedicine consultations allow patients in remote areas to connect with doctors virtually, improving access to specialists. E-pharmacies offer convenient home delivery of medicines, saving time and effort.

However, ensuring the quality and affordability of online consultations, data privacy concerns and bridging the digital divide in rural areas remain a concern. Government initiatives promoting digital health literacy and telemedicine infrastructure pave the way for a more inclusive future.

As technology advances, the Indian e-health market has the potential to revolutionise healthcare access and delivery, empowering millions of Indians.

Our role: In response to the increasing demand for e-health services, we have established partnerships with reputable



Our assisted total healthcare services provide invaluable assistance to customers, granting access to telemedicine consultations and authentic medications at discounted rates. It is facilitated by highly skilled telemedicine professionals, including doctors, nurses, dieticians and behavioural health clinicians.



Health-tech market – projected increase by 2030

	2022		2030	
	Market size (\$ billion)	Penetration (in %)	Market size (\$ billion)	Penetration (in %)
Total Digital Health	2.7	1-2	37	7-8
E-pharmacy	1.1	3-5	12	12-15
E-diagnostics	0.5	3-5	10	30-35
Teleconsultation	0.4	1-2	3	3-5
Surgery Aggregation	0.2	<0.5	5	3-5
Healthcare Financing	0.3	3-5	5	12-15
Fitness & Specialty Care	0.2	<1	3	3-5

Source: Jefferies, RedSeer, UBS Equities, Expert Interviews, Annual Reports, BCG Analysis

organisations like DocOnline and Corival Lifesciences / Biogetica. Our assisted total healthcare services provide invaluable assistance to customers, granting access to telemedicine consultations and authentic medications at discounted rates. It is facilitated by highly skilled telemedicine professionals, including doctors, nurses, dieticians and behavioural health clinicians.

Leveraging the Vakrangee Kendra network, customers can conveniently order, pay for and

collect prescription and over-the-counter medications and health products. Furthermore, the Company facilitates home blood tests and doorstep delivery of medicines through its extensive partner network.

In its ongoing endeavour to broaden service offerings, the Company has collaborated with Biogetica to provide products that blend traditional and contemporary scientific healing methodologies.

Source: <https://economictimes.indiatimes.com/tech/technology/indias-healthtech-companies-could-generate-37-billion-revenue-by-2030-report/articleshow/104895910.cms?from=mdr>

7) Logistics

The Indian logistics market in 2024 is a picture of robust growth driven by a booming economy and an increasingly digital world. Here's a glimpse into its evolution. The e-commerce boom has fuelled demand for efficient and fast logistics solutions, creating a thriving last-mile delivery network.

India's rise as a manufacturing hub also necessitates efficient freight movement across the country and globally. Investments in infrastructure development like Dedicated Freight Corridors (DFCs) and the Bharatmala project aim to improve connectivity and reduce transportation costs, which are also expected to fuel the logistics and freight market growth.

Warehousing and inventory management are becoming increasingly automated, improving efficiency and reducing errors. Moreover,

technology start-ups are developing innovative solutions for route optimisation, real-time tracking and transparency across the supply chain. Drones and electric vehicles are also being explored for faster and more sustainable last-mile deliveries, especially in urban areas.

India's logistics market is poised for further expansion. The sector can unlock its full potential by addressing infrastructure gaps, upskilling the workforce and promoting formalisation. This will support economic growth and empower businesses by providing efficient and cost-effective logistics solutions. As India grows, its logistics sector is well-positioned to play a vital role in driving this progress.

The Indian freight and logistics sector is projected to expand at an annual rate of 8.8%, reaching US\$ 484.43 billion by 2029, up from US\$ 317.26 billion in 2024, primarily driven by technological

advancements. Incorporating state-of-the-art technologies and progress in intralogistics, automation, warehousing, and transportation management signifies a pivotal transformation phase for the logistics industry.

Our role: Vakrangee is collaborating with logistics giant Delhivery, expanding its courier services and last-mile delivery capabilities through its entrenched and expansive Vakrangee Kendra network.

This network ensures convenient and cost-effective delivery of goods and services to customers residing in rural and urban areas. Renowned for reliability and customer satisfaction, the Company's logistics services enjoy a solid track record of dependability and trust.

Source
<https://economictimes.indiatimes.com/industry/transportation/roadways/indian-logistics-market-to-grow-at-8-8-annually-to-484-43-bn-by-2029/articleshow/108140755.cms?from=mdr>



BUSINESS RISKS AND OPPORTUNITIES

Risk Management Framework

As per the requirements of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013, our Board of Directors adopted a Risk Management Policy ('Policy'). This policy aims to establish a robust framework for identifying and addressing risks in line with regulatory requirements. The objective is to foster sustainable business growth while ensuring stability and proactively identifying, assessing and mitigating business risks. To realise this goal, Vakrangee instituted a systematic and methodical approach to Risk Management, which includes implementing a robust set of decision-making processes concerning risk-related issues.

To supervise and evaluate risk management practices throughout the organisation, we have established a dedicated Risk Management Committee. This committee assumes overall responsibility for overseeing and evaluating risk management endeavours.

Our risk assessment methodology follows a structured approach involving risk identification and analysis. Throughout this process, we consider various factors, including threats, vulnerabilities, the likelihood of risk occurrence, potential impact, severity and exposure to different risk scenarios.

The risk management protocols adhere to the guidelines outlined by the RBI for managing risks in banking correspondences and

white-label ATM operations and comply with Regulation 21 of SEBI LODR.

Composition of the Board-led Risk Management Committee

Through ongoing evaluation, our Board of Directors ensures the efficacy of the Company's risk management framework. Our Department Heads take responsibility for implementing this framework as needed and provide regular updates to the Board and Audit Committee.

By integrating forward-looking perspectives with a comprehensive risk management strategy, we aim to effectively identify, address and communicate potential risks while fostering sustainable and resilient business growth.

To ensure comprehensive risk management within our

organization, our Board assumes the following responsibilities:

- Accountability for establishing, implementing and overseeing our risk management plan.
- Ensuring that all departments and verticals adhere to globally recognised best practices in developing their standard operating procedures (SOPs), aligning with ESG standards and UN-SDGs, and effectively addressing business and legal risks.
- Defining the roles and responsibilities of the Risk Management Committee, delegating the monitoring and evaluation of the risk management plan to the Committee, and allocating any additional functions as necessary.



- Implementation of suitable risk management mechanisms across the organisation.
- Engaging Independent Directors to provide impartial perspectives during Board discussions on risk management matters. Their active involvement in making significant decisions ensures the robustness and defensibility of the Company's risk management system and risk profile.
- Maintaining awareness and continuously monitoring the management of strategic risks.
- Establishing procedures and controls to mitigate less significant threats, ensuring an appropriate accountability structure to document risk delegation and facilitate effective performance tracking. Additionally, incorporate risk management into board reporting and annual reporting methods. Convening any requisite board committees to manage and address risks effectively as needed.

By fulfilling these duties, we aim to build a robust risk management framework that fosters business resilience and sustainability.

We have established a Risk Management Committee comprising mostly of members from the Board of Directors. The composition of the Risk Management Committee is mentioned below.

Risk Management Committee	Sujata Chattopadhyay - Chairperson
	Dinesh Nandwana – Member
	Dr. Nishikant Hayatnagarkar – Member
	Member

The Committee has easy access to management and pertinent management information. It is mandated to meet at least once a year and may reach out to external experts or consultants as needed.

Furthermore, the Committee annually assesses all policies to verify their alignment with legislative mandates and organisational requisites. Information is officially communicated to all stakeholders once the risk management committee has assessed risks.

DRIVING ECONOMIC EMPOWERMENT

Besides proactively reducing risks, we have also converted risks into economic prospects that enhanced profitability and benefitted society at large. Our dedication to national service encompasses offering vital amenities such as banking and ATMs across more than 21,000 locations through our Vakrangee Kendras. These business correspondents are crucial in distributing government subsidies to Jan Dhan Account holders in rural regions throughout the country.

EMBEDDING SUSTAINABILITY

Sustainability is deeply integrated into the Company's risk management framework, which aims to establish a structured approach for identifying and mitigating risks. The primary goal of this framework is to facilitate sustainable business growth with stability while adopting a proactive stance in identifying, evaluating and addressing business-related risks.

To effectively manage risks, our Board of Directors, Business heads, and Department heads

ensure that all departments and verticals develop Standard Operating Procedures (SOPs) in line with globally recognised best practices. These SOPs adhere to Environmental, Social and Governance (ESG) parameters. They are aligned with UN Sustainable Development Goals (SDGs), ensuring efficient redressal of sustainability concerns and potential business or legal risk mitigation.

Furthermore, we have established a dedicated Board ESG Committee, which focuses on significant environmental, social and governance matters pertinent to our business operations. This committee plays a crucial role in upholding the Company's position as a global leader in ESG performance.

We conduct quarterly reviews to ensure comprehensive analysis and assessments are carried out as needed to thoroughly evaluate major strategy decisions and the implementation requirements of any ESG-related initiatives.

Members of the Board ESG Committee are responsible for the following:

- **Reviewing Performance and Results of ESG Investor Initiatives:** Evaluate the performance and outcomes of significant ESG investor initiatives, surveys and global benchmarks; oversee the implementation of identified initiatives or areas of improvement derived from ESG investor feedback and global benchmarks.
- **Considering Emerging ESG Issues:** Stay updated on emerging ESG issues and assess their materiality about the Company's long-term value creation, ensuring

readiness to address these issues effectively.

- **Evaluating Business Strategy from an ESG Impact Perspective:**

Actively review and evaluate the overall business strategy, considering its impact on ESG factors to ensure alignment with the commitment to sustainable development.

- **Monitoring Sustainable Development Goals (SDGs) Integration:**

Monitor and

review the integration of Sustainable Development Goals into new business strategies or initiatives, ensuring active contribution to global efforts to achieve these goals.

- **Assisting in ESG Performance Evaluation of Senior Management:**

Support the Nomination and Remuneration Committee in assessing senior management performance

from an ESG deliverable perspective, ensuring effective incorporation and driving ESG considerations in decision-making processes.

- **Reviewing Progress of GHG Reduction Initiatives:**

Actively review the progress of key initiatives implemented by the GHG Reduction Strategy Committee, monitoring efforts to reduce greenhouse gas emissions and contribute to mitigating climate change.

ENVIRONMENT

- Oversee the execution of diverse initiatives and pledges regarding environmental sustainability, encompassing performance monitoring, challenge identification and opportunity exploration.
- Supervise the disclosure of our Climate-Related and GHG Carbon Emissions Disclosures.
- Partner with the Board Risk Management Committee to evaluate the sufficiency of management's strategy in recognising and addressing environmental risks and opportunities, especially regarding climate-related matters.

SOCIAL

- Oversee the execution of social responsibility and sustainability initiatives or commitments throughout the Company, assessing performance, tackling challenges and pinpointing opportunities for societal influence.
- Monitor and assess procedures and strategies for building and maintaining relationships with franchisees, customers, suppliers and other vital stakeholders, while comprehending their expectations.
- Evaluate the efficiency of programmes and strategies that uphold human rights and promote diversity within the Company's operations and supply chain.
- Collaborate with the Board Remuneration Committee to supervise inclusion, diversity and overall people and culture practices, alongside their associated frameworks.

GOVERNANCE

- Monitor and evaluate the reputational effects of the Company's business strategies and operations.
- Confirm the presence of suitable safeguards within our company policies and initiatives to ensure equitable and ethical interactions with third-party capital partners, suppliers and other stakeholders.
- Scrutinise and approve the group's Governance Management Framework for presentation to the Board.
- Review and approve our Sustainability Performance Pack, Corporate Governance Statement and ESG accomplishments and forthcoming commitments and objectives annually, presenting them to the Board.

By carrying out these duties, the Board ESG Committee is pivotal in steering the Company towards sustainable and responsible practices that align with investors' expectations and global ESG benchmarks.

BUSINESS RISKS

Risks are defined as the impact of uncertainty on objectives, quantified by their consequences and likelihood. They are inherent in all business and administrative endeavours, both internally and externally.

Therefore, managing risks is an ongoing responsibility for every member of an organisation, and risk management, involving formal and systematic approaches, is now part of best practices.

Vakrangee actively leverages opportunities from a dynamic environment to ensure sustained value creation and address risks related to development and stakeholders. The strategies for risk mitigation are grounded in formal and systematic methodologies.

These include comprehensive risk assessments to identify and analyse threats, vulnerabilities and hazards that may jeopardise the Company.

The risk assessment thoroughly examines threats, vulnerabilities and exposure to various risks. Vakrangee has a structured risk analysis and evaluation approach, which encompasses the following steps.

Risk Identification: The initial phase of the risk management process involves identifying potential risks. This entails acknowledging and understanding the existence of risks, followed by describing their potential effects and impacts.

Risk Analysis: The next step is to conduct a thorough risk analysis once risks are identified. This involves assessing the likelihood and consequences of each risk, gaining a comprehensive understanding of its nature and evaluating how it could potentially affect the organisation's goals and objectives.

Risk Evaluation: After completing the risk analysis, the magnitude of each risk is determined. This assessment considers the likelihood of the risk occurring and the severity of its potential consequences. Based on this evaluation, a decision is made regarding the acceptability of the risk. If the risk is deemed

unacceptable, further actions are taken to develop appropriate strategies for risk mitigation.

Risk Treatment: The risk treatment phase involves evaluating all identified risks and implementing action plans to mitigate them. This includes executing measures to reduce or eliminate risks to acceptable levels. It is essential to focus on minimising negative risks and enhancing and capitalising on identified opportunities.

Risk Monitoring and Review: Following the implementation of risk mitigation measures, ongoing risk monitoring and review processes are essential. This step involves regularly tracking, examining and evaluating identified risks and their mitigation strategies. By consistently reviewing risks, organisations can ensure the effectiveness of their risk management efforts and make necessary adjustments in response to changing circumstances.



The Board ESG Committee is pivotal in steering the Company towards sustainable and responsible practices that align with investors' expectations and global ESG benchmarks.



RISKS IDENTIFIED AND EVALUATED THROUGH ASSESSMENTS

Risk	Significance	Mitigation measure	Linkage with capital
Changes in Government Policies	Our business is intricately tied to government policies concerning financial inclusion in semi-urban and rural areas of India, among various other factors. It is important to recognise that any modifications or changes made to these government policies have the potential to significantly impact our business operations.	We maintains a proactive stance by engaging extensively with various stakeholders, continuously reviewing and monitoring India's economic and financial policies, and actively participating in representation within trade bodies.	Financial Social and relationship
RAPID TECHNOLOGICAL TRANSFORMATION	As a financial technology company, we provide our services leveraging electronic devices such as computers and printers, as well as advanced technologies including Internet of Things (IoT) and biometric identification. It is important to acknowledge that disruptive innovations within the industry have the potential to significantly impact a company's profit margins.	We duly acknowledge the utmost significance of adopting a next generation company model in the digital era. In alignment with the government's digital payment agenda and with a strategic vision to seize the opportunity, we have successfully established a Unified Payment Platform capable of handling diverse payment methods including card payments, UPI, AEPS, Aadhaar Pay, and QR codes, among others. This platform empowers our Next-Gen Vakrangee Kendras to efficiently collect payments from our clients through various channels. Notably, we were among the pioneers in leveraging the Aadhaar enabled Payment System (AePS) for banking, allowing us to extend banking services to every citizen of India. Recognizing the inevitability of technological obsolescence, we conduct regular analyses to evaluate the obsolescence of our technological infrastructure. Consequently, we make diligent investments to leverage the most advanced and cutting-edge technologies available. Our procurement strategy considers all legislative requirements and anticipates future upgrades to ensure we consistently utilize the finest technological resources. Moreover, we have also unveiled an online digital platform to provide seamless services to our valued customers from the convenience of their homes. Through this initiative, we have successfully transformed into a distinctive Online-to-Offline (O2O) platform, offering assistance through our Physical Kendra network in conjunction with a comprehensive range of digital online services. The introduction of our pioneering Telemedicine services marks the commencement of this unique hybrid proposition. We are committed to expanding our service portfolio on this platform to encompass a multitude of offerings. Additionally, we have launched the Mobile Super Apps platform i.e. BharatEasy App, India's Super App. We are in the process to design and launch our Buyer Application on ONDC platform to provide ecommerce shopping experience to franchisee and customers in rural market. We can replicate the model on our Bharat Easy Super App to provide ONDC experience directly to customer. We will also be registering as Seller on Seller App of ONDC to sell our services which are available on BharatEasy Mobile Super App. We will be developing a dedicated seller app which can provide a streamlined and optimized experience for local sellers near our Vakrangee Kendras. This will improve our reach and discoverability across multiple platforms	Intellectual Natural Financial

Risk	Significance	Mitigation measure	Linkage with capital
RAPID INCREASE IN DIGITAL PAYMENT MECHANISMS AND INDIA EMERGING AS A CASHLESS SOCIETY	As the Digital Economy flourishes, India is rapidly transitioning towards Digital Payment Mechanisms, emerging as a Cashless Society. With the swift penetration of digital payments, traditional cash transactions such as ATM and banking transactions are anticipated to decelerate. Consequently, standalone business models solely reliant on cash transactions, such as White Label ATMs, Banking (AEPS) providers, and Money Transfer providers, may encounter profitability and viability challenges.	We are well-prepared for the future, with a clear emphasis on constructing a sustainable and profitable long-term business model. Non-Cash based Banking Offering such as Account Opening, Loan Product, Insurance Services, Fixed Deposits & NPA Recovery No dependency on single line of product or services such as ATM or Banking Services. Wide portfolio of product & services such as Online Shopping, Total Healthcare Services, Bill Payments, Online Travel Services, Mobile Recharges, CIBIL Score services, Pan Card Services, Online Opening of Demat & Trading Account Opening Services and many more Highest commission in the industry	Intellectual Financial
HEAVY DEPENDENCE ON FRANCHISEE MODEL	Although the franchise model facilitates swift expansion, it's crucial to recognise its inherent risks. our brand reputation could be at risk in case of unfavourable incidents involving its franchisees. Moreover, franchisees often operate with narrower profit margins, and the potential for legal issues may present challenges to otherwise efficient operations.	In the future, if deemed necessary, we have the option to consider alternative arrangements for our franchisee model. Specifically, we can explore the implementation of revenue-based banking correspondence and the integration of White Label ATMs as potential avenues for growth and expansion.	Human Manufactured Social and relationship Financial
LEGAL RISK	Due to the strict adherence to multiple laws and regulations, the Company faces legal risks in case of any non-compliance or violation.	To ensure rigorous compliance with all contractual obligations, our skilled team of specialists and consultants meticulously assess contract-related risks, define responsibilities and proficiently mitigate liabilities.	All capitals
FINANCIAL REPORTING RISK	Business uncertainty arises from the dynamic nature of laws, regulations and standards governing accounting, corporate governance and public disclosure, including guidelines from SEBI and restrictions on Indian stock market listings. The introduction of new rules, norms and regulations may result in varying interpretations due to their lack of precise clarity. Furthermore, as regulatory and governing bodies issue updated guidelines, their implementation and implications may evolve over time. Consequently, perpetual adjustments to corporate governance regulations can create ongoing ambiguity regarding compliance matters, leading to increased expenses associated with ensuring compliance.	We upholds strict principles of corporate governance and transparent public disclosure to comply with the continuously evolving landscape of laws, regulations and standards.	Financial Social and relationship Human

Risk	Significance	Mitigation measure	Linkage with capital
CORPORATE ACCOUNTING FRAUD	Corporate accounting fraud, often known as accounting fraud, presents a substantial risk to a company as it entails the improper use or diversion of funds, overstating revenues, understating costs and engaging in similar deceptive practices.	<p>To mitigate these risks, we employ a comprehensive set of measures, including the ones listed below.</p> <ul style="list-style-type: none"> • A thorough understanding of relevant laws and regulations. • Conducting comprehensive risk assessments to identify potential areas of vulnerability. • Enforcing and closely monitoring a code of conduct for key executives. • Establishing and maintaining whistle-blower mechanisms to encourage reporting of any misconduct. • Implementing a well-defined strategy and process for introducing and enforcing new controls. • Strict adherence to internal control practices that discourage collusion and prevent concentration of authority. • Employing mechanisms for multiple authorisations and crosschecks for critical transactions. • Meticulously scrutinising management information to detect discrepancies in comparative figures and ratios. • Cultivating a supportive environment for internal auditors to ensure effective reporting. • Promptly addressing any minor deviations from prescribed procedures and manuals. • Implementing a variety of measures throughout the organisation to reinforce risk mitigation efforts. <p>These proactive steps aim to safeguard the Company against accounting fraud and ensure the maintenance of robust control mechanisms and adherence to regulatory requirements.</p>	Financial Social and relationship Human
CYBER RISK	In the present business environment, concerns arise from incidents such as breach of user data privacy, data leakage and cyber-attacks. The proliferation of internet-connected devices not only facilitates data management but also amplifies the vulnerability and exposure of data to potential risks.	<p>Process to validate and filter the inputs received from end-point devices, ensuring the entry of authentic and legitimate data into our systems.</p> <ul style="list-style-type: none"> » Implementation of Mandatory Access Control (MAC): We enforce MAC policies to restrict user access to specific tasks and timeframes, enhancing data security by limiting unauthorized access. » Utilization of digital signatures and asymmetric encryption: We employ standard practices such as digital signatures, regular audits, and hash chaining to maintain data security and integrity. » Real-time monitoring of logs: We continuously monitor logs to detect any anomalies, misuse, or abnormal activities, enabling prompt identification and response to potential security breaches. » Data tagging and time stamps: We implement data tagging and time stamps to trace and track unauthorized activities, providing an added layer of security and accountability. 	Financial Social and relationship Human Intellectual

Risk	Significance	Mitigation measure	Linkage with capital
		<ul style="list-style-type: none"> » Encryption of data in transit and at rest: We ensure the confidentiality and integrity of data by employing encryption measures for data in transit and within databases. This includes SSL encryption for secure client-server connections and granular encryption for data stored in databases. » Key exchange policy: We have established a robust key exchange policy for managing ATM encryption keys, leveraging Hardware Security Modules (HSM) for secure key storage and complying with industry standards such as ISO, PCI, and DSS. » Anti-skimming card reader installation: To mitigate skimming attacks, we have installed anti-skimming card readers at our ATMs, providing an additional layer of security against such fraudulent activities. <p>Through these rigorous measures, we strive to maintain the utmost privacy and security of data, protecting it from potential threats and ensuring the trust and confidence of our stakeholders.</p>	
THEFT OF PHYSICAL ASSETS	Ensuring the security and safety of franchisees and their stores is of utmost importance. It is imperative to prevent any risks related to theft, physical burglary, or damage that could potentially result in loss to the outlet. The ATM holds substantial value as a corporate asset, entrusted to the franchisee on a custodial basis. Consequently, we place significant emphasis on maintaining and safeguarding the ATM asset, recognizing its paramount significance.	We have implemented a comprehensive master insurance plan that provides coverage for all hardware within the Kendra, including ATMs, cash in transit, and cash at outlets, up to a limit of Rs. 10 lakhs. Additionally, we have introduced a unique product that combines ATM maintenance services and insurance. This offering ensures year-round maintenance support for ATMs and extends coverage for any damages to spare components.	Financial Social and relationship Human Manufactured



We have implemented a comprehensive master insurance plan that provides coverage for all hardware within the Kendra, including ATMs, cash in transit, and cash at outlets, up to a limit of Rs. 10 lakhs. Additionally, we have introduced a unique product that combines ATM maintenance services and insurance.



RISKS IDENTIFIED AND MITIGATED FOR THE CURRENT FINANCIAL YEAR

Risk identified	Mitigation strategy
<p>Adapting to the evolving landscapes in the post-pandemic world and sustaining visibility with the customers</p>	<p>Launch of BharatEasy Mobile Super App platform: To adapt to the changing landscape, we have introduced a unique Hybrid O2O (Online to Offline) platform, combining physical store assistance with digital online services. This initiative enables customers to seamlessly access various partner services through both physical outlets and the online platform, leveraging the trust and convenience associated with the existing Kendra network.</p> <p>Our online training sessions for franchisees persist, alongside real-time two-way communication with business teams, dedicated district-level master franchisees and relationship managers. Additionally, they have introduced CCTV monitoring systems and a dedicated troubleshoot helpdesk to enhance monitoring and support for franchisees. These measures not only streamline field-level manpower requirements but also enhance franchisee satisfaction, decentralise operational management and improve overall cost efficiency and profitability.</p> <p>As an essential service provider, we have maintained the operation of critical services such as banking and ATMs throughout the pandemic and lockdown periods. This has provided support to franchisees whose core services remained operational, while other services like travel, online shopping, and logistics were affected.</p> <p>Doorstep Banking Facility: In response to the lockdown measures, our Banking Business Correspondents (BCs) offered doorstep banking services to Jan Dhan Account Holders in remote rural areas, with a particular focus on senior citizens and pensioners.</p>
<p>Ensuring the security and safety of the franchisee and their outlet is very important. Therefore, it is essential to address any risks stemming from theft, physical burglary, damage or loss to the outlet. Additionally, the ATM, being a valuable asset for the Company entrusted to the franchisee, requires diligent maintenance and security. Thus, prioritising the upkeep and security of the ATM asset is of utmost importance.</p>	<p>We have comprehensive master insurance policy that covers all hardware within the Kendra, including the ATM machine, cash-in-transit and cash at the outlet, up to Rs. 10 Lakhs. Additionally, ATM maintenance is completely taken care off by a unique offering whereby servicing of the ATM is taken care off by us.</p>
<p>The Government of India has placed emphasis on promoting digital payments nationwide. However, not all payment mechanisms, such as QR code and UPI payments, are currently activated within the Kendra network.</p>	<p>We understands the importance of embracing a next-generation business model in the digital era. In line with the government's initiative to promote digital payments, we have effectively introduced a Unified Payment Platform. This platform supports various payment methods, including card payments, UPI, AEPS, Aadhaar Pay and QR codes, among others. This integration enables the Vakrangee Kendras to accept payments from customers through their preferred mode. As pioneers in the Aadhaar-enabled Payment System (AePS) banking system, the Company is dedicated to offering accessible banking services to almost every Indian citizen, including those in remote areas.</p>
<p>Our operations depend on the Government's policies regarding financial inclusion in semi-urban and rural areas of India. Therefore, any changes in the policy framework or restrictions placed on transactions could potentially affect the profitability of the business.</p>	<p>To mitigate the risks associated with potential policy changes, we engage proactively with diverse stakeholders, conducts ongoing reviews, monitors the country's economic and financial policies and actively participates in representation at trade bodies. It's important to highlight that this risk is considered relatively low, given the Government's increased emphasis on enhancing financial, social and digital inclusion nationwide. These endeavours are crucial for the overall infrastructure and economic advancement of the nation. The Company's business model, aligned with the Government's vision and long-term developmental objectives, positions it to benefit from these initiatives.</p>

Risk identified	Mitigation strategy
<p>As the Digital Economy continues to evolve, India is swiftly moving towards becoming a cashless society, witnessing a substantial rise in the adoption of digital payment methods. Consequently, traditional cash transactions, including ATM and banking transactions, are anticipated to decline. This transition presents profitability and viability challenges for standalone business models solely dependent on cash transactions, such as white label ATMs, exclusive banking (AEPS) providers and exclusive money transfer providers. Top of Form</p>	<p>We are prepared for the future with a clear focus on establishing a sustainable and profitable long-term business model. We have expanded offerings beyond cash-based banking by incorporating non-cash services such as account opening, loan products, insurance services, fixed deposits and NPA recovery. The Company's business model is diversified and not reliant on a single line of product or service, such as ATMs or banking alone. We maintains a broad portfolio of products and services, including online shopping, comprehensive healthcare services, bill payments, online travel services, mobile recharges, CIBIL score services, PAN card services, online demat and trading account opening, and more. Additionally, we also offer the highest commission rates in the industry.</p>
<p>The rapid advancement of technology has the potential to disrupt existing business models, impacting the Company's profit margins as new cost-effective and disruptive innovations emerge.</p>	<p>We acknowledges the inevitability of outdated technology and continuously evaluates it. Investments are directed towards adopting the most advanced technology available, reflecting the Company's commitment towards staying at the forefront of technological advancements. Its procurement policy takes into account both regulatory requirements and the potential for future upgrades, ensuring the integration of state-of-the-art capabilities.</p>
<p>While the franchisee model facilitates rapid expansion, it also entails certain risks. The reputation of the brand may be compromised if any individual franchisee encounters reputational damage. Moreover, franchisees typically operate with narrower profit margins, and legal issues can disrupt operational efficiency.</p>	<p>In the future, if deemed necessary, the Company has the flexibility to explore alternative franchise models. One potential option is to implement revenue-based banking correspondence and integrate white label ATMs as alternative arrangements to mitigate potential risks and ensure sustained growth.</p>
<p>Legal risk pertains to the potential for a Company to face legal action due to non-compliance with laws and regulations governing its operations.</p>	<p>Given our obligation to conduct business within the boundaries of the law, it is susceptible to legal risk exposure. To address this risk, the we rely on a team of seasoned professionals and advisors who diligently assess the risks associated with contracts, determine our obligations as per relevant laws, limit liabilities under contracts, and take necessary measures to ensure compliance with all contractual commitments. This comprehensive approach aims to mitigate legal risks and uphold adherence to legal requirements.</p>
<p>The evolving landscape of laws, regulations and standards concerning accounting, corporate governance, public disclosure, SEBI rules and Indian stock market listing regulations bring uncertainties for companies. These newly enacted or revised regulations may lack clarity and be open to misinterpretation. Moreover, their practical implementation may evolve over time as regulatory and governing bodies offer additional guidance. As a result, ongoing uncertainties regarding compliance matters and increased compliance costs due to the continuous revisions in corporate governance standards may emerge.</p>	<p>We are unwavering our commitment to maintaining high standards of corporate governance and public disclosure. Through diligent adherence to evolving laws, regulations and standards in these areas, we strives to effectively tackle these challenges and mitigate associated risks.</p>
<p>Accounting fraud or corporate accounting fraud are business scandals arising out of Misusing or misdirecting of funds, overstating revenues, understating expenses etc.</p>	<p>We addresses this risk by certain means as mentioned below.</p> <ul style="list-style-type: none"> • Familiarising itself with applicable laws and regulations. • Conducting thorough risk assessments. • Enforcing and monitoring a code of conduct for key executives. • Establishing whistle-blower mechanisms. • Implementing a strategy and process for introducing new controls. • Adhering to internal control practices that prevent collusion and concentration of authority. • Implementing mechanisms for multiple authorisations of key transactions with cross-checks. • Scrutinising management information data to identify discrepancies in comparative figures and ratios. • Cultivating a supportive environment for internal auditors to report any instances of non-adherence to procedures and manuals, no matter how minor, and implementing a variety of other measures throughout the organisation.

Risk identified	Mitigation strategy
<p>Increasing concerns for user data privacy, data leakage and number of cyber-attacks are the reason for rising attention to the question of data security, which became more relevant in the recent years. The increasing number of devices connected to the Internet not only creates more data but also makes it more vulnerable and not very well protected. It is expected that security analytics costs will raise up. Thus, it is critical to keep up with latest trends in the field of data security.</p>	<p>Privacy and data security are paramount to us, and we have consistently strives to protect data through the following methods.</p> <ul style="list-style-type: none"> • Validation and filtering of end-point inputs: We ensures the use of authentic and legitimate endpoint devices, which serve as the entry point for genuine and valid data into their system. • Implementation of Mandatory Access Control (MAC): They enforce strict controls that limit each user's access to predefined tasks within specific timeframes. • Digital signatures using asymmetric encryption: To enhance data security, Vakrangee adheres to standard practices such as regular audits and hash chaining. • Real-time monitoring of logs: Continuous monitoring of logs allows the Company to promptly detect any anomalies, misuse or abnormal activities, enabling timely intervention. • Data tagging and enforced time stamps: Data tagging and time stamps facilitate tracing and identification of unauthorised activities. • Encryption: Encryption is crucial for maintaining data confidentiality and integrity. They utilise encryption techniques during data transit and while data is at rest in databases. Secure Socket Layer (SSL) encryption is employed to establish secure connections between clients and servers, ensuring that only trusted computers can access the encrypted data. • Granular data encryption: Vakrangee's data encryption practices include encrypting data within the database, implementing access control measures, masking sensitive data and enforcing stringent authorisation policies. They regularly update security patches to ensure optimal protection. By employing granular data encryption, the Company aims to safeguard data even in the event of a system breach. • Key Exchange policy: We have established a key exchange policy for managing ATM encryption keys. Hardware Security Modules (HSMs) are used to facilitate key life-cycle management, including key generation, distribution and injection. Our tamper-evident and tamper-responsive servers are equipped with secure cryptographic devices for key storage. Additionally, We comply with industry standards such as ISO and PCI DSS to ensure comprehensive data security.
<p>Fraudsters may place skimmers at ATMs to illegally capture customer card details and PIN information.</p>	<p>To combat such threat, anti-skimming card readers have been installed at all Vakrangee ATMs, offering protection against skimming attacks.</p>

We have implemented a well-established process to monitor and identify any emerging risks, which include the following points.

RISK MONITORING TOOL

Granular Auditing: We comprehensively analyses network logs to detect and efficiently identify potential cyber-attacks or malicious activities.

Data Provenance: We prioritize the classification of data, recognizing the importance of understanding its origin to ensure accurate data origin identification, authentication, validation, and access control.

PERIODIC AUDIT

Audits serve as a disciplined documentation process that consistently assesses operational compliance with established policies and standards, guaranteeing adherence to regulatory requirements.

TRAINING MANAGEMENT

We have extensive training programmes aim to ensure effectiveness and promote continuous learning and improvement. These programmes are delivered through various mediums and cater to staff, ATM custodians and banking operators.

SURVEILLANCE

We have implemented closed-circuit surveillance (CCTV) systems across our Kendras, enabling round-the-clock ATMs and monitoring of banking operations. Additionally, our Kendras are staffed during business hours to enhance security further.

Upon successful monitoring and identification of risks, the Risk Management Committee promptly notifies the Managing Director and/or Compliance Officer, detailing the identified risks and proposing appropriate mitigation measures. These findings are subsequently communicated to the Board of Directors during the next Board Meeting. In the event of critical and significant risks, the Board is promptly notified for further deliberation and to seek their insights on necessary mitigation steps.

2) Business Opportunities

Vakrangee Kendra as a Long-Term Sustainable & Profitable Business Model:

The rapid expansion of the digital economy in India fosters the adoption of digital payment mechanisms, resulting in a transition towards a cashless society. As digital payments become more prevalent, there will be a decline in cash transactions such as ATM and banking transactions. This presents challenges for standalone business models that solely depend on cash transactions, such as White Label ATMs or exclusive Banking (AEPS) providers.

We have strategically positioned ourselves to build a long-term sustainable and profitable business model that aligns with the evolving digital landscape. Our offering includes a range of non-cash based banking services, such as account opening, loan products, insurance services, fixed deposits, and NPA recovery. Importantly, we have diversified our product and service portfolio beyond a single line of offerings, such as ATM or banking services.

Our wide range of products and services includes online shopping, total healthcare services, bill payments, online travel services, mobile recharges, CIBIL score services, PAN card services, online demat and trading account opening services, and much more. Additionally, we offer the highest commission rates in the industry.

LAUNCH OF DIGITAL VAKRANGEE KENDRA

We have introduced a mobile super app-based business platform called BharatEasy App, known as India ka Super App. Through this platform, we

have already activated key services such as online shopping, online agricultural products, total healthcare services, online demat account opening, CIBIL credit score services and online PAN card application services.

Our digital super app capitalises on the extensive physical store network of Vakrangee, referred to as the Vakrangee On-Ground Eco-system, which provides physical assistance, particularly in semi-urban and rural remote areas. This distinctive proposition, known as 'phygital', seamlessly integrates digital and physical assistance, enabling rapid scalability of the Company's digital channel while reducing costs associated with customer acquisition, physical assistance, order fulfilment and return management.

Furthermore, leveraging our physical presence, enhances customer interaction, reinforces brand recall, and elevates service experience and customer trust. We are benefitted from strong brand recall, access to our existing customer base, and a well-established network of 21,653 outlets. This bolsters our digital initiatives while fortifying our competitive position in the market.

LEVERAGING THE ONDC PLATFORM

We are in the process to design and launch our Buyer Application on ONDC platform to provide ecommerce shopping experience to franchisee and customers in rural market. We can replicate the model on our Bharat Easy Super App to provide ONDC experience directly to customer. We will also be registering as Seller on Seller App of ONDC to sell our services which are available on BharatEasy Mobile Super App. We will be developing a dedicated seller app which can provide a streamlined and optimised experience for local sellers near our Vakrangee Kendras. This will improve our reach and discoverability across multiple platforms.

Our Performance Highlights

This section explores the organisation's outstanding performance during the fiscal year 2023-24. It is a testament to our steadfast commitment to excellence and unwavering pursuit of growth and success. The top highlights are key achievements, milestones and notable outcomes that have defined our journey throughout the FY2023-24. Here is an insightful look into the exceptional highlights of the our performance, showcasing our dedication, resilience and remarkable progress.

Performance of our Vakrangee Kendras

1. FINANCIAL PERFORMANCE

Our extensive network of 21,653 Vakrangee Kendras has exhibited strong performance, providing convenience and inclusivity to underprivileged and underserved individuals throughout India. The outcomes of our committed efforts and perseverance are evident in the performance results across our product offerings.

During the fiscal year 2023-24, our ATMs facilitated over 45 million transactions, amounting to a gross value of more than Rs. 118 billion. Additionally, our banking services recorded around 84 million transactions, with a gross value of Rs. 43 billion during the reporting period. These impressive figures highlight our unwavering dedication, sincerity, and endurance in fulfilling our mission. Looking ahead, we anticipate further growth as we estimate that our Gross Transaction value will surpass US\$150 billion annually by 2030. Embracing a neo-bank model, we are transitioning towards a more cost-effective approach, enabling us to reach every corner of India.



S. No.	Particulars	FY 2023-24	Remarks
1	Debtors Turnover (%)	3.53	The percentage of ratio indicates the number of times we collect our average accounts receivable balance during a specific period. It is assumed that the entire revenue from operations represents total credit sales, fewer sales returns and allowances. The ratio between the average trade receivables and the revenue from operations is considered.
2	Inventory Turnover (%)	0.38	It is a financial metric that measures the number of times we sell and replenish our inventory within a given period. The percentage of ratio between the revenue from operations and the average inventory between the beginning and end of FY 2023-24 is taken. The net sales are considered in this regard.
3	Interest Coverage Ratio (%)	160.34	The percentage of ratio represents our ability to cover our interest expenses with our operating earnings.
4	Current Ratio (%)	85.70	The percentage of ratio measures our ability to meet our short-term liabilities with our short-term assets. We are in a good position as we have more current assets than current liabilities, suggesting a relatively healthy liquidity position.
5	Debt Equity Ratio (%)	10.58	It is a financial metric that compares our total debt to our shareholders' equity.
6	Operating Profit Margin (%)	30.59	For the computation of the ratio, EBIT is taken without considering the exceptional items
7	Net Profit Margin (%)	2.11	The ratio represents the percentage of revenue that remains as profit after deducting all expenses and taxes.
8	Return on Net worth (%)	3.39	The net profit for the FY has increased, leading to a greater return on net worth, which is calculated by taking into consideration the ratio between the net profit and the shareholder's equity. The ratio measures our profitability in relation to our shareholders' equity.

* The above figures and calculations are on a standalone basis.

During the fiscal year 2023-24, our Company achieved a total income of Rs. Rs. 18,551.31 lakhs, with an EBIDTA of Rs. 2,805.61 lakhs. The PAT for the year amounted to Rs. 386.66 lakhs, and the EPS (basic) for the face value of Rs. 1 was Rs. 0.01 in FY 2023-24.

2. MANUFACTURED CAPITAL

We have made significant progress in our mission to extend services to every corner of the country, ensuring accessibility for all. Our extensive presence in remote areas, combined with the evolution of our services, has driven growth in financial, digital and social inclusion. By adopting the Unique Hybrid Model, we have seamlessly integrated physical and digital platforms, enhancing accessibility and convenience for our customers.

Additionally, we have expanded our reach by establishing 21,653 active transacting Vakrangee Kendras across 31 States and UTs. Moreover, the appointment of Master Franchisees in 437 Districts across 28 States has strengthened our operations, providing essential support to existing franchise outlets and facilitating new acquisitions.

We have been able to assert our presence even in various troubled areas and Tribal and Aspirational districts, enabling the Company to deliver high-quality services to underserved areas of the country. Within these districts, Vakrangee has established a network of 4,684 outlets. More than 83% of Tier IV, Tier V, and Tier VI locations are covered by our geographical footprint, distributed throughout 31 states, 571 districts and 5,444 postal codes.

ISO 9001:2015 is a globally recognised standard that emphasises the implementation of effective Quality Management Systems (QMS). Since 1998, ISO 9001 certification reflects our continuous commitment to excellence and meeting customer needs. We prioritise delivering the highest quality services and fostering a culture of continuous improvement to exceed customer expectations.

In addition, we also adhere to ISO 20400 standards. As an ISO 20400-certified organisation, we recognise the importance of sustainable procurement and has adopted a structured approach to our practical implementation. This internationally recognised standard is valuable for integrating sustainability considerations into procurement processes.

It is important to note that ISO 20400 does not impose specific requirements on suppliers or

serves as a means to evaluate their sustainability performance. Instead, it enables us to enhance our sustainable practices and contribute to a more responsible and ethical supply chain.

3. HUMAN CAPITAL

At our organization, we have established a culture of inclusivity, continuous improvement and equal opportunities for all employees. Emphasising collaboration, teamwork and entrepreneurial spirit, we encourage employees to leverage their strengths, engage in innovative thinking and provide the necessary tools and resources to excel in their roles.

Recognising the crucial role of employees as key stakeholders, the organisation prioritises their professional development and growth by regularly investing in enhancing their knowledge and skills. With a dedicated workforce of over 212 individuals, we demonstrate unwavering dedication to our employees.

Our investment in human capital has yielded positive outcomes, including increased productivity, enhanced employee loyalty and heightened motivation within the workplace. By valuing and empowering employees, we foster an environment that cultivates their potential and facilitates the realisation of a shared vision.



As a signatory of the UNGC, we endorse the ten principles outlined by the United Nations Global Compact on human rights, labour, environment and anti-corruption. Aligned with these principles, the organisation integrates these ideals into our Company's strategy, culture and daily activities.

The main drivers of value for human capital at our organization include the following points.

1. **Organisational Culture:** We aim to cultivate a meaningful work environment with continuous engagement, fair resolutions, merit-based decision-making, equal treatment and transparency in decision-making processes.
2. **Technological Leverage:** We prioritise harnessing technologies, process automation, and launching innovative digital projects to manage field operations and business activities efficiently.
3. **Human Rights:** Our commitment to human rights involves strict adherence to labour laws, raising employee awareness, providing equal employment opportunities, fostering a harassment-free workplace, ensuring health and safety, and establishing a robust grievance mechanism.
4. **Diversity and Inclusion:** Discrimination based on various factors is strictly prohibited. We actively promote diversity and inclusion through recruitment, mentorship and talent retention initiatives.
5. **Gender Equality:** We prioritise gender equality through initiatives like pay equity, promoting pay transparency, offering bonuses and flexible work schedules, and ensuring equitable employee increments.
6. **Targeted Recruitment:** The recruitment process focuses on selecting the finest talent from diverse backgrounds nationwide, exemplifying the Company's commitment to providing equal opportunities.
7. **Mentorship:** Mentorship programmes guide employees in their professional journeys, complemented by comprehensive training covering ISO certifications and behavioural aspects.
8. **Training and development:** Our employees undergo comprehensive training programs, covering areas such as ISO certifications, induction processes, and behavioural aspects.
9. **Talent Retention:** Many employees have been dedicatedly associated with our organization, as evident from our average voluntary attrition rate of permanent employees at 2.4% in FY 2023-24.
10. **Employee Satisfaction:** We actively execute various engagement initiatives, conduct surveys and provide in-house services to enhance employee satisfaction.
11. **Health and Safety:** In our commitment to promoting health and safety, we have implemented several initiatives, such as the Employee Assistance Program, practical well-being support, yoga classes, fire safety measures, and emergency drills.
12. **Grievance Redressal:** We have assembled a team of qualified professionals dedicated to addressing grievances from all our stakeholders.

4. SOCIAL AND RELATIONSHIP CAPITAL

In the domain of Social and Relationship Capital, our focus is establishing meaningful engagement with stakeholders to understand their expectations fully. We have nurtured trust-based relationships with various key stakeholders, including franchisees, master franchisees, customers, business partners, local communities, shareholders, suppliers and government or regulatory bodies.

The Company's strategic shift involves harnessing technologies, implementing process automation and launching innovative digital projects as novel approaches to efficiently manage field operations and day-to-day business activities.

Transparency is our cornerstone principle, and we have consistently endeavoured to foster cooperation and maintain strong relationships with our stakeholders. To underscore the organisation's commitment to building robust connections, we have implemented various policies such as the Sustainable Sourcing Policy, Green Procurement Policy, Corporate Social Responsibility Policy, Political Involvement Policy and Shareholder Engagement Policy.

These policies serve as tangible manifestations of our dedication to cultivating strong relationships and attaining a structured framework to adapt to the diverse requirements of its stakeholders.

Shareholders

We engaged with shareholders through a variety of channels, including conference calls, regular

business updates via press releases, roadshows, analyst meetings and its Annual General Meeting. Additionally, we have recorded and uploaded these sessions on its website for easy access and reference.

Franchisees

- We fosters rural entrepreneurship, promotes employment generation and facilitates skill development initiatives.
- Doorstep Banking was launched, primarily catering to senior citizens and old-age pensioners.
- Total Healthcare Services offers professional medical consultations by doctors, reducing the need for physical consultations.

Suppliers/Vendors

We have evaluated four suppliers based on their social and environmental impact. Additionally, the Company conducted regular meetings and internal audits to monitor its performance regarding Environmental, Social, and Governance (ESG) requirements.

Customers

Our primary focus has been on establishing a sustainable business model that facilitates financial, social and digital inclusion for Indians.

Government and Regulatory Authority

We do not have direct relationships with government bodies,

- however, we own a license from the Reserve Bank of India to set up and manage White Label ATMs. We are the 4th largest ATM operator in



To demonstrate our dedication to fostering robust social and relationship capital, we have attained several ISO certifications that underscore our commitment to diverse facets of responsible business practices.



rural India. Tie-ups with nationalised banks to function as Corporate Business Correspondents.

- We are member of prominent industry bodies such as CATMi, BCFI and NPCI, which are widely acknowledged entities in the country.

Local Community

- The Company sponsors activities like marathons to encourage employees to participate, promoting the importance of an active lifestyle.
- The organisation operates a multi-speciality hospital in the heart of Kota, providing various treatments on a non-profit, no-loss basis. These treatments include cardiology, neurology, urology, general surgery, gynaecology, orthopaedics and gastroenterology.
- In FY 2023-24, we contributed Rs. 26.80 lakhs towards CSR initiatives.

To demonstrate our dedication to fostering robust social and relationship capital, we have attained several ISO certifications that underscore our commitment to diverse facets of responsible business practices. These certifications encompass the following list.

- ISO 26000:2010 Social Responsibility Management System showcases our commitment to sustainable development and surpassing legal compliance requirements.
- ISO 37001:2016 Anti-bribery Management System emphasises our dedication to conducting business with transparency, ethics and integrity.
- ISO 45001:2018 Occupational Health and Safety Management System, confirming our endeavours to create and uphold a safe and healthy work environment.
- ISO 20400:2017 Sustainable Procurement Management System, highlighting our stringent sustainable procurement practices.

5. INTELLECTUAL CAPITAL

As a growth-oriented and innovative company, we persistently endeavours to enhance our services. Even amidst the challenges posed by the pandemic, we remain committed to bridging the gap between rural and urban populations through our last-mile services. As we continue to invest in cutting edge technologies, we remain dedicated to providing unwavering assistance to both new and existing

franchisees, propelling their performance to new heights. Some of the key highlights of FY 2023-24 were –

We are certified in the relevant ISO standard certifications, ensuring we have proper systems and processes to run our operations.

- ISO/ IEC 27001:2013 Information Security Management System protects sensitive data of our Company and our customers. ISO 27701- Privacy Information Management System, which ensures the enforcement of compliance with mandatory regulatory, internal compliance, best practices, legal and ethical requirements along with the need for managing risk.
- ISO 20000-1:2011 – IT Management System benefits us with improved IT service management, reliable IT services with reduced downtimes, minimal risk of errors, lower costs, time-saving and increased customer confidence.
- ISO 22301- Business Continuity Management System specifies the requirements for a management system to protect against, reduce the likelihood of, and ensure that the organisation's business recovers from disruptive incidents.
 - » We have trained all the employees and 21,653 franchisees in advanced technologies.
 - » As a result of strengthening data security in our operations, we faced 0 instances of a data breach in our corporate office and outlets.
 - » 100% of franchises are using IoT, along with all 6,487 ATM Franchisees.
 - » 100% of franchisees are using electric surveillance.
 - » Introduced contactless payment in Next-Gen Vakrangee Kendras.
 - » With the introduction of Artificial Intelligence and Natural Language Processing, we have revolutionized our services by enabling advanced data analysis, personalized customer interactions, and automated processes, leading to enhanced efficiency and customer satisfaction. Our Chatbot Conversational Interface and Designs utilize advanced Natural Language Processing to understand and respond to text chat in a contextually appropriate manner, enhancing

communication efficiency.

- » We have implemented Virtual Assistance to provide users with an immersive spatial experience, allowing them to engage with our services as if they were physically present.
- » Through the Internet of Things, we enable the seamless connectivity and remote control of smart devices, enhancing convenience and control for our customers.
- » By use of Blockchain technology, we ensure secure and transparent transaction recording and asset tracking within our business network. Through our utilization of Big Data and data analytics, we delve deep into large and complex data sets to extract valuable insights and make informed predictions. We have also embraced Augmented Reality (AR) and Virtual Reality (VR) technologies, allowing customers to virtually experience our products and services before making a purchase, eliminating the need for physical availability.

6. NATURAL CAPITAL

Growth with environmental stewardship

We firmly believe that success is not solely measured by financial achievements but also by the positive impact we create on the world around us. As part of our commitment to sustainable practices and environmental stewardship, we have established the National Capital Chapter, a dedicated initiative focused on driving positive change for both our organization and the planet. Our commitment to doing better goes beyond mere compliance with environmental regulations. We actively seek opportunities to implement sustainable practices, conserve resources, and protect the environment. By embracing renewable energy sources, optimizing waste management systems, and integrating eco-friendly technologies, we aim to minimize our ecological impact and promote a greener future.

Impact of initiatives

Environmental impact reduction is integral to our business model, guided by well-defined corporate policies prioritising environmentally conscious practices.

- As part of our Go-Green Initiatives, we have introduced paperless ATMs, eliminating the need for paper and reducing waste.

- Biometric-enabled paperless banking at Vakrangee Kendras has significantly decreased paper consumption and waste.
- Expansion of the Vakrangee Kendras in rural areas has minimised travel distances for customers and stakeholders, reducing fuel consumption and greenhouse gas emissions.
- Our corporate offices adhere to Green Building principles, incorporating energy-efficient design, rooftop solar panels for renewable energy, and sustainable practices using recycled materials.
- To encourage eco-friendly commuting, we have incentivised carpooling, vanpooling, biking, and public transit among its employees.
- By utilising existing infrastructure for our Kendras, we mitigate greenhouse gas emissions, biodiversity disturbance, fuel consumption, land clearing and water usage associated with construction.
- Clean drinking water facilities are available at all the Kendras, particularly benefitting rural areas and reducing reliance on plastic bottles.
- Our waste management practices prioritise circularity, recycling and eco-friendly disposals, including substituting plastic drinking water bottles with glass bottles for office meetings.
- Actively working to reduce greenhouse gas emissions, we have adopted renewable energy, leveraged technology, digitalised transactions and promotes energy-efficient practices.
- We have obtained ISO certifications for Environmental Management Systems, Sustainable Procurement Management Systems, Greenhouse Gas Emission Management and Energy Management Systems, underscoring its commitment to environmental stewardship.

3) Business Outlook – Our Corporate Strategy

We have synchronized our sustainability endeavours



with the sustainable development goals set by the United Nations. These goals serve as a blueprint for advancing a brighter future by blending physical and digital transformation, thereby nurturing inclusivity in India. Our aim is to efficiently execute these objectives and tackle global issues such as poverty, inequality, climate change and environmental degradation while striving for prosperity, peace and justice. Our environmental, social and governance (ESG) initiatives framework is designed to foster the holistic sustainable development of the economy as a whole. We integrate ESG practices into our core business processes to promote sustainable development.

Our goal is to promote financial and digital literacy among the underserved and unserved populations in rural and urban areas of India. By physically and digitally reaching out to these communities, we act as a major equalizer, bridging the gap between the financial, social, and digital inclusion of urban and rural India. We strive for financial inclusion by supporting government financial schemes and social inclusion efforts such as PMJDY (Pradhan Mantri Jan-Dhan Yojana) and social security insurance schemes. We provide universal access to banking, insurance, and pension plans, along with facilitating the direct transfer of subsidies through the Direct Benefit Transfer system.

We are committed to ensuring the accessibility of our services and aims to reach out to over 3 lakhs+ outlets along with a minimum of 15,000 ATMs. We aim to establish India's largest distribution channel based on a franchise model, focusing strongly on rural areas. We estimate that our Gross Transaction value will exceed US\$150 billion annually by 2030. This growth will result in substantial revenue and profitability due to our asset-light franchise-based business model, which leverages operating efficiency. As a result, our Cash Adjusted Return on Capital will experience significant improvement.

In addition to our commitment to financial, digital, and social inclusion, we actively foster an entrepreneurial spirit to drive the growth of businesses. Our envisioned objective remains the establishment of a comprehensive presence in every District and Postal code across the nation, ensuring convenient access to essential services within close proximity or through digital means. Through the introduction of innovative concepts and cutting-edge technology, we aim to solidify our position as India's leading retailer while facilitating universal financial, digital, and social inclusion. At the core

of our innovative business strategy and extensive store network lies a strong emphasis on promoting entrepreneurship. We recognize the importance of empowering individuals and businesses to thrive and succeed. By offering a diverse range of services all under one roof, we create a conducive environment for entrepreneurs to establish and expand their ventures. Our goal is to nurture a vibrant entrepreneurial ecosystem that not only caters to the everyday needs and convenience services of our customers but also serves as a catalyst for their business growth.

Through our comprehensive range of offerings and strategic support, we inspire and encourage individuals to embrace entrepreneurship, fostering an environment that promotes innovation and economic development. By providing aspiring entrepreneurs with the necessary resources, mentorship, and opportunities, we aim to empower them to tap into global markets and maximize the benefits of financial, digital, and social inclusion.

As we continue to evolve as the preferred destination for customers seeking everyday products and services, we are committed to instilling an entrepreneurial mindset, where customers associate our motto of "Sab Kaam Ek Dukaan" or "Now, the Whole World is Nearby" with the limitless possibilities and growth potential that entrepreneurship offers.

The "Vakrangee Effect": adopting economic, social and governance aspects

Utilizing the phygital model that combines physical and digital presence, has played a pivotal role in financially empowering a significant portion of society that was previously excluded from mainstream economic progress. We have aligned our corporate growth plan with the principles of sustainable development and responsible business practices. Collaborating with the government and corporate sector, we strive to promote financial, social, and digital inclusion in rural areas of India.



Our target is to reach 3 lakh + outlets along with Minimum 15,000+ ATMs.



Our mission entails seamlessly integrating these goals into our overall strategy and business operations, while addressing global challenges such as poverty, inequality, climate change, environmental degradation, prosperity, peace, and justice. Joining forces with a global network comprising over 9,500 businesses and 3,000 non-profit organizations, we are dedicated to creating a more sustainable future.

Enhanced participation of individuals will provide crucial support to industrialization, agriculture, and the expansion of the market for products and services. Consequently, by ensuring the financial and social inclusion of a significant segment of society that contributes to over half of India's GDP, we can further bolster and invigorate the Indian economy. We refer to this phenomenon as "The Vakrangee Effect."

As a company, we consistently engage in strategic planning, with a focus on organic business growth. Our target is to reach 3 lakh + outlets along with Minimum 15,000+ ATMs. With this, Our plan is to achieve a Revenue target of US\$ 1 Billion by 2030 along with a Gross Transaction Value of more than US\$ 150 Billion. In addition to our ongoing efforts, we have re-appointed Master Franchisees in 437 Districts across 28 States nationwide. These Master Franchisees play a crucial role in providing on-ground operational support to our existing franchisee outlets and spearheading the acquisition of new franchisees. Our aim is to achieve comprehensive District coverage, reaching 100% of all Districts, by March 2025.

This strategic step allows us to strengthen our operational capabilities and ensure seamless support for our franchisees across the country. By leveraging the expertise and local presence of our Master Franchisees, we enhance our ability to deliver quality services and expand our network of Vakrangee Kendra outlets. Ultimately, this initiative reinforces our commitment to fostering financial, digital, and social inclusion while driving sustainable business growth.

Driving Performance through Entrepreneurship

This year, we are placing a strong focus on fostering entrepreneurship through the implementation of our master franchisee model. Building upon the success of our previous initiatives, we have appointed Master Franchisees in 437 Districts across

28 States throughout the country. This strategic move aims to provide on-ground operational support to our existing franchisee outlets and drive the acquisition of new franchisees.

By empowering entrepreneurs at the district level, we aim to accelerate growth, strengthen our operational management, and enhance scalability. In our pursuit of creating an inclusive India, we recognize the importance of nurturing an entrepreneurial spirit. Through our master franchisee network, we empower local entrepreneurs to manage and grow their Kendra networks within their respective districts. This approach capitalizes on their unique insights, passion, and dedication to effectively address the diverse needs of our customers. By fostering entrepreneurship, we not only drive business growth but also contribute to the socio-economic development of the communities we serve.

To incentivize and motivate our master franchisees and Kendra franchisees, we offer performance-based incentives and commissions. These rewards encourage excellence and create a culture of continuous improvement. Our master franchisees play a vital role in ensuring operational compliance, providing active support to existing franchisee outlets, and driving the expansion of our franchisee network. By leveraging their expertise and local presence, we aim to achieve comprehensive district coverage across the nation, targeting 100% coverage by March 2025.

This focus on entrepreneurship and our master franchisee network allows us to scale rapidly and achieve our long-term targets ahead of schedule. It fuels innovation, efficiency, and accelerated growth throughout our organization. By fostering an entrepreneurial mindset and providing the necessary support and incentives, we create an environment that encourages our franchisees to thrive, resulting in the overall success of our phygital network.

Through our commitment to entrepreneurship and the entrepreneurial spirit of our master franchisees and Kendra franchisees, we are driving performance, accelerating growth, and shaping a more inclusive India. Together, we are confident in achieving our vision of ensuring access to global markets and enabling financial, digital, and social inclusion for every Indian.

BUILDING A MORE INCLUSIVE SOCIETY

Promoting Social Inclusion

Skills Enhancement: Our business approach prioritizes the facilitation of skills enhancement. We actively recruit individuals from diverse backgrounds and provide them with comprehensive training to develop their skill sets, resulting in significant achievements. Furthermore, we encourage these employees to obtain essential certifications, thereby enhancing their technological capabilities in delivering Aadhaar and Banking Services.

Job Creation: Our business model revolves around a robust franchisee system. In addition to generating employment opportunities within our company, each franchisee is required to employ a minimum of 1 to 2 local resources. This approach leads to the creation of more job prospects and financial security within the community. The ripple effect of our unique business approach significantly contributes to employment generation in society.

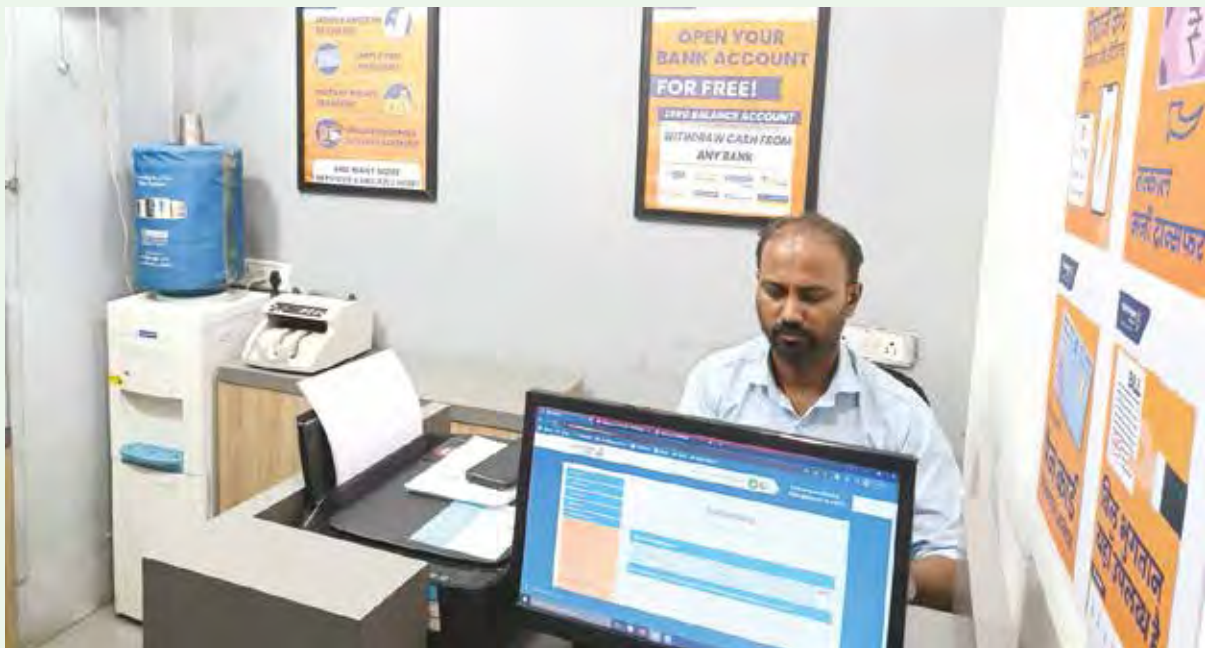
E-Governance: Social inclusion plays a crucial role in empowering citizens by providing them with a distinct identity, recognizing their presence, and enabling the government to effectively reach out to local communities for the administration of various welfare programs. It also fosters financial inclusion and enhances accessibility to loans, thereby promoting economic empowerment and upliftment.

Promoting Financial Inclusion

We facilitate the provision of essential banking and insurance services, ensuring accessibility for individuals across the country. Moreover, we enable the direct transfer of government subsidies into the bank accounts of citizens through the Direct Benefit Transfer (DBT) scheme. By extending financial inclusion to a broader segment of the population, encompassing a significant portion that contributes to more than half of the nation's GDP, we have the potential to further expand and enrich the Indian economy.

Digital Empowerment for All

We are actively working to extend digital literacy and accessibility to the lower strata of the socioeconomic pyramid. Our efforts revolve around bridging the gap and connecting unserved and underserved rural and urban citizens throughout India. To achieve this, we offer biometric-enabled banking services, assisted e-commerce facilities, and a range of digital services and e-governance solutions at our Kendras. Through our technologically advanced platform, integrated with the Core Banking Systems (CBS) of multiple banks, we provide real-time and interoperable banking access. To ensure nationwide accessibility, we have established online platforms that enable consumers from every corner of the country to access a wide range of services conveniently.



Addressing Inequalities

One of our primary objectives is to minimise disparities and bridge the gap between India's urban and rural populations. Under the theme "Ab Poori Duniya Pados Mein" (Now, the Whole World is Nearby), we have introduced Next-Gen Vakrangee Kendras. Our innovative approach involves establishing "One Stop Shop Digital Convenience Stores" that offer goods and services at the same price, simultaneously, and with equal quality to both urban and rural populations. We have also made significant strides in serving regions characterized by Left Wing Extremism (LWE), tribal communities, and aspirational districts. Through our initiatives, we aim to reduce inequalities, enhance access to essential services, and foster equitable development across diverse areas of the country.

Facilitating Productive Work and Economic Growth:

We are dedicated to offering individuals suitable opportunities to engage in productive, stable, and fairly compensated work. Our network of franchisees plays a vital role in generating local employment by hiring individuals from the community. Moreover, we provide certification and training programs in essential areas such as banking, insurance, and UIDAI, equipping individuals with the necessary skills to thrive in their roles.

"Embracing Convenience at Your Doorstep" – Empowering Rural India through Seamless Services:

With around 1.3 billion Indians residing in rural areas, accounting for approximately 65 percent of the nation's population, our mission is to connect and unite India's rural communities under the umbrella of financial, social, and digital inclusion through our Next-Gen Vakrangee Kendras. These Vakrangee Kendras have emerged as pivotal consumer hubs within the rural economy. We are committed to continually enhancing the services offered by our Vakrangee Kendras to effectively cater to the unique needs of rural India.

Recognizing the distinct requirements of the rural population, we employ a tailored strategy that acknowledges the differences between rural and urban areas. Supported by the Indian government's push for digital payments, we strive to transform our stores into comprehensive one-stop shops, offering a diverse range of goods and services. By embracing a phygital transformation, blending online and physical store experiences, we aim to create an inclusive India. Our focus is on seamlessly integrating digital and traditional platforms, providing rural communities with access to the convenience they deserve.

Harnessing the Power of Entrepreneurship for Financial Inclusion and Economic Growth

Building upon the success of Government-backed financial inclusion initiatives, every Indian family now benefits from owning a bank account and gaining access to a debit card. The expansion of banking services in rural areas has been significantly facilitated by the

Direct Benefit Transfer (DBT) program. As digital platforms become more accessible, there is a growing demand for digital banking alternatives across the nation.

Our Kendras have played a pivotal role in empowering rural markets by providing access to digital and financial services. Leveraging cutting-edge technologies such as Aadhaar enabled Payment Systems (AePS), e-KYC, interoperability, and real-time banking transactions, our valued customers benefit from seamless and efficient financial solutions. As corporate agents, we collaborate with multiple insurance companies to offer comprehensive coverage, including life, general, and health insurance. To enhance convenience and reduce the need for extensive travel to access essential services, we have established a widespread network of ATMs through our Kendras. This local presence enables



Under the theme "Ab Poori Duniya Pados Mein" (Now, the Whole World is Nearby), we have introduced Next-Gen Vakrangee Kendras. Our innovative approach involves establishing "One Stop Shop Digital Convenience Stores" that offer goods and services at the same price, simultaneously, and with equal quality to both urban and rural populations.



communities to conveniently withdraw cash within their neighbourhoods, providing a much-needed financial resource.

As a technology-driven retailer, we offer a diverse range of services under one roof, including e-commerce, online healthcare, telemedicine, and online travel reservations. While rural citizens may indirectly access modern services, we understand the challenges associated with the limited availability of products in rural areas, often due to transportation costs and logistical barriers. In line with our mission as the largest equalizer within the franchise-based, multi-service retail network, we are committed to fostering entrepreneurship. By nurturing entrepreneurial spirit and creating

opportunities for local individuals, we empower aspiring entrepreneurs to join our network as franchisees, further driving financial inclusion and economic growth. Through

our Vakrangee Kendras, we provide aspiring entrepreneurs with the platform and support to establish and operate their own successful businesses, thereby contributing to the local economy and serving the needs of underserved segments of society. By integrating entrepreneurship with financial inclusion initiatives, we aim to create a holistic ecosystem that fosters economic empowerment, elevates rural communities, and paves the way for a more inclusive and prosperous India.



Directors' Report

Dear Shareholders,

Your Directors are pleased to present 34th Annual Report on the affairs of the Company together with the Audited Statement of Accounts for the year ended March 31, 2024.

1. PERFORMANCE OF THE COMPANY

The Company's performance is summarized below:

FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2023-2024	2022-2023	2023-2024	2022-2023
Revenue from Operations	18,363.66	16,451.34	21,258.21	19,730.23
Other Income	187.65	102.64	233.89	140.25
Profit / Loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	2,805.61	1,930.44	2,872.08	1,970.91
Less: Depreciation/ Amortisation/ Impairment	1,569.08	1,551.36	1,569.08	1,551.36
Profit/Loss before Finance Costs, Exceptional items and Tax Expense	1,236.53	379.08	1,303.00	419.55
Less: Finance Costs	771.17	151.53	771.17	151.53
Profit /Loss before Exceptional items and Tax Expense	465.36	227.55	531.83	268.02
Add/(Less): Exceptional Expense	54.44	--	54.44	--
Profit /Loss before Tax Expense	519.80	227.55	586.27	268.02
Less: Tax Expense (Current & Deferred)	133.14	167.54	151.01	167.54
Profit /Loss for the year (1)	386.66	60.01	435.26	100.48
Total Comprehensive Income/Loss (2)	(11.46)	(51.44)	(3.98)	(36.61)
Total (1+2)	375.20	8.57	431.28	63.87
Balance of profit /loss for earlier years	6,042.75	6,512.48	10,177.23	10,606.48
Less: Transfer to Reserves	-	-	-	--
Less: Dividend paid on Equity Shares	(529.76)	(529.75)	(529.76)	(529.75)
Less: Dividend Distribution Tax	-	-	-	-
Add: Derecognition of subsidiary	-	-	-	-
Less: Transfer on Demerger	-	-	-	-
Balance carried forward	5,899.65	6,042.75	10,082.73	10,177.23

● PERFORMANCE

Standalone:

Your Company's total income during the year under review was ₹18551.31 Lakhs as compared to ₹16553.98 Lakhs in the previous year. The Profit after tax was ₹386.66 Lakhs as compared to ₹60.01 Lakhs in the previous year.

Consolidated:

Your Company's total income during the year under review was ₹21492.10 Lakhs as compared to ₹19870.48 Lakhs in the previous year. The Profit after tax was ₹435.26 Lakhs as compared to ₹100.48 Lakhs in the previous year.

2. STATE OF COMPANY'S AFFAIRS

Today, Vakrangee has emerged as the "Go To Market Platform" for the Rural India for our various Business verticals including the new age Fintech and Digital platforms. We are Building One of India's Largest Last Mile Distribution Platform and emerging as the Physical plus Digital Eco-system with a PAN INDIA Presence.

Vakrangee is one of the largest franchisee-based, multi-service retail network. We are focused on creating India's extensive network of last-mile retail outlets at every postal code in the country, enabling Indians to benefit from financial, social and digital inclusion. The essence of Vakrangee lies in its unwavering determination to see that every Indian has the opportunity to benefit from financial inclusion and access to the global marketplace. As a means to achieve our goal, we have bundled modern-day conveniences into our new franchisee-model of Next-Gen Vakrangee Kendra. Vakrangee through its services has tried to bridge the gap between the rural and urban India by providing essentialities such as Banking and ATM services, online shopping, online demat & trading account services, Total healthcare services – including unlimited tele & video consultation with expert doctors, home blood test facility and doorstep delivery of medicines to minimize the potential threat to the health and safety of the Vakrangee franchisees and customers present at remotest locations.

The Company has launched a Mobile Super App based business platform primarily targeting Rural India : BharatEasy App, India ka Super App. We have made live and activated some of the key services like Online Shopping, Online Agriculture products, Total

Healthcare services, Online Demat Account opening, CIBIL credit score rating services as well as Online PAN Card application services.

A unique differentiator and a Sustainable Competitive advantage is whereby our Digital Super App platform would be able to leverage the Vakrangee On-Ground Eco-system – a vast well diversified pan India level physical store network of Vakrangee as point of Physical Assistance especially to consumers to Semi Urban and rural remote locations.

Vakrangee Digital ventures shall leverage the Vakrangee Eco-system:

- Strong Brand Recall: Vakrangee Kendra enjoys good positive NPS among users (Our NPS score is 68% as per Redseer Research)
- Access to Existing Vakrangee Customer base
- Access to Existing network of 21,653 outlets for Physical Assistance and Consumer Awareness

This Unique Proposition of Digital along with Physical: "Phygital" would help the Digital channel to scale up fast and would significantly reduce the costs related to acquiring customers, physical assistance, order fulfilling and Return management of online orders. Further, leveraging physical presence would result into better customer interaction, strong Brand recall and better service experience and Trust for the customers.

During the year, we have introduced the exclusive district level Master Franchisee initiatives. We have strengthened our operations by appointing Master Franchisees in 437 Districts across 28 States, who provide essential support to the existing franchisee outlets and facilitate new franchise acquisitions. We ensure that each district-level Franchisee is connected to their respective District-level Master Franchisee. These Master Franchisees play a pivotal role in overseeing and ensuring operational compliance for the franchisees within their assigned districts. They take on the responsibility of monitoring the entire process from start to finish, maintaining a keen focus on operational standards and adherence to our established guidelines. This interconnected structure allows for effective supervision and support, ensuring that our franchisees operate in alignment with our organizational objectives and deliver high-quality services to our valued customers.



Additionally, we have expanded our reach by establishing 21,653 active transacting Vakrangee Kendras across 31 States & UTs covering 571 districts, and 5444 postal codes. More than 83% of these outlets are in Tier IV, Tier V and Tier VI sites.

The Company's planned target is to have a last mile presence across all postal codes, covering each and every Gram Panchayat in the country. As we move forward to expand our network of Vakrangee Kendras across India, we believe that our growing network will benefit immensely from a regimented degree of standardization and consistency, in terms of the quality of our facilities, and in terms of the service levels we offer our customers. Our aim is to become India's largest rural distribution platform.

By 2030, we plan to have 100% Pan India coverage through our Physical Vakrangee Kendra outlet network along with BharatEasy Digital Mobile App. Our target is to reach 3 lakh + outlets along with Minimum 15,000+ ATMs.

We are currently Building a Pan India District level Master franchisee network which would result in strong on-ground operational management as well as Higher scalability in future. We Plan to achieve 100% District level Master Franchisee coverage by March 2025. With this, Our plan is to achieve a Revenue target of US\$ 1 Billion by 2030 along with a Gross Transaction Value of more than US\$ 150 Billion.

Further, your Company has been successful in benchmarking Company's performance on a wide range of industry specific economic, environmental, governance and social criteria that are relevant to the growing focus on Business sustainability and financially relevant to the corporate success. Global recognition reflects company's commitment to further enhance its corporate governance and transparency standards. Company has achieved Global recognition across various platforms for its superior ESG performance and long term Business sustainability.

The Company has been ranked World's No.1 Company in the Software industry based on Sustainalytics ESG Assessment. Vakrangee Limited has also been honored to be included in this year's Sustainability Yearbook 2022, published by S&P Global. Vakrangee has earned "S&P Global Bronze Class" spot in the yearbook in the Corporate Sustainability Assessment (CSA) survey. The Sustainability Yearbook 2022, published by S&P Global is one of the world's most comprehensive publications

providing in-depth analysis on corporate responsibility. This annual ranking showcases the sustainability performance of the world's largest companies in each industry as determined by their score in the annual Corporate Sustainability Assessment (CSA). The Company has been ranked No. 13 in the global industry ranking and also ranked No. 9 Company in the Corporate Governance global industry ranking based on S&P Global ESG Score

At Vakrangee, we have always attempted to be a Responsible and Socially Conscious company. This rating is a validation of our belief and commitment to our Business model of Nextgen Vakrangee Kendras. Through our network of kendras, we are taking the financial and digital literacy to the bottom of the socioeconomic pyramid and serving as the last-mile link to connect India's unserved and underserved rural and urban citizens by offering them the same products and services at the same time, competitive price and same service levels. We are acting as the biggest equaliser by bridging the gap between the urban and rural population in India.

We have mapped our sustainability initiatives with the United Nation's Sustainable Development Goals. The goals are a blueprint to achieve a better tomorrow. Our aim is to efficiently adopt these goals and address the global challenges, which includes poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.

Vakrangee Limited has been accepted as a Signatory of the United Nations Global Compact. We are now part of a global network of over 9,500 companies and 3,000 non-business participants that are committed to building a sustainable future.

The UN SDG goals are interconnected, and we intend to implement them in order to make the world a better place. We believe that businesses can have a positive impact on the societies they serve. Our principles of sustainability define how Vakrangee delivers responsible and sustainable growth.

- Your Company's Membership number for United Nations Global Compact is as follows: Participant ID – 138851
- Vakrangee's Impact Sustainability & ESG (Impact - ESG) - <https://vakrangee.in/overview.html>

- COP (Communication on Progress) Policy - [https://vakrangee.in/pdf/Franchisee/overview/Communication%20of%20Progress%20\(COP\)%20Policy.pdf](https://vakrangee.in/pdf/Franchisee/overview/Communication%20of%20Progress%20(COP)%20Policy.pdf)

Update on Business Operations

Our financial results has been reported on Post demerger basis. We have witnessed growth in terms of Revenue & Profitability on YoY basis post demerger. However, our Profitability has been impacted as we are re-investing our Operational cash flows for enhancing Franchisee incentives as well as building a Pan India district level Master Franchisee network.

Our Total Income stood (Standalone) at ₹183.64 crore in FY2023-24 as against ₹164.51 crore for the corresponding last year, registering a growth of 11.63%. PAT stood at ₹3.87 crore. Cash Profit Stood at ₹19.56 Crore. Our Full Year GTV (Gross Transaction value) crossed ₹55,000 crores and Total number of Transactions crossed 13.20 crores.

Our Current Focus has been on Expanding our Presence through Building Master Franchisee network & to Strengthen our First Mover Advantage. We are currently Building a Pan India District level Master franchisee network which would result in strong on-ground operational management as well as better scalability in future. Further, we also believe our Brand awareness and store awareness has increased significantly post COVID-19 pandemic as our kendras have been open and are providing key essential services in their neighborhoods, due to which we believe we shall emerge as the store of choice for our customers for all their Essential needs.

With the development of the Digital Economy, India is fastly moving towards Digital Payment Mechanisms and Emerging as a Cashless Society. With the fast pace of digital payment penetration, Cash transactions such as ATM & Banking transactions are expected to witness slow down. Therefore, there would be profitability & viability challenges for standalone business models such as only White Label ATMs, only Banking (AEPS) provider, only Money Transfer providers which are dependent on cash transactions.

Vakrangee is future ready with a clear focus on building long term sustainable & profitable business model with focus on Non-Cash based Banking Offering such as

Account Opening, Loan Product, Insurance Services, Fixed Deposits & NPA Recovery Further, we have No dependency on single line of product or services and have a Wide portfolio of product & services such as Online Shopping, Total Healthcare Services, Bill Payments, Online Travel Services, Mobile Recharges, CIBIL Score services, Pan Card Services, Online Opening of Demat & Trading Account Opening Services and many more

Further, we have a strong foothold & Brand presence in Rural India and our customers trust us with their day to day Banking needs. During FY2024, we opened ~14.1 lakh bank accounts, 13.8 lakh+ Insurance / Pension polices and did more than 8.4 crore banking transactions with a Gross Transaction value of ₹43,172 crores. There is a huge Underpenetrated Rural market with huge Retail & MSME Customer Base. Further, there is Lack of trust within the current Rural Customer base. Therefore, Physical Presence & Assistance is a Key Differentiator.

Going forward, we are well structured to transition into a Neo Bank as we plan to launch Neo Banking services through our BharatEasy Mobile super app platform. Through this, we are focused to evolve into a unique O2O (Online to Offline) platform, whereby there would be Assistance available through the Physical Kendra network along with Digital Neo-Banking Services. Further we have strong existing Retail customer base in Rural India and we are focused on affordable pricing and unique online to offline consumer experience.

Update on Business Strategy : Update on acquisition of Vortex Engineering Private Limited

The Company has completed the acquisition of ~79% equity share capital of Vortex Engineering Private Limited from the IFC, Tata Capital Innovation Fund, Aavishkaar India Investors & other Shareholder ("Seller"). The Company is in process for acquisition of another ~14% equity share capital of Vortex Engineering Private Limited from other shareholders of the Company and post-acquisition the total shareholding will increase to ~93%.

This is a strategic investment which will help the Company to have a backward integration in place and thereby unlocking future growth opportunities, leverage the cost synergies and technology know-how.



About Vortex Engineering –

- India-based ATM technology company incubated by IIT-Madras. Headquarters and manufacturing facility are in Chennai, India with annual production capacity of over 12,000 ATMs.
- 9 patents in field of ATM/Cash Dispensers (Make in India – Atma Nirbhar Bharat).
- ‘PERFO’ (IP Product Play) - An advanced remote ATM monitoring software tool ‘PERFO’, which is a cross-platform, cross-vendor offering, growing at 100% CAGR from last 3 years.

Update on Scheme of Arrangement for demerger

Scheme of Arrangement for Demerger of E-Governance & IT/ITES Business (Demerged undertaking) of VAKRANGEE LIMITED (‘Demerged Company’) into VL

E-GOVERNANCE & IT SOLUTIONS LIMITED

(‘Resulting Company’) and their respective Shareholders (‘Scheme’) was approved by the Hon’ble National Company Law Tribunal, Mumbai Bench, vide its order dated May 19, 2023. The Scheme of Arrangement for Demerger is effective from May 26, 2023.

Pursuant to the above scheme, shareholders of the Demerged Company were allotted shares in the ration of every Ten (10) Equity Shares of the face value of ₹1/- each fully paid up held in the Demerged Company One (1) new Equity share of the Resulting Company of the face value of ₹10/- each fully paid up which were subsequently listed on BSE and NSE on August 14, 2023.

3. DIVIDEND

Your Directors are pleased to recommend a dividend of ₹0.05/- per equity share of ₹1/- each (@5%) fully paid up of the Company (previous year ₹0.05/- per equity share of ₹1/- each fully paid up of the Company), subject to the approval by the shareholders at the forthcoming Annual General Meeting.

The total dividend payout will be of ₹538.92 Lakhs. No amount is proposed to be transferred to the reserves.

The dividend payout is in accordance with company’s Dividend Distribution Policy. The Dividend Distribution Policy as adopted by the Company is annexed herewith as “Annexure 1”. The policy is also available

on the web-site of the Company, https://www.vakrangee.in/policies_and_guidelines.html.

4. SHARE CAPITAL

The Paid-up Equity Share Capital of the Company as on March 31, 2024 was ₹105,95,13,290/- comprising of 105,95,13,290 equity shares of ₹1/- each.

Your Company, on March 30, 2024 have allotted 60000000 convertible warrants on preferential basis to two allottees. After closure of the financial year 2024 and till date of signing this report, V and V Trading Private Limited, one of the allottees, have opted for conversion of 18316567 warrants into equity shares. Further, company have also allotted 8350 no of equity shares to its eligible employees under the ESOP scheme in place.

5. PUBLIC DEPOSITS

During the year under review, the Company has not accepted or renewed any deposits falling within the purview of provisions of Section 73 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014.

6. SUBSIDIARIES

As on March 31, 2024, the Company had three wholly owned subsidiaries viz, Vakrangee Finserve Limited, Vakrangee Digital Ventures Limited and Vakrangee e-Solutions INC, Philippines.

There are no associate or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 (“Act”).

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company, which forms part of this Annual Report. Further, a statement containing the salient features of the Financial Statements of Subsidiary Companies in prescribed Form AOC – 1 is annexed herewith as “Annexure 2”.

In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statements and related information of the company and its subsidiaries are available on the website of the Company at www.vakrangee.in.

These documents will also be available for inspection during the business hours at the registered office of

the Company. Any member desirous of obtaining the copy of the said financial statements may write to the Company.

As on March 31, 2024, as per the provisions of Listing Regulations, as per immediately preceding accounting year, Vakrangee Finserve Limited is a material subsidiary company.

The Company has adopted Policy on determining Material Subsidiaries which is available on the website of the Company at https://www.vakrangee.in/policies_and_guidelines.html.

Vakrangee Finserve Limited

Vakrangee Finserve Limited is a 100% Subsidiary of the Vakrangee Limited, incorporated in September 2011 with a focus on working as Business Correspondent for various Banks under the Business Correspondent (BC) Model of Reserve Bank of India (2006) in the area of Financial Inclusion. The Company has already signed agreements with various PSU Banks and their Rural Regional banks for carrying out BC services for these banks in identified Rural, Semi-Urban and Urban areas. The services include bank activities such as opening of Bank Accounts, Deposits, Withdrawals and Remittances, etc. Besides, the Company would provide Business Facilitator Services to these Banks which involve mobilization of deposits and loans.

Vakrangee Digital Ventures Limited

Vakrangee Digital Ventures Limited provides an online digital platform to enable seamless services for the consumer at the comfort of their homes. Through this, the company has evolved into the unique O2O (Online to Offline) platform, whereby there is Assistance available through the Physical Kendra network along with Digital Online Services.

Vakrangee e-Solutions INC

The Company holds 100% of Equity Share Capital of Vakrangee e-Solutions INC which was incorporated in the financial year 2009-10 in Philippines for exploring various e-Governance opportunities in Philippines. The first contract under the initiative was "Land Titling Computerization Project", under which it completed scanning, digitization and encoding of more than 15 million title deeds for the Government of Philippines. The prestigious LTCP project was successfully executed, through deployment of world class technology and

more than 8500 manpower resources to digitize land titles from 168 Districts of Philippines.

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and Analysis Report for the year under review, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (SEBI LODR 2015), is forming part of this Annual Report.

8. DIRECTORS' RESPONSIBILITY STATEMENT

Your Board of Directors hereby state that:

- a) in the preparation of the annual accounts, for the financial year ended March 31, 2024, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

9. CORPORATE GOVERNANCE

The Report on Corporate Governance as per the requirement of SEBI LODR 2015 forms part of this Annual Report.

The requisite certificate from M/s. SARK and Associates LLP, Company Secretaries, confirming compliance with

the conditions of Corporate Governance has been included in the said Report.

A Certificate from the Managing Director & Group CEO and CFO of the Company in terms of SEBI LODR 2015, inter alia, confirming the correctness of the Financial Statements and Cash Flow Statements, adequacy of the internal control for financial reporting, and reporting of matters to the Audit Committee, is also forming part of this Annual Report.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, required information relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given as hereunder:

- **Conservation of Energy**

The Operations of the Company are not energy intensive. However, measures have been taken to reduce energy consumption by using efficient computers, IT Assets and other Equipments with latest technologies.

- **Technology Absorption**

Since business and technologies are changing constantly, investment in research and development activities is of paramount importance. Your Company continues its focus on quality up-gradation of products and services development. It has helped maintain margins.

- **Foreign Exchange Earnings and Outgo**

Particulars	31 st March, 2024 (₹ In Lakhs)	31 st March, 2023 (₹ In Lakhs)
Foreign Exchange Earnings	0.05	0.11
Foreign Exchange Outgo	Nil	Nil

11. PARTICULARS OF EMPLOYEES AND OTHER DISCLOSURE

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith as **“Annexure 3”**.

In terms of Section 136 of the Act, the Annual Report and Accounts are being sent to the Members, excluding the information on employees’ particulars which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

None of the Independent Directors had any pecuniary relationship or transactions with the Company during Financial Year 2023-24. In the opinion of the Board, all the Independent Directors possess required qualifications, integrity, expertise and experience (including proficiency) for the position and they fulfill the conditions of independence as specified in the Companies Act, 2013 and Listing Regulations and are independent of the management.

They also bring in the required skill, competence and expertise that allow them to make effective contributions to the Board and its committees.

None of the Directors or Key Managerial Personnel (KMP) of the Company are related inter-se except Ms. Divya Nandwana and Mr. Vedant Nandwana.

In terms of Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel of the Company:

- Mr. Dinesh Nandwana, Managing Director & Group CEO
- Dr. Nishikant Hayatnagarkar, Whole Time Director
- Mr. Ajay Jangid, Chief Financial Officer
- Mr. Sachin Khandekar, Company Secretary & Compliance Officer (up to June 15, 2024)
- Mr. Amit Gadgil – Company Secretary & Compliance Officer (w.e.f August 12, 2024)

In the opinion of the Board, the independent directors appointed during the year possesses the required qualifications, integrity, expertise and experience for the position.

Further, at the meeting of the Board of Directors held on August 12, 2024, the Board have considered and approved the following changes:

Resignation Of Directors:

Mr. Dinesh Nandwana – Managing Director and Group CEO

Dr. Nishikant Hayatnagarkar – Executive Director

Mr. Ramesh Joshi - Independent Director

Mr. B L Meena - Independent Director

Mr. Avinash Vyas - Independent Director

Mr. Sunil Agarwal – Independent Director

Appointment of Directors:

Ms. Divya Nandwana – Executive Chairperson

Mr. Vedant Nandwana – Managing Director

Mr. Amit Sabarwal – Executive Director & Group CEO

Mr. S N Kaushik – Independent Director

Ms. Savita Keni – Independent Director

In the opinion of the Board, Mr. S N Kaushik and Ms. Savita Keni possess required qualifications, integrity, expertise and experience (including proficiency) for the position and they fulfill the conditions of independence.

As per the information available with the Company, none of the Directors of the Company are disqualified for being appointed as a Directors as specified in Section 164(2) of the Companies Act, 2013.

13. DECLARATION OF INDEPENDENCE

All Independent Directors have given declarations affirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI LODR 2015 and there has been no change in the circumstances which may affect their status as Independent Directors during the year. Further, all the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013 and the Code of Conduct for Directors and senior management.

14. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

a. BOARD MEETINGS

The Board met at least once in each quarter and 4 meetings of the Board were held during the year and the maximum time gap between two Board meetings

did not exceed the time limit prescribed in the Act and SEBI LODR 2015.

The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are included in the Corporate Governance Report.

b. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR 2015, the Nomination and Remuneration and Compensation Committee (NRC) has carried out Board Evaluation i.e. evaluation of the performance of: (i) the Board as a whole and its Committees, and (ii) individual directors (including independent directors).

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated.

The performance evaluation of the Chairman, Non-Independent Directors and the Board as a whole was carried out by the Independent Directors at their separate meeting.

The evaluation has been done as per the process laid in the "Policy for Evaluation of performance of the Board of Directors of Vakrangee Limited" (herein after referred to as "Charter") adopted by the Board, based on structured questionnaires for performance evaluation.

c. AUDIT COMMITTEE

The Board has well-qualified Audit Committee, the composition of which is in line with the requirements of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI LODR 2015. All the Members, including the Chairman of the Audit Committee are Independent. They possess sound knowledge on Accounts, Audit, Finance, Taxation, Internal Controls etc. The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are included in the Corporate Governance Report.

During the year under review, the Board has accepted all the recommendations of the Audit Committee.

The Company Secretary of the Company acts as Secretary of the Committee.



The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are given in the Corporate Governance Report.

d. NOMINATION & REMUNERATION AND COMPENSATION COMMITTEE

The Company has duly constituted Nomination and Remuneration and Compensation Committee as per the requirements prescribed under the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI LODR 2015.

The Board has framed a Nomination and Remuneration and Compensation Policy including fixation of criteria for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel. The same has been annexed herewith as **"Annexure 4"**. The Policy is also uploaded on the web-site of the Company at link: https://vakrangee.in/policies_and_guidelines.html.

The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are given in the Corporate Governance Report.

e. RISK MANAGEMENT COMMITTEE

Pursuant to Regulation 21 of SEBI LODR 2015, the Company have constituted a Risk Management Committee to review and mitigate risk factors. The Company has laid down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board has formulated Risk Management Policy to ensure that the Board, its Audit Committee and its Executive Management should collectively identify the risks impacting the Company's business and document their process of risk identification, risk minimization, risk optimization as a part of a risk management policy/ strategy.

The common risks associated with the Company include Rapid Changes in Technology, Heavy Dependence on Franchisee Model, Legal Risk, Financial Reporting Risk, Risk of Corporate Accounting Fraud, Cyber attack and data leakage.

The composition of the Committee was re-constituted on September 3, 2023 with the following members:

1. Ms. Sujata Chattopadhyay – Chairperson
2. Mr. Dinesh Nandwana – Member
3. Dr. Nishikant Hayatnagarkar – Member

The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are given in the Corporate Governance Report.

f. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

In accordance with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013 the Company has adopted a CSR Policy outlining various CSR activities to be undertaken by the Company. The Company during FY 2023-24 undertook CSR activities by spending the earmarked amount in the fields of Social Awareness, Health Care and Education. The CSR Committee evaluates various proposals diligently and then selects few of them.

Based on the recommendation of the CSR Committee, in respect of unspent CSR amount the Company identified the ongoing project and the Company in compliance with section 135(5) and 135(6) of the Companies Act, 2013 has transferred an unspent amount of 13.72 Lakhs in a separate Unspent CSR Account.

With respect to the unspent CSR amount for the financial year 2023-24, the Board of Directors would like to state that the CSR Committee has put in its best efforts and considered/evaluated various proposals diligently and had selected few of them.

The Board is fully confident that the overall CSR spends in these projects would fully meet the guidelines.

The CSR Policy of the Company is available on the Company's website https://www.vakrangee.in/policies_and_guidelines.html.

The Board has constituted a CSR committee inter-alia to define and monitor budgets to carry out CSR activities, to decide CSR projects or activities to be undertaken and to oversee such projects.

CSR Committee comprises of following:

Name	Designation
Mr. Dinesh Nandwana	Managing Director & Group CEO
Mr. Ramesh Joshi	Independent Director
Mr. Sunil Agarwal	Independent Director

Further, the disclosures as required under Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 has been enclosed to this Report in **"Annexure 5"**.

g. STAKEHOLDERS RELATIONSHIP COMMITTEE

As per the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI LODR 2015, the Company has constituted Stakeholders Relationship Committee. The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are given in the Corporate Governance Report.

h. BOARD ESG COMMITTEE

In order to meet UN Sustainable Development Goals (UN-SDG) and Best Global Practices, the Company has constituted the Board ESG Committee.

The Board ESG Committee will work with all the other Board Committees to assist the Board in fulfilling its responsibilities. The objective of the Committee is to consider the material environmental, social and governance issues relevant to the Company's business activities and support the Company in maintaining its position as a global leader in ESG performance.

The role of the Committee is to support the Board in:-

- Understanding how Company's ability to create value is impacted by environmental, social and governance issues - monitoring external ESG trends and understanding associated risks and opportunities.
- Understanding the expectations of key stakeholders.
- Reviewing the performance and results of key ESG investor Initiatives / surveys and global benchmarks - Overseeing the implementation of key initiatives identified, or areas for improvement identified from ESG investor surveys and global benchmarks.
- Considering emerging ESG issues to understand their materiality with regard to Company's long term value creation.
- Review and Evaluate the Overall Business strategy from an ESG impact perspective.
- To monitor and review if the Sustainable development goals are integrated into any new Business strategy or new business initiatives.
- Assist the NRC Committee to review the performance of senior management from an ESG deliverable perspective.

- To review the progress of key initiatives being implemented by the GHG Reduction strategy Committee.

The committee currently comprises of following members of the Board:

Name	Designation
Mr. Avinash Vyas	Chairman
Mr. Ramesh Joshi	Member
Ms. Sujata Chattopadhyay	Member

During the year under review, total 1 (one) meeting of the ESG Committee were held on 29.05.2023 and following is the table showing attendance for the same. The details of meeting attended by its members is as follows:

Name of the Director	Category	No. of meetings held	No. of meetings attended
Mr. Avinash Vyas	Chairman	1	1
Mr. Ramesh Joshi	Member	1	1
Mrs. Sujata Chattopadhyay	Member	1	1

15. AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

Statutory Auditor

M/s. S. K. Patodia & Associates., Chartered Accountants, Mumbai (Firm Registration No. 112723W) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 32nd AGM held on September 27, 2022 until the conclusion of the 37th Annual General Meeting to be held in the calendar year 2027.

The Auditor's Report do not contain any qualifications, reservations, adverse remarks or disclaimer.

Secretarial Auditor

M/s. SARK & Associates LLP, Company Secretaries, was appointed to conduct Secretarial Audit of the Company for the financial year 2023 - 2024 as required under Section 204 of the Companies Act, 2013 and the rules thereunder. The Secretarial Audit Report for the financial year ended March 31, 2024 is annexed herewith as **"Annexure 6"** to this Report.



The Secretarial Auditor's Report do not contain any qualifications, reservations, adverse remark or disclaimer.

In accordance with the provisions of Regulation 24A of SEBI LODR 2015, Secretarial Audit Report of material unlisted Indian subsidiary of the Company namely, Vakrangee Finserve Limited is provided as **"Annexure – 7"** to this Report.

16. VIGIL MECHANISM / WHISTLE BLOWER POLICY

As per the provision of Section 177 (9) of the Companies Act, 2013, the Company is required to establish an effective Vigil Mechanism for Directors and Employees to report genuine concerns. In line with this, the Company has framed a Vigil Mechanism / Whistle Blower Policy through which the Directors and Employees, Franchisees, Business Partners, Vendors or any other third parties making a Protected Disclosure under this Policy may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is placed on the website of the Company at https://vakrangee.in/policies_and_guidelines.html

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All women employees (permanent, contractual, temporary and trainee) are covered under this Policy. During the year 2023 - 24, no complaints on sexual harassment were received.

We hereby state and confirm that, the Company has constituted an internal complaints committee to redress complaints received regarding sexual harassment under provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

18. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the Financial Statement relate and the date of this report.

There was no change in company's nature of business during the FY 2023 - 24.

19. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, all contracts / arrangements / transactions entered by the Company were in Ordinary Course of the Business and on Arm's Length basis. There were no material transactions with any related party as defined under Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the Policy of the Company on materiality of related party transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. The members may refer Note. 42 to the Financial Statements which sets out Related Party disclosures pursuant to Ind AS. There are no materially significant related party transactions that may have potential conflict with interest of the Company at large.

The Policy on materiality of related party transactions and on dealing with related party transactions as approved by the Board may be accessed on the Company's website https://vakrangee.in/policies_and_guidelines.html. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

20. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

A separate section on Business Responsibility and Sustainability Report forms part of this Annual Report as required under Regulation 34(2)(f) of SEBI LODR 2015.

21. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITIES PROVIDED BY THE COMPANY

Particulars of Loans, Guarantees and Investments covered under provisions of section 186 of the Act, if any, are given in the notes to the Financial Statements.

22. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal control systems, comprising of policies and procedures are designed to ensure sound management of your Company's operations, safekeeping of its assets, optimal utilization of resources, reliability of its financial information and compliance. Based on the report of Internal Audit function, corrective actions are undertaken in the respective areas and thereby strengthen the controls.

The statutory auditors of the Company have audited the financial statements included in this annual report and has issued a report on our internal financial controls over financial reporting as defined in Section 143 of the Act.

23. EMPLOYEES STOCK OPTION SCHEME

The Company has in place Employees Stock Option Scheme ("ESOP Scheme") namely, ESOP scheme 2014.

The ESOP Scheme of the Company is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 ("the Regulations") and no material changes in the scheme was carried out during the year under review.

The details required to be disclosed under SEBI Guidelines are available on Company's web-site www.vakrangee.in.

24. EXTRACT OF ANNUAL RETURN

The Annual Return of the Company as on 31st March, 2024 in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, would be available on the website of the Company at i.e. www.vakrangee.in

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, no significant and material orders were passed by the Regulators, Securities Exchange Board of India, Stock Exchanges,

Tribunal or Courts which impact the going concern status and the Company's operations in future.

26. HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of Business. The Company is committed to nurturing, enhancing and retaining top talent through superior Learning and Organizational Development. This is a part of Corporate HR function and is a critical pillar to support the Organisation's growth and its sustainability in the long run.

The Company has introduced employee-friendly policies which have aided in retaining and hiring the best talents in the organization. The Company gives importance to Rewarding and Recognizing (R&R) the well-deserved employee by felicitating them during R&R functions. The Company has introduced employee wellness schemes to boost the productivity of employees at work. The company has given various performance-based incentives to employees upon meeting the targets set by the organization, hereby boosting the morale of the employees.

The company provides full medical support to employees in case of any life threatening / critical illness.

27. AFFIRMATION ON COMPLIANCE OF SECRETARIAL STANDARDS

The Company hereby affirms that during the year under review, the Company has complied with all the applicable Secretarial standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively (including any modifications or amendments thereto) issued by the Institute of Company Secretaries of India.

28. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder.

29. DISCLOSURE WITH RESPECT TO MAINTENANCE OF COST RECORDS

Your Company doesn't fall within the scope of Section 148(1) of the Companies Act, 2013 and hence does not require to maintain cost records as specified by the Central Government.



30. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

As required under section 124 of the Act, Unclaimed dividend amount aggregating to ₹19,98,777/- pertaining to financial year ended on March 31, 2016 lying with the Company for a period of seven years was transferred during the financial year 2023-24, to Investor Education and Protection Fund (IEPF) established by the Central Government.

Further, as required under section 124 of the Act, 35,081 equity shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more, have been transferred by the Company to the Investor Education and Protection Fund Authority during the financial year 2023-24. No of shares transferred Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

The Company has appointed Mr. Amit Gadgil, as the Nodal Officer to ensure compliance with the IEPF Rules.

The details of unpaid and unclaimed amounts lying with the Company is available on the Company's website:- www.vakrangee.in

31. INSOLVENCY AND BANKRUPTCY DISCLOSURE

The Company has not made any application or no proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the Financial Year and hence not being commented upon.

32. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

During the Financial Year under review, there has been no incident of one time settlement for loan taken from

the banks of financial institutions and hence not being commented upon.

33. INTEGRATED REPORT

The Company being one of the top 1000 companies in the country in terms of market capitalization as on financial year end, has voluntarily provided Integrated Report, which encompasses both financial and non-financial information to enable the members to take well informed decisions and have a better understanding of the Company's long term perspective.

The Report also touches upon aspects such as organisation's strategy, governance framework, performance and prospects of value creation based on the six forms of capital viz. financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital and natural capital.

CAUTIONARY STATEMENT

Statements in the Board's Report describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply, input costs, availability, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

ACKNOWLEDGEMENT AND APPRECIATION

The Directors thank the Company's employees, customers, franchisees, vendors, investors for their continuous support. The Directors appreciate and value the contribution made by every employee of the Vakrangee family. Our consistent growth was made possible by their hard work, solidarity, co-operation and support.

On behalf of the Board of Directors

Dinesh Nandwana
Managing Director & Group CEO
(DIN: 000062532)

Nishikant Hayatnagarkar
Whole Time Director
(DIN: 000062638)

Place: Mumbai
Date: 12/08/2024

Annexure - 1

DIVIDEND DISTRIBUTION POLICY

1. Introduction

Vakrangee Limited is committed to create sustainable shareholder wealth for all its shareholders. We shall strive to distribute an optimal and appropriate level of the profits earned by it in its business to the shareholders, in the form of "Dividend".

The Corporate dividend is governed by the applicable provisions of Companies Act, 2013 and Companies (Declaration and Payment of Dividend) Rules, 2014 and any modifications made therein from time to time.

2. Interpretation

"The Company" refers to Vakrangee Limited.

"Dividend (s)" refers to either an interim or final Dividend(s).

3. Objectives

The broad objectives of this policy are:

- To define the policy and procedures in relation to the calculation, declaration and settlement of Dividends and the determination of the form and time periods within which Dividends are paid.
- To ensure that the Company has sufficient distributable profits and/or general reserves, as determined by a review of the Company's audited financial statements, prior to any declaration and/or payment of Dividends.
- To create a transparent and methodological Dividend policy, adherence to which will be required on annual basis, with any deviations clearly identified and promptly communicated to appropriate stakeholders.

4. Provisions of Companies Act, 2013

Section 123 - Declaration of Dividend:

1. No dividend shall be declared or paid for any financial year except
 - (a) Out of the profits of the company for that year arrived at after providing for depreciation, or out of the profits of the company for any previous financial year or years arrived at after providing

for depreciation in accordance with the provisions of that sub-section and remaining undistributed, or out of both; or

- (b) Out of money provided by the Central Government or a State Government for the payment of dividend by the company in pursuance of a guarantee given by that Government:
 - The company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company.
 - No dividend shall be declared or paid by a company from its reserves other than free reserves.

2. For the purposes of clause (a) of sub-section (1), depreciation shall be provided in accordance with the provisions of Schedule II.
3. The Board of Directors of a company may declare interim dividend during any financial year out of the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared.

5. Factors to be considered

The below broad factors need to be considered for the dividend distribution:

1. Liquidity - The liquidity position of the Company.
2. Debt repayment - often there are negative covenants that restrict the dividends that can be paid if the debt is outstanding.
3. The rate of asset expansion - The greater the rate of expansion of the firm, the greater the need to retain earnings to finance the expansion.
4. Control of the firm - if dividends are paid out today, equity may have to be sold in the future causing a dilution of ownership.

5.1 Financial Parameters / Internal Factors

The Board of Directors of the Company would consider the following financial parameters



before declaring or recommending dividend to shareholders:

1. Consolidated net operating profit after tax.
2. Working capital requirements.
3. Capital expenditure requirements.
4. Resources required to fund acquisitions and / or new businesses.
5. Cash flow required to meet contingencies.
6. Outstanding borrowings.
7. Past Dividend Trends.

5.2 External Factors:

The Board of Directors of the Company would consider the following external factors before declaring or recommending dividend to shareholders:

1. Prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws; and
2. Dividend pay-out ratios of companies in the same industry.

6. Circumstances under which the Shareholders may or may not expect Dividend

The Board of Directors of the Company, while declaring or recommending dividend shall ensure compliance with statutory requirements under applicable laws including the provisions of the Companies Act, 2013 and Listing Regulations. The Board of Directors, while determining the dividend to be declared or recommended shall take into consideration the advice of the executive management of the Company apart from other parameters set out in this Policy. The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

7. Utilization of retained earnings

The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year or years or out of the free reserves available for distribution of Dividend, after having due regard to the parameters laid down in this Policy.

This Policy will be reviewed periodically by the Board.

Annexure - 2

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the Financial statement of subsidiaries companies.

Sr. No.	Name of the Subsidiary	The date when the subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	(In ₹ Lakhs, except % of shareholding and exchange rate)			% of Proposed Dividend Shareholding	
											Profit before taxation	Provision for taxation	Profit after taxation		
1	Vakrangee Finserve Limited	11/09/2011	March 31, 2024	₹	1500	4544.46	6442.69	6442.69	-	3279.12	31.29	-	31.29	-	100%
2	Vakrangee e-Solutions Inc.	08/05/2009	March 31, 2024	1 PHP = 1.51	96.00	165.01	2393.56	2393.56	-	-	7.00	-	7.00	-	100%
3	Vakrangee Digital Ventures Limited	14/06/2021	March 31, 2024	₹	1	(21.62)	435.38	435.38	-	2.42	6.81	-	6.81	-	100%

Note: 1. Names of subsidiaries which are yet to commence operations - NIL

2. Names of subsidiaries which have been liquidated or sold during the year - NIL

DISCLOSURE UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 ARE GIVEN BELOW:

1	The ratio of the remuneration of each Director to the median Remuneration of the employees of the company for the financial year;	Executive Directors Mr. Dinesh Nandwana (Managing Director & Group CEO) – 91.41:1 Dr. Nishikant Hayatnagarkar (Whole-time Director) – 18.43:1 Non-Executive Directors* Mr. Ramesh Joshi (Chairman) – 0.80:1 Mr. Hari Chand Mittal – 0.80:1 Mr. Babu Lal Meena – 0.80:1 Mr. Avinash Vyas – 0.87:1 Mr. Sunil Agarwal – 0.80:1 Mrs. Sujata Chattopadhyay – 0.72:1 Mr. Ranbir Datt – 0.72:1
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year; \$	Mr. Dinesh Nandwana – Managing Director & Group CEO - NIL Dr. Nishikant Hayatnagarkar - Whole-time Director - NIL Mr. Sachin Khandekar – Company Secretary – NIL Mr. Ajay Jangid – Chief Financial Officer – NIL
3	The percentage increase in the median remuneration of Employees in the financial year;	0%
4	The number of Permanent Employees on the rolls of the Company;	217 (excluding Managing Director & Group CEO and Whole-time Director)
5	Average percentile increase already made in the Salaries of Employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; \$	Average percentile increase is 1% of employee remuneration.
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company affirms remuneration is as per the remuneration policy of the Company.

*Non-Executive Directors of the Board were paid only sitting fees.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 12/08/2024

Dinesh Nandwana
Managing Director & Group CEO
(DIN: 000062532)

Nishikant Hayatnagarkar
Whole Time Director
(DIN: 000062638)

Annexure - 4

A. Nomination and Remuneration and Compensation Policy

1. Introduction

This Nomination and Remuneration & Compensation Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations & Disclosure Requirements) 2015 as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration and Compensation Committee (NRC or the Committee) and has been approved by the Board of Directors.

2. Definitions

“Remuneration” Means:

Any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

- a. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- b. Chief Financial Officer;
- c. Company Secretary; and
- d. such other officer as may be prescribed.

“Senior Management” Means:

Vakrangee employees who are members of its core management team excluding board of directors and shall comprise all members of management one level below the Chief Executive Officer / Managing Director / Whole time Director / Manager (including Chief Executive Officer/ Manager, in case they are not part of the Board) and shall specifically include Company Secretary and Chief Financial Officer.

3. Objective

The objective of the policy is to ensure that:

- a. The level and composition of remuneration is reasonable and sufficient to attract,

retain and motivate directors of the quality required to run the company successfully.

- b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- c. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

4. Role of the Committee

The role of the Nomination and Remuneration and Compensation Committee is:

- a. To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- b. To formulate criteria for evaluation of Independent Directors and the Board.
- c. To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- d. To carry out evaluation of Director's performance.
- e. To recommend to the Board the appointment and removal of Directors and Senior Management.
- f. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- g. To devise a policy on Board diversity, composition, size.
- h. Succession planning for replacing Key Executives and overseeing.
- i. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- j. To perform such other functions as may be necessary or appropriate for the performance of its duties.



5. Appointment and removal of Director, Key Managerial Personnel and Senior Management

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's HR Policy.
- b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

6. Term / tenure

1. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

7. Evaluation

The Committee evaluates of performance of Director, Key Managerial Personal and Senior Management Personnel yearly or at such intervals as may be considered necessary. The portion of incentive pay, and variable pay is quantitatively determined using pre-established parameters such as Outlet Onboarding Targets, Revenue targets, Materialty Issues KPI targets and ESG performance targets released by the Company. The targets are also mentioned in the HR Manual of the Company.

We believe linking Materialty Issues KPI targets and Environmental, Social and Governance (ESG) performance to pay can help hold executive management accountable for the delivery of sustainable business goals. Executive pay should be aligned with performance and long-term strategy in order to protect and create value which is in the interest of both companies and their investors. This alignment presents opportunities for engagement to promote the consideration of ESG issues when setting pay. We have released a detailed quantitative ESG performance Target of Vakrangee on the website giving emphasis on reduction of Green House Gases emissions from our own operations.

Weightage of ESG performance target will be of 33.33 % of the variable pay of the employee. The variable pay of 33.33% will be paid to the employee in the proportion of target achieved by the Company, capped to the 33.33% of the total variable pay. Eg: If the company achieves 60% of the target of ESG Performance, variable pay of

employee linked to the ESG target will be 33.33%
X 60% = 20%.

Variable Pay calculation for an Employee

Scenario	% of ESG Target Achieved	Variable Pay assigned to ESG	Variable Pay linked to ESG
1	60%	33.33%	20%
2	110%	33.33%	33.33%

(Maximum Variable Pay for ESG performance is capped at 33.33%)

Weightage of Materiality Issues KPI Targets will be of 33.33 % of the variable pay as well as long term incentives (Stock Option) of the Employees. The variable pay of 33.33% will be paid to the employee in the proportion of target achieved by the respective Executive.

8. Removal

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

9. Retirement

The Director, Key Managerial Personnel and Senior Management shall retire as per the applicable provisions of the Act and the prevailing policy of the Company.

The Board will have the discretion to retain the Director, Key Managerial Personnel, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

10. Remuneration to Directors/KMP/Senior Management Personnel

1. Remuneration to Managing Director / Whole-time Directors:

- a. The Remuneration/ Commission to be paid to Managing Director / Whole-time Directors, etc. is governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in

force and the approvals obtained from the Members of the Company.

- b. The Nomination and Remuneration and Compensation Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2. Remuneration to Non- Executive / Independent Directors:

- a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration and Compensation Committee and approved by the Board of Directors.
- b. All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration and Compensation Committee and approved by the Board of Directors or shareholders.
- c. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.
- d. Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of



clause (b) above if the following conditions are satisfied:

- i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- e. The Nomination Remuneration and Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share-based payments to be made to Directors (other than Independent Directors).

3. Remuneration to Key Managerial Personnel and Senior Management:

- a. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b. The Nomination Remuneration and Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.
- c. The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- d. The Incentive pay shall be decided based on the balance between performance of the Company which includes parameters such as ESG performance targets, revenue targets. Performance of the Key Managerial

Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate. The incentive pay shall be based on the Integrated ESG Performance Targets as defined by the Company from time to time.

- e. Compensation Clawback: The terms of all compensation held by the executive officers allow us to recoup any shares or other amount that may be paid in the event the individual engages in certain acts of misconduct. Vakrangee may recover compensation in the event the named executive officer commits any misconduct while employed by Vakrangee or, while employed by Vakrangee or at any time thereafter, the individual engages in a breach of confidentiality, materially breaches any agreement with Vakrangee, commits an act of theft, embezzlement or fraud, or if Vakrangee is required to prepare an accounting restatement as a result of the named executive officer's misconduct.

11. Implementation

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate. The Committee may delegate any of its powers to one or more of its members.

Appointment Policy

The Appointment Policy for Independent Directors, Key Managerial Personnel & Senior Executives will be as under-

- a. **Independent Directors:**

Independent Directors will be appointed based on the criteria mentioned under section 149(6) of the Companies Act, 2013 and in accordance with other applicable provisions of the Companies Act, 2013, rules made thereunder & Listing Agreements entered with Stock Exchanges.

b. Key Managerial Personnel (KMP):

KMP will be appointed by the resolution of the Board of Directors of the Company, based on qualifications, experience and exposure in the prescribed field. Removal of the KMP will also be done by the resolution of Board of Directors of the Company. Appointment/ Removal will be in accordance with the provisions of the Companies Act, 2013, rules made thereunder and Listing Agreements entered with Stock Exchanges.

c. Senior Executives:

Senior Executive will be appointed by the Chairman and the Managing Director and/or Executive Director of the Company based on their qualifications, experience and exposure. Removal of the Senior Executives will also be by Chairman, Managing Director and/or Executive Director. Further, appointment and removal will be noted by the Board as required under clause 8(3) of Companies (Meeting of Board and its Powers) Rules, 2014.

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2023-24

1. Brief Outline on CSR Policy of the Company

The objectives of Company's CSR Policy are to: (1) Demonstrate commitment to the common good through responsible business practices and good governance. (2) Actively support the Nation's development agenda to ensure sustainable change. (3) Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models.

The projects the Company has undertaken / proposes to undertake is mainly in eradicating hunger, poverty and malnutrition, promoting preventive health care, promoting education including special education and employment enhancing vocation skills, ensuring environmental sustainability, ecology balance, agro forestry, conservation of natural resources. Ecology balances, protection of natural heritage, art and culture, measures of the benefit of the armed forces, training to promote rural sports etc.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Dinesh Nandwana	Chairman (Managing Director & Group CEO)	-	-
2	Mr. Ramesh Joshi	Member (Non-Executive Independent Director, Chairman)	-	-
3	Mr. Sunil Agarwal	Member (Non-Executive Independent Director)	-	-

3. Provide the web -link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

https://vakrangee.in/board_committees.html
https://vakrangee.in/our_initiative.html

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable.

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sr. No	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)
1	2022-23	-	-
2	2021-22	-	-
3	2020-21	-	-
	Total	-	-

6. Average net profit of the company as per section 135(5). ₹2026.16 Lakhs

7.	a.	Two wpercent of average net profit of the company as per section 135(5)	₹40.52 Lakhs
	b.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NIL NIL
	c.	Amount required to be set off for the financial year, if any	
	d.	Total CSR obligation for the financial year (7a+7b-7c)	₹40.52 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹ Lakhs)	Amount Unspent (in ₹ Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (in ₹ Lakhs)	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
26.8	13.72	30 April 2024	Not Applicable		

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No. of the Project	Name of the Project	Items from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.	Project duration	Amount allocated for the project (in ₹ Lakhs)	Amount spent in the current financial Year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
		State		District						Name	
										CSR Registration number.	
1	Promoting Education	Cl.(ii) Promoting Education	Yes	Delhi	Delhi	ongoing	25.30	13.72	No	SWADESHI JAGRAN FOUNDATION	CSR00022074
TOTAL							25.30	-			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
Sr. No.	Name of the project	Items from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.	Amount spent for the project (in ₹ Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency		
				State	District		Name		
							CSR Registration number.		
1	Promoting Education	Cl.(ii) Promoting Education	Yes	Maharashtra	Mumbai	1.50	No	SMT.SAMIRA SINHA FOUNDATION	CSR00050590
TOTAL					1.50				
(d) Amount spent in Administrative Overheads								NIL	
(e) Amount spent on Impact Assessment, if applicable								NIL	
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)								₹ 26.80 Lakhs	
(g) Excess amount for set off, if any								NIL	

Sr. No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	₹40.52 Lakhs
(ii)	Total amount spent for the Financial Year	₹26.80 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ Lakhs)	Amount spent in the reporting Financial Year (in ₹ Lakhs).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹ Lakhs)
				Name of the fund	Amount (in ₹ Lakhs)	Date of transfer	
1	2022-23	-	-	-	-	-	-
2	2021-22	-	-	-	-	-	-
3	2020-21	650.05	-	-	-	-	650.05
	TOTAL	650.05	-	-	-	-	650.05

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No	Project ID.	Name of the project	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in ₹ Lakhs)	Amount spent on the project in the reporting Financial Year (in ₹ Lakhs).	Cumulative amount spent at the end of reporting Financial Year. (in ₹ Lakhs)	Status of the project – Completed / Ongoing.
-	-	-	-	-	-	-	-	-
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

(a)	Date of creation or acquisition of the capital asset (s)	Not Applicable
(b)	Amount of CSR spent for creation or acquisition of capital asset	Not Applicable
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	Not Applicable

11. Specify the reasons(s), if the company has failed to spend two percent of the average net profit as per Section 135(5). The reasons for not spending the CSR amount have been explained in the main Directors Report.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 12/08/2024

Dinesh Nandwana
Managing Director & Group CEO
(DIN: 000062532)

Nishikant Hayatnagarkar
Whole Time Director
(DIN: 000062638)

SECRETARIAL AUDIT REPORTFor the Financial Year Ended 31st March, 2024

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

To,
The Members of
Vakrangee Limited

Vakrangee Corporate House, Plot No 93,
Road No. 16, M.I.D.C. Marol, Andheri (East),
Mumbai – 400093.

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

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

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

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; and amendments made from time to time;
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;; -
 - f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities)) Regulations, 2021 (Not applicable as the Listed Entity has not listed its Non-Convertible Securities);
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not applicable to the Company during the Audit Period and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - Not applicable to the Company during the Audit Period.
- (vi) Other laws applicable to the company:
 - i. Information Technology Act, 2000
 - ii. Payment and Settlement Systems Act, 2007;

- iii. Insurance Regulatory and Development Authority Act, 1999.
- iv. Reserve Bank of India Act, 1934, Rules and Schemes made thereunder

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, guidelines, Standards etc mentioned above and there is no material non-compliance that have come to our knowledge.

We further report that –

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) During the financial year under the review, The Hon'ble National Company Law Tribunal, Mumbai (NCLT), by way of its order dated May 19, 2023 ("Order") has vide order dated approved the Scheme of Arrangement for demerger of E-Governance & IT/ITES Business (Demerged undertaking) of Vakrangee Limited ('Demerged Company') into VL E-Governance & IT Solutions Limited ('Resulting Company') and their respective Shareholders ("Scheme").
- d) The Board of Directors of VL E-Governance & IT Solutions Limited ("the Resulting Company") in their meeting held on June 23, 2023 have approved the allotment of 10,59,51,329 (Ten Crores Fifty Nine Lakhs Fifty One Thousand Three Hundred Twenty Nine) Equity Shares of ₹10/- each of VL E-Governance & IT Solutions Limited, credited as fully paid up to the equity shareholders of the Demerged Company - Vakrangee Limited whose names were there in the Register of Members as on the Record date i.e. on 15th June, 2023, in the share exchange ratio i.e. VL E-Governance & IT Solutions Limited (Resulting Company) has issued 1 (one) Equity Share of ₹10/- each of the VL E-Governance & IT Solutions Limited, for every 10 (Ten) Equity Share of ₹1/- each held in Vakrangee Limited
- e) During the quarter year ended March 31, 2024, the Company has granted 2,83,500 and 8,22,700 new options in two Tranches under Company's "ESOP Scheme 2014" to its eligible employees;
- f) The members of the Company on March 9, 2024, through the postal ballot, approved the preferential allotment of 4,00,00,000 warrants convertible into equity shares of face value of ₹1, for cash, by way of a private placement, at an issue price of ₹27 per warrant in the Non-Promoter Category and 2,00,00,000 warrants convertible into equity shares of face value of ₹1, for cash, by way of a private placement, at an issue price of ₹27 per warrant in the Promoter Category, by passing a Special Resolution. As per Special Resolution, passed by the members, an amount equivalent to at least twenty five per cent of the consideration shall be payable at the time of subscription and allotment of warrants, and the remaining seventy five per cent of the consideration shall be payable on the exercise of options against each such warrant. In the event that the Proposed Allottee does not exercise the option for Equity Shares against any of the warrants within a period of eighteen months from the date of allotment of such Warrants, the unexercised Warrants shall lapse, and the consideration paid by the Proposed Allottee shall be forfeited by the Company. The Company has received In-principle approval from both the Stock Exchanges i.e. NSE and BSE on March 28, 2024 and the board of directors approved the allotment of warrants on March 30, 2024, by passing resolution by circulation under section 175 of the Companies Act, 2013.

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



We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

In case of Direct and Indirect Tax Laws like Income Tax Act, Goods and Service Tax Act, We have relied on the Reports given by the Statutory Auditors of the Company.

We further report that during the audit period, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, Rules, Regulations, Guidelines, Standards, etc.

For Sark & Associates LLP

Practicing Company Secretaries

Sumit Khanna

Designated Partner

Membership No.: 22135

C P No.: 9304

UDIN : A022135F000677130

Date: 05.07.2024

Place: Mumbai

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

Annexure - A

To,
The Members of
Vakrangee Limited
Vakrangee Corporate House, Plot No 93,
Road No. 16, M.I.D.C. Marol, Andheri (East),
Mumbai – 400093.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Sark & Associates LLP

Practicing Company Secretaries
Sumit Khanna
Designated Partner
Membership No.: 22135
C P No.: 9304
UDIN : A022135F000677130

Date: 05.07.2024
Place: Mumbai

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

To,
The Members,
M/s. Vakrangee Finserve Limited
CIN: U74930MH2011PLC221655
Regd. Off.: Vakrangee Corporate House, Plot No.93,
Road No.16, M.I.D.C. Marol,
Andheri East Mumbai 400093.

Dear Sir/Madam,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Vakrangee Finserve Limited, CIN: U74930MH2011PLC221655 ("the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

- i. The Companies Act, 2013 (the Act) and the Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- (not applicable to the Company during the audit period as the company has no Foreign Direct Investment);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;(not applicable to the Company during the audit period);
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ;(not applicable to the Company during the audit period);
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (not applicable to the Company during the audit period);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during the audit period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the audit period);

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (not applicable to the Company during the audit period);
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- (not applicable to the Company during the audit period); and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- (not applicable to the Company during the audit period).
- i) Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015(not applicable to the Company during the audit period).

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board Meetings and General Meetings.

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

I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Director and Non-executive Directors.
2. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and at a shorter notice in the presence of all the Directors; and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. During the year under review, all the decisions at the meetings of the Board and Committees thereof, were carried out unanimously as the Minutes of these Meetings did not reveal any dissenting member's view.


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

I further report that no specific event having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. has taken place during the year under review.

Place: Mumbai
Date: 13/06/2024
UDIN: F009074F000567434

Kavita Raju Joshi
Practicing Company Secretary
Membership No: 9074
COP No: 8893
Peer Review Certificate No.: 2159/2022

This report is to be read with our letter of even date which is annexed as **"Annexure A"** and forms integral part of this report.



To,
The Members,
M/s. Vakrangee Finserve Limited
CIN: U74930MH2011PLC221655
Regd. Off.: Vakrangee Corporate House, Plot No.93,
Road No.16, M.I.D.C. Marol,
Andheri East, Mumbai 400093

Dear Sir/Madam,

My report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: 13/06/2024
UDIN: F009074F000567434

Kavita Raju Joshi
Practicing Company Secretary
Membership No: 9074
COP No: 8893
Peer Review Certificate No.: 2159/2022

To the Board of Directors of
Vakrangee Limited

Dear Sirs/Madam,

Sub: CEO / CFO Certificate

(Issued in accordance with provisions of Regulation 17(8) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015

We have reviewed the financial statements of Vakrangee Limited for the year ended March 31, 2024 and that to the best of our knowledge and belief, we state that;

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (a) (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the auditors and the Audit committee-
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Yours sincerely,

For Vakrangee Limited

For and on behalf of the Board of Directors

Dinesh Nandwana
Managing Director & Group CEO
(DIN: 000062532)

Ajay Jangid
Chief Financial Officer

Place: Mumbai
Date: 09/05/2024



Corporate Governance Report

PHILOSOPHY OF THE COMPANY ON THE CODE OF CORPORATE GOVERNANCE

Vakrangee's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices. Corporate Governance is that crucial muscle which encourages and moves a viable and accessible financial reporting structure and which enables a transparent system. Through the Governance mechanism in the Company, the Board along with its Committees undertake its fiduciary responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision making.

Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as the true owners of the organization and of their own role as trustees on behalf of the shareholders. Strong corporate governance is indispensable to resilient and vibrant capital markets and is an important instrument of investor protection.

At Vakrangee, our aspirations have always been of protecting, strengthening and aligning together the interest of all the stakeholders and to satisfy that we strive hard to implement and continue to follow our core values which are "Belief in people, Entrepreneurship, Customer orientation and pursuit of excellence". Your Company endeavors to put in the right pedestal blocks for future growth and ensuring that we achieve our ambitions in a prudent and sustainable manner with strict adherence to best corporate governance practices.

Corporate Governance is a set of systems and practices to ensure that the affairs of the company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations.

At Vakrangee, we are committed to meeting the aspirations of all our stakeholders. This is demonstrated in shareholder returns, our credit ratings, governance processes and an entrepreneurial and performance focused work environment.

The Board of Directors manages the affairs of the company in the best interest of the shareholders, providing necessary guidance and strategic vision. The Board is also responsible to ensure that the Company's management and employees operate with the highest degree of ethical standards.

Over the years, governance processes and systems have been strengthened and institutionalized at Vakrangee. Your Company is committed to maintain the highest standards of Corporate Governance. Your directors adhere to the stipulations set out in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR 2015).

Your Board of Directors present the Corporate Governance Report for the year 2023-24:

BOARD OF DIRECTORS

Composition:

The Board comprises of majority of Independent Directors. It has a good mix of Executive and Non-Executive Directors including Independent Directors with more than fifty percent of the board comprising of non-executive Independent Directors. As on date of this Report, the Board consists of Nine Directors comprising six non-executive Independent Directors (including one women director), one Nominee Director representing Life Insurance Corporation of India Limited (LIC), holding equity investment in the Company and two Executive Directors.

None of the Directors of your Company are inter-se related to each other. The profiles of the Directors can be found on https://www.vakrangee.in/board_of_director.html. The composition of Board is in conformity with the SEBI LODR 2015.

The Chairperson of the Board is a Non-Executive Independent Director and not related to any of the Directors of the Company.

None of the Director on the Board is a Member of more than ten Committees or Chairman of five Committees (Committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian public companies in which he/she is a Director. Necessary disclosures regarding their committee positions have been made by all the Directors.

None of the Directors hold office in more than ten public companies and seven Listed entities. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Independent Directorships of Listed Companies as prescribed under regulation 17A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

None of the Whole-time Director/Managing Director is an Independent Director in any other listed companies.

Board is of the opinion that the Independent Directors fulfil the conditions specified in the SEBI LODR 2015 and are independent of the Management.

Chart / matrix setting out the skills/expertise/competence of the Board of Directors:-

The Board of Directors of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills.

The following are the skills /expertise/competencies as identified by the Board:

Skills /expertise/competencies as identified by the Board in the context of its businesses and sector's	Name of Directors who have such skills/expertise/competence
Finance, Law, Management, Administration, Corporate Governance related to the Company's business	Mr. Ramesh Joshi, Mr. Dinesh Nandwana, Mr. B.L. Meena, Mr. Avinash Vyas, Mrs. Sujata Chattopadhyay.
Management, Strategy, Sales, Marketing, Administration, Technical Operations related to the Company's business	Mr. Dinesh Nandwana, Dr. Nishikant Hayatnagarkar, Mr. Hari Chand Mittal, Mr. Sunil Agrawal.

The Board consists of 9 directors. The details of the Board of Directors as on March 31, 2024 are given below:

Name	Category	Designation	Date of appointment	No. of other Directorship held #	Directorship in other Listed Company and category of Directorship	Chairmanship in Committees of Boards of other companies\$	Membership in Committees of Boards of other companies
Mr. Ramesh Joshi	Non Executive, Independent	Chairman	20/10/2006	NIL	NIL	NIL	NIL
Mr. Dinesh Nandwana	Promoter & Executive	Managing Director & Group CEO	28/05/1990	4	1) VL E-Governance & IT Solutions Limited – Whole Time Director	NIL	2
Dr. Nishikant Hayatnagarkar	Executive	Whole-Time Director	27/08/1999	1	NIL	NIL	NIL
Mr. Hari Chand Mittal	Non Executive, Independent	Director	31/07/2020	1	NIL	NIL	NIL
Mr. Sunil Agarwal	Non Executive, Independent	Director	28/06/2002	1	NIL	NIL	NIL
Mr. B. L. Meena	Non Executive, Independent	Director	25/10/2010	NIL	NIL	NIL	NIL



Name	Category	Designation	Date of appointment	No. of other Directorship held #	Directorship in other Listed Company and category of Directorship	Chairmanship in Committees of Boards of other companies§	Membership in Committees of Boards of other companies
*Mr. Ranbir Datt	Non Executive	Nominee Director, representing LIC of India	12/02/2018	NIL	NIL	NIL	NIL
Mr. Avinash Vyas	Non Executive, Independent	Director	14/11/2014	NIL	NIL	NIL	NIL
Mrs. Sujata Chattopadhyay	Non Executive, Independent	Director	31/03/2015	4	1) IITL Projects Limited – Non-Executive, Independent Director 2) Industrial Investment Trust Limited – Non-Executive, Independent Director 3) Steel Exchange India Limited – Non-executive, Independent Director	NIL	2

Excludes alternate directorship and directorship in Foreign Companies, Private Companies and Companies governed by Section 8 of the Companies Act, 2013.

§ for the purpose of calculating total membership and chairmanship, only Audit Committee and Stakeholders Relationship Committee in public limited companies, whether listed or not are considered as per Regulation 26(1) of the SEBI LODR 2015.

* Mr. Ranbir Datt Nominee Director representing Life Insurance Corporation of India ("LIC") on the Board of the Company has resigned w.e.f.12.02.2024 his term has been completed.

BOARD MEETINGS:

During the financial year 2023-24, your Board met four times on 30/05/2023, 15/07/2023, 11/11/2023 and 06/02/2024 with a maximum time gap not exceeding one hundred and twenty (120) days intervening between two consecutive board meetings as per section 173 of Companies Act, 2013 read with Regulation 17 of SEBI LODR, 2015. The necessary quorum was present for all the meetings. All the Board meetings were held at the Company's registered office at Mumbai, India, through video conferencing.

The attendance of the directors at the Board Meeting and Annual General Meeting (AGM) held during the year is given below:

Name of the Director	Number of meetings attended	Attend-ed Last AGM	Shareholding in the Company as of March 31, 2024 (no. of shares)
Mr. Ramesh Joshi	4	Yes	500
Mr. Dinesh Nandwana	4	Yes	69107095
Dr. Nishikant Hayatnagarkar	4	Yes	174288
Mr. Sunil Agarwal	4	Yes	NIL
Mr. B. L. Meena	4	Yes	36812
Mr. Avinash Vyas	4	Yes	NIL
Mrs. Sujata Chattopadhyay	4	Yes	NIL
Mr. Ranbir Datt	4	Yes	NIL
Mr. Hari Chand Mittal	4	Yes	361623

MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI LODR 2015, a separate meeting of the Independent Directors of the Company was held on July 14, 2023 to review the performance of Non-Independent Directors, Chairman and the Board as whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

BOARD COMMITTEES

The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The constitution of the committees and their terms of reference are set out as below:

AUDIT COMMITTEE

The constitution of Audit Committee is in compliance with the requirements of Section 177 of Companies Act, 2013 read with Regulation 18 of SEBI LODR 2015.

Terms of reference

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

- overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- reviewing and examining with management the quarterly financial results before submission to the Board;
- reviewing and examining with management the annual financial statements before submission to the Board and the auditors' report thereon before submission to the board for approval with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;
- scrutiny of inter-corporate loans and investments made by the Company;
- reviewing with management the annual financial statements as well as investments made by the unlisted subsidiary companies;
- reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- discussing with Statutory Auditors, before the commencement of audit, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any;
- reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems;
- reviewing the financial statements, in particular, the investments made by the unlisted subsidiaries;
- recommending appointment, remuneration and terms of appointment of Internal Auditor of the Company;
- reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- evaluating internal financial controls and risk management systems;
- evaluating 'undertaking or assets' of the Company, wherever it is necessary;



- reviewing the functioning of the Whistle Blowing mechanism;
- reviewing the utilization of loans and/or advances from/investment in subsidiaries;
- Reviewing implementation of Anti-Money Laundering Compliance Program and processes.
- Considering and commenting on rationale, cost benefit analysis and impact of schemes involving merger, demerger, amalgamation, etc on listed entity and its shareholder;

Composition

The composition of Audit Committee as on March 31, 2024 is as follows:

Sr. No	Name of the Director	Designation
1.	Mr. B. L. Meena	Independent Director (Chairman)
2.	Mr. Ramesh Joshi	Independent Director
3.	Mr. Avinash Vyas	Independent Director

Meetings & Attendance during the year

There were four meetings of the Audit Committee viz. on 30/05/2023, 15/07/2023, 11/11/2023 and 06/02/2024 and following is the table showing attendance for the same. The Company Secretary acts as the Secretary to the Committee. The details of meeting attended by its members is as follows:

Name of the Director	Category	No. of meetings held	No. of meetings attended
Mr. B. L. Meena	Independent Director (Chairman)	4	4
Mr. Ramesh Joshi	Independent Director	4	4
Mr. Avinash Vyas	Independent Director	4	4

NOMINATION AND REMUNERATION AND COMPENSATION COMMITTEE

The Nomination and Remuneration and Compensation Committee (NRC Committee) of the Company consists of three non-executive Independent Directors and its composition is as per the requirements of Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI LODR 2015. Its composition as on March 31, 2024 is as follows:

Sr. No	Name of the Director	Designation
1.	Mr. Avinash Vyas	Independent Director (Chairman)
2.	Mr. Sunil Agarwal	Independent Director
3.	Mr. Hari Chand Mittal	Independent Director

Terms of Reference of the committee inter-alia includes:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other functions as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Meetings & Attendance during the year

During the year under review, one meetings of the NRC Committee were held on 14/07/2023 and following is the table showing attendance for the same. The details of meeting attended by its members is as follows:

Name of the Director	Category	No. of meetings held	No. of meetings attended
Mr. Avinash Vyas	Independent Director (Chairman)	1	1
Mr. Sunil Agarwal	Independent Director	1	1
Mr. Hari Chand Mittal	Independent Director	1	1

The Board of Directors has framed the Nomination and Remuneration and Compensation Policy on Nomination and remuneration of Directors, Key Managerial Personnel and Senior Management and the same is available on https://www.vakrangee.in/policies_and_guidelines.html. The remuneration paid to the Executive Directors is in accordance with the provisions of Section 197 and Part II of Schedule V of Companies Act, 2013.

Non-Executive Directors have been paid sitting fee as per the limit prescribed under the Companies Act, 2013 for attending Board Meetings and the meetings of the committees thereof.

The Directors, whether whole-time or not, (but excluding Independent Directors and Promoters) of the Company and its subsidiaries, working in India or abroad shall be eligible to participate in the ESOP Schemes of the Company, provided that a director holding, either by himself or through his relative or through anybody corporate, directly or indirectly, more than 10% of the outstanding equity shares of the Company shall not be entitled to participate in the ESOP Schemes of the Company.

Performance Evaluation of Board of Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR 2015, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors at their separate meeting held on July 14, 2023.

Remuneration of Directors

The details of remuneration paid to Directors during the financial year 2023-2024 are as under:

(a) Non - Executive Directors		(₹ In Lakhs)
Name of Directors	Sitting Fees	
Mr. Ramesh Joshi	2.20	
Mr. Sunil Agarwal	2.25	
Mr. B. L. Meena	2.20	
Mr. Avinash Vyas	2.45	
Mrs. Sujata Chattopadhyay	2.00	
Mr. Ranbir Datt	2.00	
Mr. Hari Chand Mittal	2.25	

Independent Directors and Non – Independent, Non - Executive Directors are paid sitting fees of ₹50,000/- for attending each Meeting of the Board and Members of the Audit Committee are paid sitting fees of ₹5,000/-

per meeting and Members of the Nomination and Remuneration and Compensation Committee are paid sitting fees of ₹25,000/- per meeting.

Sitting fees paid to Independent Directors and Non - Independent Non - Executive Directors are within the regulatory limits.

(b) Executive Directors

Particulars	(₹ In Lakhs)	
	Mr. Dinesh Nandwana	Dr. Nishikant Hayatnagarkar
Basic	162.00	33.43
Allowances	52.43	11.93
HRA	81.00	13.37
Others (Bonus & Leave Encashment)	19.99	4.87
Perquisites on account of Stock Options exercised	--	--
Total	315.42	63.60

The service contracts for Mr. Dinesh Nandwana and Dr. Nishikant Hayatnagarkar is for a period of five years effective from October 1, 2019 and October 01, 2020 respectively. The notice period is six months for Mr. Dinesh Nandwana and three months for Dr. Nishikant Hayatnagarkar. There are no severance fees.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

During the financial year under review, one meeting of Stakeholders Relationship Committee was held on February 06, 2024 and all the members were present at the meeting.

As per the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI LODR 2015, the Company has constituted Stakeholders Relationship Committee.

The composition of the Committee as on March 31, 2024 is as follows:

Sr. No	Name of the Director	Designation
1.	Mr. Ramesh Joshi	Independent Director (Chairman)
2.	Mr. B. L. Meena	Independent Director
3.	Dr. Nishikant Hayatnagarkar	Independent Director

The Terms of Reference of the committee include:

- De-materialization of Shares.
- Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meeting etc.



- To review measures taken for effective exercise of voting rights by shareholders.
- To review adherence to the service standards adopted by the listed entity in respect of various services rendered by the Registrar and Share Transfer Agent.
- To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Any other related issue.

Mr. Sachin Khandekar, Company Secretary, functions as Compliance Officer as required under SEBI LODR 2015 and also acts as Nodal Officer to ensure compliance with IEPF Rules.

During the financial year under review, 3 (three) complaints were received from the shareholder and none of them were pending as on March 31, 2024.

The Company had no transfers pending at the close of 31.03.2024.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As per the requirements of Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee (the "CSR Committee"). The company has adopted a CSR Policy which is available on the website of the Company.

The composition of the committee as on March 31, 2024 is as follows:

Sr. No	Name of the Director	Designation
1.	Mr. Dinesh Nandwana	Managing Director & Group CEO (Chairman)
2.	Mr. Ramesh Joshi	Independent Director
3.	Mr. Sunil Agarwal	Independent Director

The role of Corporate Social Responsibility Committee is as follows:

- formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company;
- recommending the amount of expenditure to be incurred on CSR activities of the Company;
- monitoring CSR Policy of the Company from time to time;
- formulate and recommend to the Board an Annual Action Plan in pursuance of the CSR Policy;

- analyse the need of an impact assessment, if any, for the projects undertaken by the Company.

RISK MANAGEMENT COMMITTEE

As per the requirements of Regulation 21 of SEBI LODR 2015, the Company has constituted Risk Management Committee.

During the financial year under review, two meetings of Risk Management Committee were held on May 29, 2023 and November 11, 2023 and all the members were present at the meeting. The meetings were conducted in accordance with the provisions of Regulation 21 of SEBI LODR, 2015.

The composition of the Committee as on March 31, 2024 is as follows:

Sr. No	Name of the Director /Member	Designation
1.	Ms. Sujata Chattopadhyay	Chairperson, Independent Director
2.	Mr. Dinesh Nandwana	Managing Director & Group CEO
3.	Dr. Nishikant Hayatnagarkar	Executive Director

The brief Terms of Reference of the committee include:

- Review of strategic risk arising out of adverse business decisions and lack of responsiveness to changes;
- Review of operational risks;
- Review of financial and reporting risks;
- Review of compliance risks;
- Review of risk related to Data Privacy;
- Inquiring about existing risk management processes and review the effectiveness of those processes in identifying, assessing and managing the Company's most significant enterprise - wide risk exposures;
- Review periodically key risk indicators and management response thereto.
- To formulate a detailed risk management policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c. Business continuity plan.

- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

General Body Meetings

Date, Venue and Time for the last three Annual General Meetings.

Date	Venue	Time	Special Resolutions passed
September 08, 2023	Through Video Conferencing/Other Audio-Visual Means at registered office of the Company.	11.00 A.M.	NIL
September 27, 2022	Through Video Conferencing/Other Audio-Visual Means at registered office of the Company.	11.00 A.M.	1
August 30, 2021	Through Video Conferencing/Other Audio-Visual Means at registered office of the Company.	11.00 A.M.	NIL

RESOLUTION(S) PASSED THROUGH POSTAL BALLOT

Date	No of Resolution	Business
Saturday March 09, 2024 at 5:00 pm	1	Special Business: Preferential Allotment of up to 6,00,00,000 Convertible Warrants to the Promoter Group and Non Promoter Category.

Postal Ballot

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The postal ballot notice is sent to shareholders

as per the permitted mode wherever applicable. The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013.

Shareholders holding equity shares as on the cut-off date may cast their votes through e-voting or through postal ballot during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman and the results of voting by postal ballot are announced within two working days of conclusion of the voting period. The results are displayed on the website of the Company (<https://www.vakrangee.in>), and communicated to the Stock Exchanges, Depositories. The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date specified for remote e-voting.

The Company sought the approval of shareholders through notice of postal ballot dated February 08, 2024 to approve Preferential Allotment of up to 6,00,00,000 Convertible Warrants to the Promoter Group and Non Promoter Category by way of special resolution. The aforesaid resolution was duly passed and the results of postal ballot/e-voting were announced on March 9, 2024. Mr. Mehul Raval (Membership No. ACS 18300) Practicing Company Secretary was appointed as the Scrutinizer for scrutinizing the postal ballot voting process in a fair and transparent manner. The result of Postal Ballot was declared on March 9, 2024 and the details are provided as follows:

Particulars	No. of %	Shares
Total number of shares polled in favor of Special resolution	99.93	557164743
Total number of shares polled against Special resolution	0.07	356758

The Company had conducted the postal ballot exercise in the manner provided under the provisions of Section 110 and other applicable provisions, if any, of the Act read together with Rule 22 of the Companies (Management and Administration) Rules, 2014.

No business is proposed to be transacted through postal ballot at the forthcoming Annual General Meeting.

MEANS OF COMMUNICATION:

Quarterly, half-yearly and annual financial results of the Company are communicated to the stock exchanges immediately after the same are approved by the Board and those are published in prominent English (Free Press Journal) and Marathi (Nav Shakti) newspapers. The results and other news releases are also posted on the Company's website, www.vakrangee.in.

Detailed Investor's presentations on the Company's quarterly, half - yearly as well as annual financial results are available on the Company's website, www.vakrangee.in. and are also sent to the Stock Exchanges.

EQUITY SHARES IN THE SUSPENSE ACCOUNT

As on March 31, 2024, no shares are lying in suspense account.

GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting

The 34th Annual General Meeting (AGM) of the Company will be held on September 27, 2024 at 11:00 AM. The Company is conducting meeting in accordance with the General Circular issued by the MCA on December 28, 2022 & other relevant MCA Circulars, through VC / OAVM. For details please refer to the Notice of this AGM.

Financial Year

The financial year of the company is April 1 to March 31.

Financial Calendar for 2024-25

Tentative Schedule	Likely Board Meeting Schedule
Financial reporting for the quarter ending June 30, 2024	On or before August 14, 2024
Financial reporting for half year ended September 30, 2024	On or before November 14, 2024
Financial reporting for the quarter ending December 31, 2024	On or before February 14, 2025

Tentative Schedule	Likely Board Meeting Schedule
Financial reporting for the year ended March 31, 2025	On or before May 30, 2025
Annual General Meeting for the year ending March 31, 2025	On or before September 30, 2025

Book Closure:

As mentioned in the Notice of this AGM.

Dividend payment:

i. Payment date:

Dividend, when declared at the AGM, will be paid within 30 days from the date of AGM.

Listing on Stock Exchanges:

Your company's securities are listed on the following stock exchanges.

BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra East, Mumbai - 400 051.

Listing fees as applicable have been paid to the above Stock Exchanges.

Stock Code

Stock Exchange	Code
BSE Ltd.	511431
National Stock Exchange of India Ltd.	VAKRANGEE
ISIN no. for Equity Shares (NSDL & CDSL)	INE051B01021

Stock Market Data relating to Equity Shares listed in India:

Month (2023-24)	Price on BSE during each month		Volume traded	Price on NSE during each month		Volume traded
	High	Low		High	Low	
April	19.72	16.01	9,93,02,071	19.70	16.00	30,15,67,000
May	18.90	16.62	4,41,66,445	18.90	16.55	19,67,90,000
June	19.20	15.49	3,84,10,438	19.20	14.75	11,60,74,000
July	17.44	15.61	2,03,17,829	17.45	15.60	6,49,09,000
August	17.95	14.61	6,21,34,727	18.00	14.55	34,04,99,000
September	18.60	15.48	6,75,56,411	18.65	15.45	30,69,16,000
October	22.50	16.15	7,16,17,574	22.50	16.30	60,33,80,000
November	20.02	17.43	5,18,49,345	20.00	17.40	26,56,44,000
December	20.84	18.40	9,23,76,663	20.85	18.40	46,69,43,000
January	30.18	18.92	17,59,61,421	30.15	18.90	1,11,06,64,000
February	32.19	23.10	8,16,53,932	32.20	23.05	39,02,29,000
March	25.48	19.05	3,19,65,159	25.45	19.00	14,18,12,000

Stock Performance of Vakrangee Limited v/s. BSE Sensex & Nifty:

Month (2023-24)	Price on BSE during each month		Volume traded	Sensex	Price on NSE during each month		Volume traded	Nifty
	High	Low			High	Low		
April	19.72	16.01	9,93,02,071	61,112.44	19.70	16.00	30,15,67,000	18,065.00
May	18.90	16.62	4,41,66,445	62,622.24	18.90	16.55	19,67,90,000	18,534.40
June	19.20	15.49	3,84,10,438	64,718.56	19.20	14.75	11,60,74,000	19,189.05
July	17.44	15.61	2,03,17,829	66,527.67	17.45	15.60	6,49,09,000	19,753.80
August	17.95	14.61	6,21,34,727	64,831.41	18.00	14.55	34,04,99,000	19,253.80
September	18.60	15.48	6,75,56,411	65,828.41	18.65	15.45	30,69,16,000	19,638.30
October	22.50	16.15	7,16,17,574	63,874.93	22.50	16.30	60,33,80,000	19,079.60
November	20.02	17.43	5,18,49,345	66,988.44	20.00	17.40	26,56,44,000	20,133.15
December	20.84	18.40	9,23,76,663	72,240.26	20.85	18.40	46,69,43,000	21,731.40
January	30.18	18.92	17,59,61,421	71,752.11	30.15	18.90	1,11,06,64,000	21,725.70
February	32.19	23.10	8,16,53,932	72,500.30	32.20	23.05	39,02,29,000	21,982.80
March	25.48	19.05	3,19,65,159	73,651.35	25.45	19.00	14,18,12,000	22,326.90

Registrar and Share Transfer Agent:**Bigshare Services Pvt. Ltd.**

Pinnacle Business Park, Office No S6-2, 6th, Mahakali Caves Rd, next to Ahura Centre, Andheri East, Mumbai, 400093.

Telephone No. : 022-62638200

Fax No.- : 022-62638299

Email : investor@bigshareonline.com

Share Transfer System

In terms of Regulation 40(1) of SEBI LODR 2015, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

All requests for dematerialisation of shares are processed and the confirmation is given to respective Depositories i.e., National Securities Depository Limited and Central Depository Services (India) Limited, generally within 21 days.

The Company obtains yearly certificate from a Company Secretary in Practice to the effect that all certificates have been issued within thirty days of the date of lodgement of the transfer, sub division, consolidation and renewal as required under Regulation 40(9) of SEBI LODR 2015 and files a copy of the said certificate with the concerned Stock Exchanges.

Distribution of shareholding as on March 31, 2024: - (Face Value ₹1/- per Share)

Category (No. of Shares)	No. of shareholders	% of shareholders	No. of shares	% total equity
0-5000	4,71,773	97.6984	15,71,57,576	14.8330
5001-10000	5,827	1.2067	4,40,72,078	4.1597
10001-20000	2,803	1.5805	4,09,95,992	3.8693
20001-30000	892	0.1847	2,23,03,769	2.1051
30001-40000	379	0.0785	1,34,51,736	1.2696
40001-50000	284	0.0588	1,32,29,773	1.2487
50001-100000	474	0.0982	3,41,74,797	3.2255
100001- above	455	0.0942	73,41,27,569	69.2891
Total	4,82,887	100.0000	1,05,95,13,290	100.0000

Category wise Shareholding as on March 31, 2024

Category	No. of Shares	%
Promoters	45,13,53,165	42.60
Financial Institutions/Banks	16,488	0.00
Insurance Companies	6,58,64,647	6.21
Foreign Portfolio Investors	3,24,67,326	3.06
Public	50,98,11,664	48.13
Total	1,05,95,13,290	100.00

Dematerialization of Shares and Liquidity:

The Company's shares are traded in dematerialized form and are available for trading with both the depositories, namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Category	No. of Shares (as on March 31, 2024)	%
Held with NSDL	71,95,50,049	67.91
Held with CDSL	33,87,58,317	31.98
Held in Physical Form	12,04,924	0.11
Total	1,05,95,13,290	100.00

Outstanding GDRs, ADRs, warrants or any convertible instruments.

The Company has not issued any GDRs/ADRs during the FY 2023-24. Your Company has issued 60000000 convertible warrants on preferential basis. on March 30, 2024 convertible within 18 months from the date of issue The paid up capital of the company may increase to that extent.

Commodity Price Risks or Foreign Exchange Risks and Hedging Activities:

The details of foreign currency exposure have been disclosed in standalone notes to accounts of the Annual Report.

Plant Locations:

In view of the nature of the Company's business viz. Specialty Retail, the Company operates from various offices in India and does not have any manufacturing plant.

Address of Correspondence:

The address of correspondence:

Vakrangee Limited

"Vakrangee Corporate House", Plot No. 93,
Road No. 16, M.I.D.C. Marol, Andheri (E),
Mumbai – 400 093.

Shareholders can contact the following officials for Secretarial matters related to the Company:

Name	Telephone No.	Email ID
Sachin Khandekar	022 - 67765100	info@vakrangee.in

Credit Ratings:

During the year under review, the Company has not obtained any credit ratings.

DISCLOSURES

Disclosure on materially significant Related Party Transactions that may have potential conflict with the interest of the Company at large.

During the year there were no material significant transactions with the related parties. The policy as to Related Party Transactions as approved by the Board, is available on the Company's website, https://vakrangee.in/policies_and_guidelines.html.

Necessary disclosures as to Related Party Transactions, as required have been made in the standalone notes to accounts of the Annual Report.

Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

During the last three years, there were no strictures or penalties imposed by either the Securities and Exchange Board of India or the Stock Exchanges or any statutory authorities for non-compliance of any matter related to the capital markets.

Vigil Mechanism / Whistle Blower

In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and Employees, Franchisee, Business Partner, Vendor or any other third parties making a Protected Disclosure under this Policy may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and no personnel has been denied direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is placed on the website of the Company, https://vakrangee.in/policies_and_guidelines.html.

Compliance with Discretionary requirements of SEBI LODR 2015:

The Company has complied with all the mandatory requirements of SEBI (LODR) 2015. The status of compliance with discretionary requirements under Regulation 27(1) and Part E Schedule II of SEBI (LODR), 2015 is provided below:

- **Shareholders' Rights:** As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not sent to the shareholders.
- **Audit Qualifications:** The Company's financial statement for the financial year 2023-24 does not contain any audit qualification.
- **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:** There are separate posts of Chairperson and Managing Director & Group CEO of the Company and the Chairman of the Company is Independent Director and is not related to the Managing Director & Group CEO.
- **Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee.

DETAILS OF THE COMPANY'S MATERIAL SUBSIDIARIES

During the year under review, Vakrangee Finserve Limited was the material subsidiary of the Company as per SEBI LODR, 2015.

Date of incorporation: 07th September 2011

Place of incorporation: Mumbai

Name of the Statutory Auditors: M/s. R. R. Bajaj & Associates

Date of appointment of statutory auditors: August 25, 2021

Further the Company has adopted a policy for determining Material subsidiaries and is available on the website of the company, https://vakrangee.in/policies_and_guidelines.html.

LOANS AND ADVANCES IN THE NATURE OF LOANS

During FY 2023-24, neither the Company nor any of its subsidiaries have provided 'Loans and advances in the nature of loans' to firms/companies in which the directors are interested.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company at its various meetings held during the Financial year 2023-24 had familiarize the Independent Directors with regard to the roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the Business models of the Company etc. The Independent Directors have been provided with necessary documents, reports and internal policies to familiarize them with the Company's policies, procedures and practices.

Periodic presentations are made to the Board and Board Committee meeting on Business and performance updates of the Company, Business strategy and risks involved.

Quarterly updates on relevant statutory changes and judicial pronouncements and encompassing important amendments are briefed to the Directors.

The Familiarization Policy along with the details of familiarization program imparted to the Independent Directors is available on the website of the Company at https://vakrangee.in/policies_and_guidelines.html.

Vakrangee's Code of Conduct

The Board of Directors of the Company has laid down a code of conduct for the Board and all senior management employees of the Company. The same has been posted on the website of the Company https://vakrangee.in/policies_and_guidelines.html. The Company confirms that all Board members and senior management personnel have and shall continue to affirm compliance with the code on an annual basis.

Vakrangee's Code for Preventing Insider Trading

Vakrangee Ltd has Code of Conduct for Prevention of Insider Trading ('VL Code') in the shares of the Company which is in line with SEBI (Prohibition of Insider Trading) Regulations, 2015 and followed in spirit.



Disclosure on Compliance:

The Company is in Compliance with,

- The Corporate Governance Requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46.
- all the requirements mentioned in sub- paras (2) to (10) of section C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- During the year under review the Board has accepted all the recommendations of its Committees.
- The Company has obtained certificate from SARK and Associates LLP, Practicing Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority.

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor

Compliance Certificate:

The Compliance Certificate issued by Mr. Sumit Khanna of SARK and Associates LLP, Practicing Company Secretaries on Compliance with the Corporate Governance requirements by the Company is annexed herewith.

I, hereby, confirm and declare that in terms of Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Board members and Senior Management Personnel of the company have affirmed compliance with the "Code of Conduct for the Board of Directors and the Senior Management Personnel", for the financial year 2023-24.

and all entities in the network firm/network entity of which the Statutory Auditor is a part is given below:

Payment to Statutory Auditor	FY 2023 - 24 (₹ In Lakhs)
Audit Fees	65.00
Tax Audit Fees	10.00
Other Services	0.00
Reimbursement of Expenses	1.32
Total	76.32

• Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of complaints filed during the year 2023 - 24.	Nil
Number of complaints disposed off during the year 2023 - 24.	NA
Number of complaints pending as on 31 March 2024	NA

Sd/-

Dinesh Nandwana

Managing Director & Group CEO

(DIN: 000062532)

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sl. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Listed Entity	L65990MH1990PLC056669
2.	Name of the Listed Entity	Vakrangee Limited
3.	Year of incorporation	1990
4.	Registered office address	Vakrangee Corporate House, Plot No.93, Road No.16, M.I.D.C., Marol, Andheri (E), Mumbai - 400093.
5.	Corporate address	Vakrangee Corporate House, Plot No.93, Road No.16, M.I.D.C., Marol, Andheri (E), Mumbai - 400093
6.	Email	info@vakrangee.in
7.	Telephone	+91 022-67765100
8.	Website	www.vakrangee.in
9.	Financial year for which reporting is being done	Financial year 2023-24 (April 1, 2023 to March 31, 2024)
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited National Stock Exchange of India Limited
11.	Paid-up capital	₹ 1,05,95,13,290/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Sachin Khandekar Designation: Company Secretary & Compliance Officer Telephone No: 022-67765100 E-mail id: info@vakrangee.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures under this report are made on a standalone basis (i.e., only for the entity) Vakrangee Limited.



II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business activity	% of Turnover of the entity
1	Information and communication	Data processing, hosting, and related activities; web portal	99.38%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. No.	Product/Service	NIC Code	% of total
1	We have only one business segment, Vakrangee Kendra, which is also reported in our balance sheet. Our Vakrangee Kendra, is a one-stop shop, offers following 3 key services: BFSI - Banking, insurance, and financial services ATM Services E-commerce – assisted online shopping, total healthcare, assisted online travel, telecom, and E-Governance services such as Pan Card, bill payment services; and Logistics.	Data processing, hosting and related activities; web portals Other information service activities Activities auxiliary to insurance and pension funding Wholesale on a fee or contract basis Retail trade not in stores, stalls, or markets Travel agency and tour operator activities Monetary intermediation Activities auxiliary to financial service activities, except insurance and pension funding Other financial service activities, except insurance and pension funding activities	99.38%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	NA	21,653 operational Vakrangee Kendras Outlets across 31 states and Union Territories of India. Company Offices – 05	21,568
International	NA	NA	NA

17. Markets served by the entity:

a) Number of locations

Locations	Number
National (No. of States)	31 States and Union Territories of India
International (No. of Countries)	NA

b) What is the contribution of exports as a percentage of the total turnover of the entity?

We serve in Local, State and National markets only and hence there are no exports.

c) A brief on types of customers

We provide a range of services (BFSI, ATM & E-Commerce Services) through our franchisees, aiming to promote financial, social, and digital inclusion for our customers. Our company follows an asset-light, franchisee-based business model to meet the needs of the people. By utilizing both physical Kendras and our digital platform called BharatEasy Mobile Super App, we serve the B2C segment. Our primary focus is to bring financial and digital literacy to the socio-economic groups at the bottom of the pyramid. We act as the vital link connecting unserved and underserved individuals in both rural and urban areas in India, offering them affordable products and services with the same level of quality.

IV. Employees

18. Details as at the end of Financial Year (as on 31st March 2024):

a) Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1	Permanent (D)	212	188	88.68	24	11.32
2	Other than Permanent (E)	5	4	80	1	20
3	Total employees (D + E)	217	192	88.48	25	11.52

b) Differently abled employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	0	0		0	0%
2	Other than Permanent (E)	0	0		0	
3	Total employees (D + E)	0	0		0%	0%

19. Participation/ Inclusion/ Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	1	11.11%
Key Management Personnel*	2	0	0%

* NOTE: Board of Directors include Managing Director & Group CEO and Whole Time Director. Key Management Personnel (KMP) comprises of Chief Financial Officer (CFO) and Company Secretary (CS).

20. Turnover rate for permanent employees and workers:

Particulars	Turnover rate in current FY (2023-24)			Turnover rate in the previous FY (2022-23)			Turnover rate in the year prior to the previous FY (2021-22)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	73.44%	26.56%	23.48%	21.00%	42.86%	23.48%	77.31%	66.67%	76.75%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding/ subsidiary/ associate companies/ joint ventures

Sl. No.	Name of the Holding/ Subsidiary/ Associate Companies/ Joint Ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	Percentage of shares held by listed entity	Does the entity indicated at column A, participate in the Business responsibility initiatives of the listed entity? (Yes/No)
1	Vakrangee Finserve Limited	Wholly Owned Subsidiary	100%	Yes
2	Vakrangee Digital Ventures Limited	Wholly Owned Subsidiary	100%	Yes
3	Foreign subsidiary: Vakrangee e-Solutions Inc., Philippines	Wholly Owned Subsidiary	100%	No

Note: VL E-Governance & IT Solutions Limited was wholly owned subsidiary of Vakrangee Limited. The Hon'ble NCLT has vide order dated May 19, 2023 approved the Scheme of Arrangement for demerger of E-Governance & IT/ITES Business (Demerged undertaking) of VAKRANGEE LIMITED ('Demerged Company') into VL E GOVERNANCE & IT SOLUTIONS LIMITED ('Resulting Company') and their respective Shareholders ("Scheme"). Pursuant to the Scheme of Arrangement (the 'Scheme'), duly sanctioned by the NCLT, Mumbai Bench, vide its Order dated May 19, 2023 ('Order') with effect from the Appointed Date, i.e, April 1, 2021, the business of E-Governance and IT/ITES stands transferred to and vested in VL E-Governance and IT Solutions Limited as a going concern. In accordance with Sections 230 to 232 of the Companies Act, 2013, the Company filed the NCLT Order with the Ministry of Company Affairs (MCA) on May 26, 2023. Consequent to the filing, the scheme became effective from May 26, 2023.

The Scheme of Arrangement for Demerger, inter-alia, provided for, the demerger of E-Governance & IT/ITES Business (Demerged undertaking) and in consideration of the same; VL E-Governance & IT Solutions Limited shall issue and allot 1 (one) Equity Share of ₹ 10/- each, for every 10 (Ten) Equity Share of ₹ 1/- each held in Vakrangee Limited, as on the Record Date.

VI. CSR Details

22. (i). Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes

(ii) Turnover: ₹ 16,451.34 Lakhs

(iii) Networth: ₹ 7,612.23 Lakhs

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide weblink for grievance redress policy)	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes https://vakrangee.in/pdf/Policies-PDF/Disclosure%20on%20Whistleblower%20Complaints.pdf	0	0	NA	0	0	NA
Investors (Other than shareholders)	Yes https://vakrangee.in/pdf/Policies-PDF/Disclosure%20on%20Whistleblower%20Complaints.pdf	0	0	NA	0	0	NA
Shareholders	Yes As per SEBI Listing Regulations. https://vakrangee.in/investor_contact.html	1	0	NA	0	0	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide weblink for grievance redress policy)	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes https://vakrangee.in/policies_and_guidelines.html	0	0	NA	0	0	NA
Customers	Yes https://vakrangee.in/pdf/Policies-PDF/Disclosure%20on%20Whistleblower%20Complaints.pdf	0	0	NA	0	0	NA
Value Chain Partners	Yes https://vakrangee.in/pdf/Policies-PDF/Disclosure%20on%20Whistleblower%20Complaints.pdf	2	0	NA	4	0	NA
Others (Please specify)	NA	NA	NA	NA	NA	NA	NA

*Please refer to the Whistle Blower Policy and Business Responsibility Policies available at:

24. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

We carried out a comprehensive materiality assessment exercise with a key focus on the following areas for evaluation- stakeholder concerns, legal considerations, internal policy considerations, and financial implications and risks. The detailed- out materiality assessment with the identified material topics have been mentioned in the Stakeholder Engagement and Materiality Assessment section on page no. 60.

Various risk and opportunities for our Company have also been identified with their significance and defined mitigation strategies. Various opportunities for us have also been identified and report as part of the Management Discussion and Analysis on page no. 204.



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Compliance with regulations	Opportunity	By prioritising compliance with regulations, we can avoid legal pitfalls, fines, and reputational harm, while also gaining a competitive edge in a heavily regulated industry through proactive measures that demonstrate our commitment to integrity and responsible operations."	Not applicable	Positive
2.	Cyberattacks	Risk	Cybersecurity threats pose significant risks to our organisation, including the potential for sensitive data breaches, financial losses, reputational damage, and erosion of customer trust. Non-compliance with data protection regulations can lead to legal consequences, while cyber-attacks can disrupt critical systems and networks, causing operational downtime and impacting business continuity. Therefore, prioritising cybersecurity is crucial to mitigating these risks and safeguarding our assets.	Our organisation prioritises data privacy, with a robust policy and program in place, and holds prestigious certifications for our secure processes. Our operations are certified with – <ol style="list-style-type: none"> 1. ISO 27001:2013, 2. ISO 20001-1:2011 3. ISO 9001:2015 4. ISO 27701:2019 	Negative
3.	Digitisation	Opportunity	Digital transformation offers a gateway to unlocking new customer segments, optimising operations, and driving innovation through cutting-edge technologies. By harnessing the power of data analytics and digital platforms, fintech companies can maintain agility, make informed decisions, and establish a competitive edge in a crowded market, ultimately delivering tailored and seamless customer experiences..		Positive
4.	Diversity and Inclusion	Opportunity	A diverse and inclusive workforce is a driving force for innovation, fostering creative solutions and informed decision-making. By bringing together unique perspectives and experiences, we can tap into a wealth of ideas, better serve our diverse customer base, and enhance customer satisfaction and financial performance. Embracing diversity is a key factor in our success, allowing us to thrive in a rapidly changing business landscape.		Positive

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Employee Wellbeing	Opportunity	Investing in employee well-being brings numerous benefits such as heightened productivity and engagement, the ability to attract top talent, lower absenteeism rates, and the cultivation of a positive organizational culture. By prioritizing employee well-being, we create a healthier, more motivated workforce, which ultimately enhances overall performance and ensures long-term success.	-	Positive
6.	Financial Performance	Opportunity	Our strong financial performance presents opportunities to invest in growth initiatives, expand operations, attract investors, secure funding, and bolster our competitive position in the market. Effective resource allocation, pursuit of strategic partnerships or acquisitions, and reinvestment in research and development are enabled by robust financial performance, driving long-term success and profitability.	-	Positive
7.	Financial, Digital and Social Inclusion	Opportunity	The intersection of financial, digital, and social inclusion offers us a significant opportunity to reach underserved markets, expand our customer base, and stimulate revenue growth. By delivering accessible financial services, leveraging digital technologies, and supporting social programs, we empower individuals and communities, promoting economic development and enhancing social well-being. Furthermore, our alignment with governmental priorities on financial and social inclusion positions us as a pivotal partner in advancing these initiatives, establishing our role as a strategic ally in achieving government objectives.	-	Positive



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Human Rights	Risk	Respecting and upholding human rights is essential at Vakrangee to mitigate risks that could threaten our reputation, incur legal consequences, and erode customer trust. Prioritizing ethical practices and diligently managing our operations and supply chain are imperative to prevent any violations and safeguard against these adverse outcomes.	Our commitment to human rights is upheld through a robust Human Rights Policy aligned with the UN Guiding Principles (UNGPs), ILO conventions, UN Global Compact (UNGC), and the Indian constitution. This policy serves as a comprehensive framework guiding our actions, ensuring all human rights considerations are diligently addressed. We foster a transparent and rights-conscious work environment across our business operations. Moreover, we have implemented an effective grievance mechanism to promptly address and report any human rights concerns.	Negative
9.	Optimal Franchisee Performance	Opportunity	Achieving peak franchisee performance is a strategic opportunity for us, resulting in heightened revenue generation, improved customer satisfaction, and broader market penetration. Optimal franchisee performance effectively amplifies our brand, products, and services, fueling business expansion. By prioritising comprehensive training, robust support, and sustained motivation for franchisees, we harness our collective performance to optimise profitability and solidify our extensive network of over 20,000 kendras.		Positive
10.	Climate Change	Risk & opportunity	The growing recognition of the detrimental effects of human activities on the environment, notably climate change, offers us with a substantial opportunity. Embracing sustainable practices and eco-friendly products enables us to align with evolving customer and stakeholder expectations, positioning us as industry leaders. Top of Form Bottom of Form		Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and core elements.

The National Guidelines for Responsible Business Conduct (NGRBC), as prescribed by the Ministry of Corporate Affairs advocates nine Principles referred to as P1-P9 given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all their stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Policy and management processes

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	Y ¹	Y ³	Y ³	Y ⁴	Y ⁵	Y ⁶	Y ⁷	Y ⁸	Y ⁹
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Policies are based on NGRBS's and conform to international standards such as ISO 9000, ISO 20000, ISO 27000, UNGC principles and ILO standards.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	N	Y ¹⁰	Y ¹⁰	N	Y ¹¹	Y ¹²	N	Y ¹³	Y ²
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	N	Y ¹⁰	Y ¹⁰	N	Y ¹¹	Y ¹²	N	Y ¹³	Y ²
• Y ¹	https://vakrangee.in/pdf/Policies-PDF/Business%20Conduct%20Policy.pdf								
• Y ²	https://vakrangee.in/pdf/Policies-PDF/Sustainability%20related%20Services.pdf								
• Y ³	https://vakrangee.in/pdf/Policies-PDF/Vakrangee%20-%20Health%20&%20Safety%20Policy.pdf								
• Y ⁴	https://vakrangee.in/pdf/Policies-PDF/Sustainability%20related%20Services.pdf								
• Y ⁵	https://vakrangee.in/pdf/Policies-PDF/Human_Rights_Policy.pdf								
• Y ⁶	https://vakrangee.in/pdf/Policies-PDF/Environmental%20Policy.pdf								
• Y ⁷	https://vakrangee.in/pdf/Policies-PDF/Business%20Conduct%20Policy.pdf								
• Y ⁸	https://vakrangee.in/pdf/Policies-PDF/Corporate%20Social%20Responsibility_Policy.pdf								
• Y ⁹	https://vakrangee.in/pdf/Policies-PDF/Sustainability%20related%20Services.pdf								
• Y ¹⁰	https://vakrangee.in/pdf/Policies-PDF/Key_Human_Resource_(HR)_Metrics&Targets-FY2023.pdf								
• Y ¹¹	https://vakrangee.in/pdf/Policies-PDF/Human%20Rights%20%E2%80%93%20Due-Diligence_&%20Impact%20Assessment.pdf								
• Y ¹²	We aim to fulfil environmental commitments through its GHG Reduction program/policy available at: https://vakrangee.in/pdf/Policies-PDF/GHG%20Reduction%20Program.pdf								
• Y ¹³	https://vakrangee.in/pdf/News_and_Announcements/ESG%20Performance%20target%20March%202020.pdf								



Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure).

Response: We are dedicated to making a positive impact in the communities we serve through both our business practices and various interventions. This BRSR report reflects our commitment to advancing corporate governance and transparency standards. As the next phase of mandated ESG reporting in India, BRSR serves as an essential tool for compliance and communication regarding non-financial disclosures.

Building on our tradition of ESG leadership, we are proactively sharing our sustainability efforts through the BRSR framework. This reporting allows us to showcase the significant effects of our Phygital model of operations on the community. Our BRSR report comprehensively covers Environmental, Social, and Governance (ESG) aspects, demonstrating the full scope of our impact.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).

Mr. Dinesh Nandwana

Managing Director & Group CEO

Telephone number - 022 67765100

E-mail id - info@vakrangee.in

9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.

Response: Yes. Corporate Governance Committee, Corporate Social Responsibility (CSR) Committee and ESG Committee of our Company are responsible for implementing BR policies. Details on the committees are as follows

Corporate Governance Committee

DIN	Name	Designation
00002683	Mr. Ramesh Joshi	Chairman
00062532	Mr. Dinesh Nandwana	Member
00062638	Dr. Nishikant Hayatnagarkar	Member

Corporate Social Responsibility Committee

DIN	Name	Designation
00062532	Mr. Dinesh Nandwana	Chairman
00002683	Mr. Ramesh Joshi	Member
00062767	Mr. Sunil Agarwal	Member

ESG Committee

DIN	Name	Designation
06869633	Mr. Avinash Vyas	Chairman
00002683	Mr. Ramesh Joshi	Member
02336683	Ms. Sujata Chattopadhyay	Member

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually / Half yearly / Quarterly/ Any other-please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Director	Director	Director	Director	Director	Director	Director	Director	Director	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Director	Director	Director	Director	Director	Director	Director	Director	Director	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9									
If Yse, Provide name of the agency	NA	NA	NA	NA	NA	NA	NA	NA	NA									

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated: Not Applicable.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**Essential Indicators****1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	0	We conduct periodic training programs, awareness campaigns, leader talks, contests and more. The content of these programs addresses the various BRSR topics. We conduct campaigns through the year to encourage employees to leverage their learning. Engagement activities such as celebration of events related to environment, diversity, safety, health and wellness, also leverage the ESG learning resources. In addition, we have regular engagement mailers on ESG topics, and we cover 100% of our employees.	0
Key Managerial Personnel	0		0
Employees other than BoD and KMPs	6		100.00%
Workers	NA		NA

All the principles laid down in BRSR are covered by Vakrangee mandatory trainings and Vakrangee Code of Conduct/ Business Conduct Policy, which is adhered to by all employees.



2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Particulars	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In H)	Brief of the Case	Has an appeal been referred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	NA	NA
Settlement	Nil	Nil	Nil	NA	NA
Compounding Fee	Nil	Nil	Nil	NA	NA

Particulars	Non-monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been referred? (Yes/No)
Imprisonment	Nil	Nil	NA	NA
Punishment	Nil	Nil	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Response: The Vakrangee Business Conduct Policy contains guidelines on anti-corruption & anti-bribery. We are committed to upholding the highest moral and ethical standards and does not tolerate bribery or corruption in any form. The policy is available on our website at: <https://vakrangee.in/pdf/Policies-PDF/Business%20Conduct%20Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Response: Not applicable

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 2023-24 (Current Financial Year) (₹ In Lakhs)	FY 2022-23 (Previous Financial Year) (₹ In Lakhs)	Details of improvements in environmental and social impacts
R&D	0.00	88.36/-	<p>Our business model is built on sustainability, aimed at fostering financial, social, and digital inclusion for Indians. Through our extensive network of outlets, we are advancing financial, digital, and social inclusion in rural India. Every aspect of our business and the products and services we offer are designed with sustainability in mind.</p> <p>Our Kendra outlets serve as one-stop shops, delivering essential services to rural citizens, including banking services, ATMs, healthcare, and online shopping.</p> <p>Our capital expenditure primarily supports the acquisition of environmentally friendly ATM machines. These machines are paperless, with transaction acknowledgments sent via SMS, in line with our 'Go Green' initiatives. We are committed to minimizing paper usage through prevention, reduction, recycling, and reuse to mitigate environmental impacts.</p> <p>To further enhance our environmental efforts, we are integrating energy efficiencies into our facilities by increasing the use of renewable energy sources, such as solar power. Currently, 16% of our energy consumption comes from solar power. We are also working on expanding our use of renewable energy through power purchase agreements with private renewable energy suppliers.</p> <p>Our commitment to green infrastructure includes adopting cleaner technologies, green IT practices, and IT-enabled operational efficiencies. We also emphasize sustainable procurement through our Green Procurement Policy, prioritizing EPEAT-certified products to support our energy and carbon management goals.</p>
Capex	617.11	527.40	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No): Yes

- b. If yes, what percentage of inputs were sourced sustainably?

100% of our suppliers are covered in the responsible sourcing program.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Response: We do not manufacture any products hence this question is not applicable for our operations. We have defined processes in place for reuse, recycle and safe end-of-life disposal for the products used in its operations.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators:

1. a. Details of measures for the well-being of employees:

Category	Total (A)	Percentage of employees covered by									
		Health Insurance		Accidental Insurance		Maternity Benefits		Paternity Benefits*		Day-care Facilities*	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	188	188	100	188	100	-	-	-	-	-	-
Female	24	24	100	24	100	24	100	-	-	-	-
Total	212	212	100	212	100	24	100	-	-	-	-
Non-Permanent Employees**											
Male	4	-	-	-	-	-	-	-	-	-	-
Female	1	-	-	-	-	-	-	-	-	-	-
Total	5	-	-	-	-	-	-	-	-	-	-

* Note: Parental support benefit and creche facility is available to parent who find it difficult to manage work and children.

** Our non-permanent employees are not covered under above-mentioned measures.

b. Details of measures for the well-being of workers:

Note: Our line of business does not involve manufacturing activities, therefore, we do not employ any workers.

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year

Benefits	FY 2023-24 (Current financial year)			FY 2022-23 (Previous financial year)		
	No. of employees covered (as a % of total employees)	No. of Worker covered (as a % of total Worker)	Deducted and deposited with the authority (Yes/No/N.A.)	No. of employees covered (as a % of total employees)	No. of workers covered (as a % of total Worker)	Deducted and deposited with the authority (Yes/No/N.A.)
PF	36.79	-	Yes	33.73	-	Yes
Gratuity	100	-	Yes	100	-	Yes
ESI	20.28	-	Yes	22.22	-	Yes
Others (please specify)	-	-	-	-	-	-

3. Accessibility of workplaces:

Are the premises / offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Response: Yes. The premises / offices of the entity are accessible to differently-abled employees.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Response: Yes, Yes. We have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016. The policy is available on our website, at <https://vakrangee.in/pdf/Policies-PDF/Diversity%20Programme%20and%20Inclusion%20Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	No case	No case	NA	NA
Female	No case	No case	NA	NA
Total	NA	NA	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No	Brief Description of Mechanisms (if yes)
Permanent Employees	Yes	<p>We have a well-defined Whistle blower policy which provides a platform for employees to raise concern regarding any irregularity, misconduct, or unethical matters within our ecosystem whether financially or otherwise.</p> <p>https://vakrangee.in/pdf/Policies-PDF/Whistle%20Blower%20Policy_Final.pdf</p> <p>We have an independent third-party online portal (24/7) for open and structured discussions to address employees' concerns related to human rights and decent labour.</p> <p>We have also formed a POSH Committee to address incidents related to sexual harassment. For more details, please visit our Human Rights Policy at: https://vakrangee.in/pdf/Policies-PDF/Human_Rights_Policy.pdf</p>
Non-Permanent Employees	NA	NA
Permanent Workers	NA	NA
Non-Permanent Workers	NA	NA

7. Membership of employees and worker in Association(s) or Unions recognised by the listed entity:

Not applicable

8. Details of training given to employees and workers:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	188	188	100	188	100	217	217	100	217	100
Female	24	24	100	24	100	35	35	100	35	100
Total	212	212	100	212	100	252	252	100	252	100

9. Details of performance and career development reviews of employees and workers:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
Employees						
Male	188	1	0.53	217	8	3.69
Female	24	0	0	35	2	5.71
Total	212	1	0.53	252	10	3.97



10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

Yes, we have implemented the occupational health and safety management system across our organization. We are employees certified with a well-defined Occupational Health and Safety (OHS) policy and supporting processes to ensure the safety and businesses irreparable harm.

ISO 45001:18 Occupational Health & Safety Management System to mitigate any factors that can cause well-being of its employees. Safety lead and lag indicators are measured across the organization and reported.

ISO 45001 is concerned with mitigating any factors that are harmful or that pose a danger to workers physical and/or mental well-being. This standard goal is to help business to provide a healthy and safe working environment for its employees and everyone else who visit the workplace. Our goal is the safety of our employees and stakeholders, and we have achieved the same by controlling all the factors that could potentially lead to injury, illness and in extreme situations even death. This standard helped us to develop better and more robust occupational health and safety measures. We have demonstrated our commitment to occupational health and safety management within the organization and protect our employees as well as protecting the future health our organization. This improved our employee's satisfaction, retention and improved employee's health, increase productivity and reduced absenteeism.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

As a part of ISO 45001:2018 Occupational Health and Safety Management System, we have carried out assessment of work-related hazards and risks for all routine and non-routine activities. Hazard and risk identification is carried out by the process owners. The process owners are responsible to ensure adequate controls are identified and implemented to control the identified OHS risks Mitigation plan and controls are provided to eliminate the identified hazards and risks.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Yes. We have a safety incident reporting and management process to ensure that all work-related incidents (which include accidents, near misses, unsafe conditions and unsafe acts) are reported and closed after taking necessary corrective actions. This is enabled through an online safety incident reporting tool which is accessible to all our employees to facilitate transparent reporting. The platform also supports incident investigation and corrective action with the perspective of eliminating hazards and preventing incidents.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. We recognize that overall physical and mental wellbeing of our employees is integral to our success and growth aspirations. We have a people focus approach by involving consulting and training employees on physical health, mental health, and wellbeing. We have taken a holistic approach to well-being and redefined them to be relevant in these trying times of pandemic. These well-being programs were reimagined to look at various aspects such as COVID-19 support, mental health, ergonomic health, physical health, and safety at home, delivered through digital channels, hospital insurance services, occupational health services and through seamless integration of all employees and stakeholders. Vakrangee Cares initiative has instituted programs for associates and their families to help cope with the mental stress and anxiety. We have been promoting health and wellbeing of employees through Yoga, Zumba and similar initiatives.

We provide comprehensive medical and healthcare services to employees through the company provided medical insurance to employees and their dependents.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	NA	NA
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	NA	NA
No. of fatalities	Employees	Nil	Nil
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	NA	NA

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Ans: We have a policy in place which prohibits our employees from the consumption of drug, alcohol, tobacco, gutkha or any substance abuse to maintain Healthy Workplace. If an employee is found violating the policy which endangers the safety and health of themselves or other employees then they are subject to strict disciplinary action.

We are an ISO 45001 (Occupational Health and Safety Management) certified company. We emphasize on best practices and standards such as there are fire extinguishers and fire alarms installed at all places within the office premises. All employees are given fire drill trainings which equip them with the ability to deal with any emergency. We have well designed workstations which contributes towards the stress-free working condition for our employees.

Further, we are in the business segment of technology and hence not into any hazard related business.

The Culture at our organization is defined in such a manner which keeps the employees motivated and helps increase their productivity. We have an Open Feedback Culture which encourages the employees to communicate with their managers and give their ideas or suggestions which makes them feel inclusive.

We value diversity and take various initiatives to assure equal employment opportunity at our workplace. We have various Training & Development programmes, Mentorship Programmes which keeps the employees motivated and engaged and helps them to upskill their skillsets.

We have health and safety policy in place. Please find below the link for the same. Link: <https://vakrangee.in/pdf/Policies-PDF/Vakrangee%20-%20Health%20%20Safetv%20Policv.odf>

Also, we have taken the safety measure at our Vakrangee Kendra outlets. Link for the documents <https://vakrangee.in/pdf/Policies-PDF/Safetv%20Measures%20at%20Franchisee%20outlets.pdf>

We have various employees wellness sessions that are conducted for employees. We have also ensured that fire extinguishers are kept on every floor at easy distance which is assessable to the employees in case of emergency. We have trained employees to use the fire extinguisher in case of emergency.

We also have Company Medical Practitioner available for employees 24*7

(Note: Under this disclosure, the entity shall report the measures taken to prevent or mitigate significant negative health and safety impacts that are directly linked to its operations, products or services. Also indicate whether these measures are taken for a specific set of activities, employees / workers or facilities of the entity)

13. Number of Complaints on the following made by employees and workers:

Particulars	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year:

	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Our 100% business operations are managed by our Centralized Corporate Head Office in Mumbai.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Safety Incident / Risk / Concern	Corrective Action(s) Taken/Underway
NA	NA

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators:

1. Describe the processes for identifying key stakeholder groups of the entity.

Response: We have a defined Stakeholder Engagement process in place. The same is mentioned in the Stakeholder Engagement and Materiality Analysis section on Page no. 60.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Franchisees	No	Email, SMS, Meetings	Regularly	<ol style="list-style-type: none"> Marketing Support & Strategy Training, guidance and support Franchisee Satisfaction Grievance addressal

Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Email, Events, Newsletters	Regularly and Quarterly	<ol style="list-style-type: none"> 1. Human Rights issues 2. Employee Engagement & Feedback 3. Operational aspects 4. Performance review 5. Talent development Training, skill development 6. Code of conduct and Business conduct processes and policies 7. Company business initiatives and strategies 8. Franchisee and Customer behaviour and response towards Company's Business model
Business Partners	No	Meetings	Regular Quarterly and ad hoc need based interactions	<ol style="list-style-type: none"> 1. Service availability in remote locations 2. Service Manual and Training Guidelines 3. Customer reach and business sales targets strategy 4. Business risks and their mitigation strategies 5. IT related Integration; Data privacy and security
Shareholders and investors	No	One-on-one meetings, Board presentations, Annual General Meetings, Reports, Investor	Quarterly	<ol style="list-style-type: none"> 1. Environment, Social and Governance strategy 2. Key company level Strategy and developments 3. Company Business Performance 4. Technological innovations 5. Shareholder voting rights
Customers	No	SMS, Email, Pamphlets and Advertisement	Regularly and as per requirements	<ol style="list-style-type: none"> 1. New services and offerings 2. Customer Grievance addressal and Satisfaction 3. Customer Queries 4. Data Privacy and Security
Community	Yes	Community Meetings	Need Basis	<ol style="list-style-type: none"> 1. Livelihood generation 2. Social Infrastructure development for local rural communities 3. Financial, social and Digital inclusion 4. Easy access to basic services like Universal Banking, Insurance and social security benefits through DBT (Direct benefit transfer)



Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers and vendors	No	Meetings	Regularly	<ol style="list-style-type: none"> 1. Product and service requirement 2. Quality Check and Pilot testing 3. ESG Compliance on the product (EPEAT certification) and of supplier and vendor Code of Conduct for Suppliers 4. Performance review and audit survey review on supply chain monitoring 5. Performance review on product and service as per the requirement 6. Feedback on support and maintenance of the respective product or service 7. Grievance Addressal 8. Product Customization (Example ATM made Divyang friendly as well as paperless ATM customization done as per our discussion with Supplier OEMs.
Industry bodies (Confederation of ATM industry, CATMi)	No	Trade events, conferences, newsletter, publications	Need Basis	<ol style="list-style-type: none"> 1. ATM growth 2. Advocacy for best industry practices 3. Technological innovations in ATM industry 4. Education and training 5. WLA initiatives and Financial Inclusion initiatives 6. Financial and social inclusion initiatives in Rural India. 7. Industry feedback and expectation management on White label ATM business and Business correspondent banking services in India. 8. Industry representation to Reserve Bank of India (RBI) and DFS (Department of Financial services) 9. Prevention of any unethical practices if any and corrective strategy being implemented. 10. Digital India, RuPay cards and ATM expansion initiatives.
NGO, NPO and civil societies	Yes	Community Meetings	Need Basis	<ol style="list-style-type: none"> 1. Healthcare access 2. Promoting education 3. Youth employment 4. Environmental sustainability

Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and Regulatory bodies	No	Meetings and Events	Need Basis	<ol style="list-style-type: none"> Promotion of financial, social and digital inclusion Industry feedback and expectation management on White label ATM business and Business correspondent banking services in India. Industry representation to Reserve Bank of India (RBI) and DFS (Department of Financial services) Review discussion with National Payments Corporation of India (NPCI) WLA License renewal and periodic Audit performed by RBI

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators:

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24 (Current financial year)			FY 2022-23 (Previous financial year)		
	Total (A)	No. of Employees / Workers covered (B)	% (B/A)	Total (C)	No. of Employees / Workers covered (D)	% (D/C)
Employees						
Permanent	212	212	97.70	247	247	100
Other than Permanent	5	5	2.30	100	100	100
Total Employees	217	217	100	347	347	100

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24 (Current financial year)					FY 2022-23 (Previous financial year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No.(C)	% (C/A)		No.(E)	% (E/D)	No.(F)	% (F/D)
Employees										
Permanent										
Male	188	3	1.38	185	97.87	217	3	1.38	214	98.62
Female	24	0	0	24	100	35	0	0	35	100
Non-Permanent*										
Male	4	-	-	-	-	17	-	-	-	-
Female	1	-	-	-	-	17	-	-	-	-

Note: *The Company pays the amount to the external agency for Non-Permanent Employees.

3. Details of remuneration/salary/wages in the following format:

Category	Male		Female	
	Number	Median remuneration/salary/wages (₹ Per annum)	Number	Median remuneration/salary/wages (₹ Per annum)
Board of Directors (BoD)	2	2,03,75,502	-	-
Key Managerial Personnel (KMP)	2	22,06,998	-	-
Employees other than BoDs/KMPs	184	3,74,850	24	3,83,748
Workers	NA	NA	NA	NA

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. In order to design, implement and monitor diversity initiatives, we have designed a Diversity and Inclusion Council which comprises of Head of Human Resources Department, Ethics Officer, Head of Legal Department, Chief Corporate Communication Officer. The Diversity and Inclusion Council works with the agenda of building safe workplace in terms of infrastructure, architectural designs, privacy concerns for diverse groups. Further, the Nomination & Remuneration & Compensation Committee is also responsible for diversity initiatives. We maintain a zero-tolerance approach to Sexual harassment. We have formed a POSH Committee and an Internal Complaint Committee to look in the matters of sexual harassment. The Human Resources Department is also responsible for addressing any human rights impact or issues caused or contributed by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

We have an independent third-party online portal (24*7) for open and structured discussions to address employees concerns related to human rights and decent labour, We have also formed a POSH Committee to address incidents related to sexual harassment. For more details, please visit our Human Rights Policy at: https://vakrangee.in/pdf/Policies-PDF/Human_Rights_Policy.pdf

During annual review system, we survey our employees, and we provide each employee's feedback to the Nomination, Remuneration and Compensation Committee, for its review and further action.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2023-24 (Current financial year)			FY 2022-23 (Previous financial year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour / Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We do not tolerate any form of retaliation against anyone reporting good faith concerns. Anyone involved in targeting such a person raising such complaints will be subject to disciplinary action and Concerns on discrimination and harassment are dealt with confidentially. We have an independent third-party online portal (24*7) anonymous reporting facility for open and structured discussions to address employees' concerns related to human rights and harassment cases. The third-party reporting mechanism encourages employees to flag off internal ethics and compliance issues without any fear of retaliation.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Response: Yes. We are committed to ethical and sustainable business practices throughout our supply chain. To this end, we have implemented a Sustainable Sourcing and Green Procurement Policy outlining clear expectations for all suppliers. These policies prioritize human rights, environmental protection, and social welfare.

Suppliers must adhere to our standards, continuously improve their practices, and sign our Supplier Code of Conduct during the onboarding process. This commitment extends to all workers and employees within their organizations.

Link for the Supplier Code of Conduct: <https://vakrangee.in/pdf/Policies-PDF/Supplier%20Code%20of%20Conduct.pdf>

9. Assessments for the year:

Particulars	Percentage of your plants and offices that were assessed (By entity or statutory authorities or third parties)
Child Labour	
Forced/involuntary Labour	
Sexual harassment	
Discrimination at workplace	100%
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Response: Not applicable.

PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24 (Current financial year)	FY 2022-23 (Previous financial year)
Total electricity consumption (A)	103.09 GJ	148.96 GJ
Total fuel consumption (B)	114.78 GJ	382.85 GJ
Energy consumption through other sources (C) (Green Wheeling + Solar)	1227.14 GJ	1383.26 GJ
Total energy consumption (A+B+C)	1445.01 GJ	1915.07 GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	1680.09 Joules/ Rupees of turnover	1164.08 Joules/ Rupees of turnover
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Grant Thornton Bharat LLP has given reasonable assurance on points (A) and (B). Details for the same have been mentioned in the assurance statement on Page no. 174.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Response: Not applicable.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current financial year)	FY 2022-23 (Previous financial year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	1996	1698
(iv) Seawater / desalinated water	NA	NA
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1996	1698
Total volume of water consumption (in kilolitres)	1996	1698
Water intensity per rupee of turnover (Water consumed / turnover)	0.001086 litres/rupee of turnover	0.001032 litres/rupee of turnover
Water intensity ratio (optional) – the relevant metric may be selected by the entity [such as units of product production volume [such as metric tons, litres, or MWh), size (such as m ² floor space), number of full-time employees]		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Grant Thornton Bharat LLP has given reasonable assurance on water consumption. Details for the same have been mentioned in the assurance statement on Page no. 180.

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Response: No.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Response: Not applicable

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24 (Current financial year)	FY 2022-23 (Previous financial year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	8.09	26.70
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	20.50	29.38
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO ₂ Equivalent/ Rupees of turnover	0.000000015568	0.000000034088
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Grant Thornton Bharat LLP has given reasonable assurance on Scope 1 and Scope 2 emissions. Details for the same have been mentioned in the assurance statement on Page no. 176.

7. **Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

Response: Yes, We are devoted to using the most environmentally friendly practices to combat climate change. In addition to minimising our environmental impact, we also want to ensure that the goods and services we offer at our locations are available in the most environmentally responsible way possible. At our corporate headquarters and all our Next-Gen Vakrangee Kendras, we work to lower our carbon footprint and improve health safety. Details of the initiatives have been listed out in our Natural Capital section of the Integrated Annual Report.



8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 (Current financial year)	FY 2022-23 (Previous financial year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	16.96 tons	16.22 tons
Total (A + B + C + D + E + F + G + H)		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of Waste		
(i) Recycled	16.96	16.22
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	16.96	16.22
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of Waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
No.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Response: Our business model is a completely sustainable model focused on enabling Indians to benefit from financial, social and digital inclusion. Through our vast network of outlets, we are driving financial, digital and social inclusion in rural India. Our ultimate purpose is to ensure that every Indian has the opportunity to benefit from financial, digital and social inclusion and has access to the global marketplace.

Our Entire Business model and the products/services we provide are all sustainability-related products and services. Vakrangee Kendra outlets are one stop shops providing key Essential and necessary services to the citizens of the country in Rural India such as –

- Banking Services
- ATM Services
- Online Demat & Trading Account Opening
- Total Healthcare - Telemedicine health services – Including Unlimited Tele & Video Consultation with expert doctors & Home Blood test facility

- Assisted E-Commerce - Online shopping of Groceries & Other products
- Travel Ticket Booking & Utility Bill Payment services

We make use of disruptive technology such as e-KYC (Biometric KYC), interoperability, and real-time transactions. We use advanced features that are environment-friendly, such as paperless banking, real-time banking, and biometric evaluation. Being digital and paperless in nature we are committed towards Responsible consumption; our Kendras generate negligible paper waste and zero plastic waste.

At our Vakrangee Kendras, we have adopted 'Go Green' initiatives. Our banking processes run on AePS (Aadhaar enabled Payment System) model. Moreover, ATM transactions do not generate printed receipts. The transaction acknowledgments are sent via SMS. We are working towards achieving environmentally sound management of paper through prevention, reduction, recycling, and reuse, in order to minimize their adverse impacts on the environment.

Our Kendras also minimize hazardous waste by using refillable ink cartridges. Minimal generation of waste prevents exposure of community members to hazardous and non-hazardous waste.

We have always been a Responsible and Socially Conscious Company. Our business strategy has been mapped with the sustainability initiatives along with the United Nation's Sustainable Development Goals. We have re-affirmed our commitment towards sustainability by opting for 'Green Power' at our Corporate Headquarters based in Mumbai, whereby the Company would be paying 'Green tariff' as approved by the honorable Maharashtra Electricity Regulatory Commission (MERC). This also showcases our commitment towards reducing our carbon footprint.

We have adopted a sustainable waste management philosophy in line with the concept of circularity of through waste management, re-cycling and eco-friendly disposals through Industry best practices.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Response: Our offices are built on government-approved land in industrial zones and do not fall within or are adjacent to protected areas or high-biodiversity areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Response: Not applicable

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes. We are compliant with the applicable environmental law / regulations / guidelines in India.



PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators:

1. a. **Number of affiliations with trade and industry chambers/ associations: 7**
- b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:**

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers / associations (State/National)
1	Associated Chambers of Commerce and Industry of India (AASOCHAM)	National
2	Confederation of ATM Industry (CATMi)	National
3	Member of Business Correspondent Federation of India (BFCI)	National
4	CSC e-Governance Services India Limited	National
5	Member of NPCI	National
6	Signatory member of United Nations Women Empowerment principles (UN WEP)	International
7	Signatory member of United Nations Global Compact (UNGC)	International

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities. - No**

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators:

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Response: Not applicable

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Response: Not applicable

3. **Describe the mechanisms to receive and redress grievances of the community.**

Response: We have a well-defined Whistleblower policy which provides a platform to receive and redress grievances of the community.

https://vakrangee.in/pdf/Policies-PDF/Whistle%20Blower%20Policy_Final.pdf

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Response: Not applicable

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators:

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Response: There is a dedicated support desk for customers and a dedicated helpline number which is also visible in all our outlets. Customers can also call on the support number and register their complaints regarding any malpractices

being conducted by the franchisees or their staff. All the complaints related to the Franchisee, Kendra, Franchisee staff, fraudulent or suspicious transactions or charges etc can be registered by the customer. The proof of the allegations is solicited by way of photographs, Videos, recorded conversations, receipts, proof of transactions etc. Further, there is a dedicated Email-id for any Customer feedback and complaints.

We have Franchisee Technical Support Desk (TSD) which is an important communications link between the FRANCHISEEs and our Company. It serves as a central point of contact for information and support with regard to the Franchisees' Technical queries. Further, we have a state team and centralised dedicated relationship managers to monitor and assist with the day-to-day activities.

2. Turnover of products and/ services as a percentage of turnover from all products/services that carry information about :

	As a percentage of total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following:

Particulars	FY 2023-24 (Current financial year)			FY 2022-23 (Previous financial year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy			We do not have any consumer complaints in respect of data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices and unfair trade practices.			
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

Response: Not applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Response: Yes, This is accessible at:

- Data Privacy Policy: <https://vakrangee.in/pdf/Policies-PDF/Data%20Privacy%20Policy%20v3.pdf>
- Data Privacy Program: <https://vakrangee.in/pdf/Policies-PDF/Data%20Privacy%20Program.pdf>
- Information Security & Management Policy: <https://vakrangee.in/pdf/Policies-PDF/Information%20Security%20&%20Management%20Policy%20v3.pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Response: Not applicable.



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STANDALONE FINANCIAL STATEMENTS

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Independent Auditor's Report

TO THE MEMBERS OF VAKRANGEE LIMITED
Report on the Audit of Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of **Vakrangee Limited** (hereinafter referred to as "the Company"), which comprise the Standalone Balance sheet as at March 31, 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Cash flows, and Standalone Statement of Changes in equity for the year then ended on that date, and notes to the Standalone Financial Statements, including a summary of material accounting policies 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 Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit, its total 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 Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the

Standalone Financial Statements under the provisions of the Companies Act, 2013 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 audit opinion on Standalone Financial Statements.

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 of the current period. 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 matters described below to be the key audit matters to be communicated in our reports.

1. Estimates Involving in Capitalisation of Capital Expenditure, and determining their useful lives (Refer Note 2 "Material Accounting Policies", Critical Accounting Estimates and Note 4 "Property, Plant and Equipment" for details)

The Company has capitalised additions to Property, Plant and Equipment (PPE), mainly related to the Automated Teller Machine (ATM) purchased newly from the OEM. Expenditure such as freight cost and cost to bring the asset to the location and new acquisition cost are capitalised. Identification and allocation of the related expenditures involves judgment and estimation of future economic benefit.

The useful lives of PPE items are based on management's estimates regarding the period during which the asset or its significant components will be used. The estimates are based on historical experiences, market practice and group decision on technical evaluation of useful lives of the ATM.

The Capital expenditure and new acquisition is not considered to be an area of significant risk for our audit but as it requires considerable time and resource to audit due to its magnitude, it is considered to be a key audit matter.

Principal Audit Procedure

We assessed whether the Company's accounting policy in relation to the capitalisation of expenditures are in sync and in compliance with IND AS and found them to be consistent.

We obtained a listing of capital expenditures and major acquisition during the year and, on a sample basis, checked whether the assets were undertaken based on internal purchase order that had been properly approved by the key person with such authority with no material exceptions noted. We inspected a sample of contracts and underlying invoices to determine whether the classification between capital and operating expenditure was appropriate. We noted no material exceptions.

We evaluated whether the useful lives of the component determined and applied by the management were in line with historical experience, group assessment and the market practice.

We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from work in progress to asset in use, with the date of the act of completion of the work. We noted no material exceptions.

Reference to related disclosures

The Company has provided information on the disclosure of the addition, deletion of PPE and depreciation for the year on such addition and existing asset in Note 4 of the Standalone Financial Statements.

2. Expected Credit Loss

As described in Note 2 (B) (xi) (d) of the Standalone financial statements for the year ended March 31, 2024, the management has determined the allowance for credit losses based on historical loss experience adjusted to reflect the impact of the economic conditions. The allowance for credit loss model requires consideration of the customers' business operations/ability to pay dues. Based on such analysis the Company has recorded an allowance aggregating to ₹11.18 lakhs as at March 31, 2024, considered in

Note 7 & 12 of the Standalone Financial Statements. We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.

Principal Audit Procedure

We have performed the following procedures:

- i) Evaluated the design and implementation including the operating effectiveness of the controls over:
 - Basis of consideration of the impact of the economic conditions;
 - Completeness and accuracy of the data used in estimation of probability of default;
 - Computation of the expected credit loss allowance
- ii) Carried out inquiries with the management to understand the impact of COVID-19 in terms of identification of distressed customers and evaluation of recoverability of dues, extension in contractual terms for collections.
- iii) Tested the completeness and accuracy of the ageing of accounts receivable data.
- iv) Further in addition to the above process, a forward looking expected loss impairment model as prescribed in IND AS 109 "Financial Instruments" was also applied by the Company. This involves judgment as the expected credit losses must reflect information about past events, current conditions, and forecasts of future conditions.
- v) Selected a sample of the customers, and
 - Verified publicly available credit reports and other information relating to the Company's customers to test if the management had correctly considered the adjustments to credit risk.
 - Obtained and verified the details of credit period extension granted to the customers and developed an expectation of similar extensions across other customers of the Company.
- vi) Recomputed the expected credit loss allowance considering the above determined input data and compared the amounts so recomputed with



the amounts recorded by the management to determine if there were any material differences individually or in the aggregate.

Information other than the Standalone Financial Statements and Auditors' Report thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our 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 Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other 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 implementation and maintenance of 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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.

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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

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 of the current period 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.

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 Companies Act, 2013, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows, and Standalone Statement of Changes in Equity 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,



read with Rule 7 of the Companies (Accounts) Rules, 2014.

- 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
- g) In our opinion and according to the information and explanations given to us, the managerial remuneration for the year ended March 31, 2024, has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position except as referred in Note 40 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.(A) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or

kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (B) The Management has represented, that, to the best of its knowledge and belief, 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, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (C) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The dividend declared or paid during the year by the Company is in compliance with section 123 of the Act.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining books of account which has a feature of recording audit trail (edit logs) facility and the same has operated throughout the year for all the relevant transaction recorded in the software. Further, during the course of our Audit we did not come across any instance of audit trail feature being tampered with.

The provision to Rule 3(1) of the Companies (Accounts) Rules 2014 is applicable from April 1, 2023. Accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules

2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For S. K. Patodia & Associates LLP

Chartered Accountants

Firm Registration Number: 112723W/W100962

Dhiraj Lalpuria

Partner

Membership Number: 146268

UDIN: 24146268BKCSMJ9884

Place : Mumbai

Date : May 9, 2024

Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Vakrangee Limited

To the best of our information and according to the explanations provided to us by the Company and the books of account and the records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of physical verification of Property, Plant and Equipment and relevant detail of right-to-use asset are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.
- (c) Based on our examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising of all immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (d) According to information and explanation given to us, the company has not revalued its property, plant & equipment and Intangible assets.
- (e) As per the records examined by us and explanation given to us, the company does not have any proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and Rules made thereunder. Accordingly, the provisions of Clause 3(i)(e) of the Order are not applicable to the Company.

- (ii) (a) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management during the year and in our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) The Company has been sanctioned working capital limit in excess of five crore rupees, in aggregate, from Bank on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) The Company has not made investments in, companies, firms, Limited Liability Partnerships, but granted unsecured loans to other parties, during the year, in respect of which;

- (a) Aggregate amount during the year, and balance outstanding at the balance sheet date of such loans or advances and guarantees or security to subsidiary companies are as follows:-

Particulars	₹ in Lakhs	
	Loan	Guarantees
Aggregate amount granted/ provided during the year		
Subsidiaries	269.05	-
Others	-	-
Balance outstanding as at balance sheet date in respect of above cases		
Subsidiaries	433.85	-
Others	-	-

- (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans and advances in the nature of loans which are received back during the year, the schedule of repayment of principal and payment of interest has not been stipulated.

- (d) In respect of loans granted by the Company, there is no overdue amount for than ninety days as at the balance sheet date.
- (e) No loans granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) In Accordance with the information and explanation given to us, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment is granted to the subsidiary, aggregating to a total of ₹433.85 lakhs on balance sheet date, which is 99.30% of total loans granted.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act. Accordingly, the provisions under Clause 3(vi) of the order are not applicable to the company.
- (vii) In respect of Statutory Dues:
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities.
- There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material 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 explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, goods and service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited on account of any dispute.

However, following are the dues which have not been deposited as on March 31, 2024 on account of disputes:

Name of the Statute	Forum where dispute is pending	Period to which Amount relates	Amount (₹ in Lakhs)
Rajasthan Value Added Tax, 2003	Assistant Commissioner of Sales Tax	01.04.2017-30.06.2017	6,733.23
Central Goods and Services Tax Act, 2017	Joint Commissioner of GST	01.07.2017-31.03.2018	27,048.00
Central Goods and Services Tax Act, 2017	Joint Commissioner of GST	01.04.2018-31.03.2019	293.57

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not made any defaults in repayment of loans or other borrowings or in the payment of interest thereon to any lender at the balance sheet date. The Company does not have any loans or borrowings from Government. Further, the Company has not issued any debentures.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.



- (c) The Company has utilised working capital term loan during the year which was applied for the purpose for which the loan was obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment of equity shares during the year and accordingly clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) Based on the examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, the Company has not received any whistle blower complaint during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934 Accordingly, clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the

Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable to the Company.

- (d) According to the information and explanations provided to us during the course of audit, the Company does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable to the Company.
- (xvii) According to the information and explanations given to us, and the records of the company examined by us, the Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3 (xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

However, 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) The provisions of sub-section (5) of Section 135 of the Companies Act 2013 in respect of "other than on-going projects" are not applicable to the company and hence, reporting under clause 3(xx) (a) of the Order is not applicable to the Company.
- (b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (6) of Section 135 of the Act in respect of "on-going projects" to a Fund specified in Schedule VII to the Act. Details are as given below:

(₹ in Lakhs)

Amount to be spent in accordance with section 135(6)	Amount spent in accordance with section 135(6)	Amount transferred to Fund under Schedule VII, within 6 months from the end of the financial year (or till the date of audit report, if that is earlier)
(a)	(b)	(c)
40.52	26.80	13.72

For S. K. Patodia & Associates LLP

Chartered Accountants

Firm Registration Number: 112723W/W100962

Dhiraj Lalpuria

Partner

Membership Number: 146268

UDIN: 24146268BKCSMJ9884

Place : Mumbai

Date : May 9, 2024



Annexure B to the Independent Auditor's Report

Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Vakrangee Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Vakrangee Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting 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). These responsibilities include the design, implementation, and maintenance of adequate internal financial controls which 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

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with the ethical requirements and

plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included operating and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exist, 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 judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting with Reference to Financial Statements

6. A company's internal financial controls over financial reporting 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 the Generally Accepted Accounting Principles. A company's internal financial controls over financial reporting with reference to financial statements includes those policies and procedures that :
 - i. pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transaction and dispositions of the assets of the company;
 - ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the

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

- iii. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or dispositions of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting 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

over financial reporting with reference to financial statements to future period are subject to the risk that the internal financial controls over financial reporting with reference to financial statements may become inadequate because of the changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company, in all material respect, an adequate internal financial control system over financial reporting with reference to financial statements and such internal financial controls over financial reporting with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting 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.

For S. K. Patodia & Associates LLP

Chartered Accountants

Firm Registration Number: 112723W/W100962

Dhiraj Lalpuria

Partner

Membership Number: 146268

UDIN: 24146268BKCSMJ9884

Place : Mumbai

Date : May 9, 2024

Standalone Balance Sheet as at March 31, 2024

(₹ in lakhs)

Particulars	Note No.	As at	
		March 31, 2024	As at March 31, 2023
I ASSETS			
1 Non - Current Assets			
Property Plant and Equipment	4	11,393.88	12,709.02
Capital Work-in-Progress	4	226.25	98.41
Intangible Assets under development	5	434.79	434.79
Financial Assets			
(i) Investments	6	2,284.21	1,896.01
(ii) Trade Receivables	7	89.58	-
(iii) Loans	8	433.85	176.34
(iv) Other Financial Assets	9	150.13	2,957.77
Other Non - Current Assets	10	521.25	138.56
Total Non-current Assets		15,533.94	16,271.90
2 Current Assets			
Inventories	11	70.60	220.84
Financial Assets			
(i) Trade Receivables	12	558.90	180.80
(ii) Cash and Cash equivalents	13	3,863.11	2,381.24
(iii) Bank Balances other than (iii) above	13	643.87	877.81
(iv) Loans	14	3.07	1.81
(v) Other Financial Assets	15	1,866.62	6,935.57
Current Tax Assets (Net)	16	253.34	-
Other Current Assets	17	1,971.11	1,711.80
Total Current Assets		9,230.62	8,228.33
TOTAL		24,764.56	24,500.23
II EQUITY AND LIABILITIES			
1 Equity			
Equity Share Capital	18	10,595.13	10,595.13
Other Equity	19	801.87	(2,982.90)
Total Equity		11,397.00	7,612.23
2 Liabilities			
i Non - Current Liabilities			
Financial Liabilities			
(i) Borrowings	20	760.44	1,242.89
(ii) Trade Payables	21		
- Dues of micro enterprises and small enterprises		-	-
- Dues of Creditors other than micro enterprises and small enterprises		1.77	2.77
(ii) Other Financial Liabilities	22	1,173.75	1,935.96
Deferred Tax Liabilities (net)	23	281.06	246.28
Employee Benefit Obligations	24	380.28	335.70
Total Non-Current Liabilities		2,597.30	3,248.35
ii Current Liabilities			
Financial Liabilities			
(i) Borrowings	25	445.33	4,534.16
(ii) Trade Payables	26		
- Dues of micro enterprises and small enterprises		0.06	243.68
- Dues of Creditors other than micro enterprises and small enterprises		1,882.75	1,414.70
(iii) Other Financial Liabilities	27	6,171.55	8,499.69
Other Current Liabilities	28	1,161.19	5,201.79
Provisions	29	992.48	11,394.33
Employee Benefit Obligations	30	116.89	754.76
Total Current Liabilities		10,770.26	13,639.65
Total Liabilities (i + ii)		13,367.56	16,888.00
TOTAL		24,764.56	24,500.23
Summary of Material Accounting Policies	1-3		
The accompanying notes are an integral part of the Standalone Financial Statements.	4-55		

As per our report of even date attached

For S. K. Patodia & Associates LLP
Chartered Accountants
Firm's Registration No. : 112723W/W100962

For and on behalf of the Board of Directors
Vakrangee Limited
CIN : L65990MH1990PLC056669

Dhiraj Lalpuria
Partner
Membership No. : 146268

Ramesh Joshi
Chairman
DIN : 00002683

Dinesh Nandwana
Managing Director & Group CEO
DIN : 00062532

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Place : Mumbai
Date : May 9, 2024

Place : Mumbai
Date : May 9, 2024

Ajay Jangid
Chief Financial Officer

Sachin Khandekar
Company Secretary

Standalone Statement of Profit and Loss for the year ended March 31, 2024

(₹ in lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I Income			
Revenue from Operations	31	18,363.66	16,451.34
Other Income	32	187.65	102.64
Total Income		18,551.31	16,553.98
II Expenses			
Operating Expenses	33	12,595.72	11,628.48
Purchase of Stock-in-Trade		-	50.68
Changes in Inventories	34	150.23	189.20
Employee Benefits Expense	35	1,777.04	1,369.68
Finance Costs	36	771.17	151.53
Depreciation and Amortization Expense	4	1,569.08	1,551.36
Other Expenses	37	1,222.71	1,385.50
Total Expenses		18,085.95	16,326.43
III Profit Before Tax and exceptional Items		465.36	227.55
IV Exceptional Items	38	54.44	-
V Profit Before Tax		519.80	227.55
VI Tax Expense:			
(a) Current Tax		94.51	58.78
(b) Deferred Tax		38.63	108.76
		133.14	167.54
VII Profit for the year		386.66	60.01
VIII Other Comprehensive Income			
Items that will be reclassified subsequently to profit and loss			
i) Exchange difference on translation of foreign exchange		-	-
Items that will not be reclassified subsequently to profit and loss			
i) Fair value gain on financial instruments at fair value through OCI		-	-
ii) Remeasurement of net defined benefit obligations (net of taxes)		(11.46)	(51.44)
Other Comprehensive Income (net of tax)		(11.46)	(51.44)
Total Comprehensive Income for the period		375.20	8.57
IX Weighted Average No. of equity shares for computing EPS (in lakhs)	39		
(1) Basic		10,595.13	10,595.13
(2) Diluted		10,596.21	10,596.72
X Earnings Per Equity Share (Face Value ₹1/- Per Share):	39		
(1) Basic (₹)		0.04	0.01
(2) Diluted (₹)		0.04	0.01
Summary of Material Accounting Policies	1-3		
The accompanying notes are an integral part of the Standalone Financial Statements.	4-55		

As per our report of even date attached

For S. K. Patodia & Associates LLP
Chartered Accountants
Firm's Registration No. : 112723W/W100962

For and on behalf of the Board of Directors
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Dhiraj Lalpuria
Partner
Membership No.: 146268

Ramesh Joshi
Chairman
DIN : 00002683

Dinesh Nandwana
Managing Director & Group CEO
DIN : 00062532

Dr. Nishikant Hayatnagar
Whole-time Director
DIN : 00062638

Place : Mumbai
Date : May 9, 2024

Place : Mumbai
Date : May 9, 2024

Ajay Jangid
Chief Financial Officer

Sachin Khandekar
Company Secretary

Standalone Statement of Cash Flows for the year ended March 31, 2024

(₹ in lakhs)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
I	Cash flow from operating activities		
	Profit before tax from continuing operations	519.80	227.54
	Profit before tax	519.80	227.54
	Non-cash adjustment to reconcile profit before tax to net cash flows		
	Depreciation of property, plant and equipment	1,569.08	1,551.36
	Employee share based payment expenses	(235.68)	57.24
	Net foreign exchange differences	0.05	0.11
	Allowance for credit losses	(10.38)	(386.39)
	Fair value gain on financial instrument at fair value through Profit and loss	(55.16)	(58.44)
	Remeasurement of defined benefit obligations	(15.31)	(68.74)
	Gain on disposal of property, plant and equipment	(54.44)	26.06
	Interest income	(130.94)	(42.57)
	Dividend income	(1.50)	(1.50)
	Operating profit before working capital changes	1,585.51	1,304.67
	Movements in assets and liabilities :		
	Decrease / (increase) in inventories	150.23	189.63
	Decrease / (increase) in trade receivables	(457.27)	374.75
	Decrease / (increase) in loans and other financial assets	1,208.52	(2,790.88)
	Decrease / (increase) in other current assets	(259.31)	189.42
	Decrease / (increase) in other non-current assets	297.52	(327.48)
	Increase / (decrease) in trade payables	223.43	(696.20)
	Increase / (decrease) in employee benefit obligations	54.26	118.56
	Increase / (decrease) in provisions	(390.86)	222.78
	Increase / (decrease) in other financial liabilities	722.81	(2,307.54)
	Increase / (decrease) in other current liabilities	406.43	(2,658.52)
	Cash generated from operations	3,541.26	(6,380.82)
	Income taxes paid (net of refunds)	(347.85)	(493.05)
	Net cash flow generated from operating activities (A)	3,193.40	(6,873.86)
II	Cash flow from investing activities		
	Purchase of property, plant and equipment	(545.26)	(572.05)
	Proceeds from sale of property, plant and equipment	217.91	238.00
	Investment in unquoted shares	(333.03)	-
	Loans of subsidiaries	(257.51)	100.85
	Interest received	130.94	42.57
	Dividends received	1.50	1.50
	Net cash flow generated from / (used in) investing activities (B)	(785.45)	(189.13)

Standalone Statement of Cash Flows (contd.) for the year ended March 31, 2024

(₹ in lakhs)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
III	Cash flow from financing activities		
	Proceeds from borrowings	(4,571.28)	5,777.05
	Share application money received against preferential share warrant	4,175.00	-
	Proceeds from issue of shares	-	0.14
	Proceeds towards securities premium on issue of shares	-	1.82
	Dividends paid to company's shareholders	(529.76)	(529.75)
	Net cash flow (used in) in financing activities (C)	(926.04)	5,249.25
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	1,481.92	(1,813.74)
	Effects of exchange rate changes on cash and cash equivalents	(0.05)	(0.11)
	Cash and cash equivalents at the beginning of the year	2,381.24	4,195.08
	Cash and cash equivalents at the end of the year	3,863.11	2,381.24

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

Summary of Material Accounting Policies

1-3

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

4-55

As per our report of even date attached

For S. K. Patodia & Associates LLP
Chartered Accountants

Firm's Registration No. : 112723W/W100962

For and on behalf of the Board of Directors
Vakrangee Limited

CIN : L65990MH1990PLC056669

Dhiraj Lalpuria
Partner
Membership No.: 146268

Ramesh Joshi
Chairman
DIN : 00002683

Dinesh Nandwana
Managing Director & Group CEO
DIN : 00062532

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Place : Mumbai
Date : May 9, 2024

Place : Mumbai
Date : May 9, 2024

Ajay Jangid
Chief Financial Officer

Sachin Khandekar
Company Secretary

Standalone Statement of changes in equity for the year ended March 31, 2024

(₹ in lakhs)

Particulars	Equity Share Capital	Other Equity							Total equity attributable to equity holders of the Company	
		Reserves and Surplus				Share Options Outstanding Account	Share Application Money Pending Allotment	Other Comprehensive Income		
		Securities Premium	Retained Earnings	General Reserve	Amalgamation Reserve / Capital Reserve			Equity instruments through other comprehensive income		Other items of other Comprehensive Income
Balance as at March 31, 2022	10,595.00	42,804.28	6,512.48	812.72	(49,762.68)	209.79	-	(3,086.34)	(11.04)	8,074.23
Increase in share capital on account of conversion of ESOPs	0.14	-	-	-	-	-	-	-	-	0.14
Amount received on shares issued during the year	-	1.82	-	-	-	-	-	-	-	1.82
Transferred from Share Options Outstanding Account	-	2.73	-	-	-	(2.73)	-	-	-	-
Profit for the year	-	-	60.02	-	-	-	-	-	-	60.02
Dividends (including dividend distribution tax)	-	-	(529.75)	-	-	-	-	-	-	(529.75)
Transfer to General Reserve	-	-	-	-	-	-	-	-	-	-
Share-based payments (net)	-	-	-	-	-	57.24	-	-	-	57.24
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	-	-	(51.44)	(51.44)
Balance as at March 31, 2023	10,595.13	42,808.83	6,042.75	812.72	(49,762.68)	264.30	-	(3,086.34)	(62.48)	7,612.23
Increase in share capital on account of conversion of ESOPs	-	-	-	-	-	-	-	-	-	-
Amount received on shares issued during the year	-	-	-	-	-	-	-	-	-	-
Transferred from Share Options Outstanding Account	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	386.66	-	-	-	-	-	-	386.66
Dividends (including dividend distribution tax)	-	-	(529.76)	-	-	-	-	-	-	(529.76)
Transfer to General Reserve	-	-	-	-	-	-	-	-	-	-
Share-based payments (net)	-	-	-	-	-	(235.68)	-	-	-	(235.68)
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	-	-	(11.46)	(11.46)
Share Application Money Received Pending for Allotment	-	-	-	-	-	-	4,175.00	-	-	4,175.00
Balance as at March 31, 2024	10,595.13	42,808.83	5,899.65	812.72	(49,762.68)	28.62	4,175.00	(3,086.34)	(73.94)	11,397.00
Summary of Material Accounting Policies	1-3									
The accompanying notes are an integral part of the Standalone Financial Statements.	4-55									

As per our report of even date attached

For S. K. Patodia & Associates LLP
Chartered Accountants
Firm's Registration No. : 112723W/W100962

For and on behalf of the Board of Directors
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DIN : 00062638

Place : Mumbai
Date : May 9, 2024

Place : Mumbai
Date : May 9, 2024

Ajay Jangid
Chief Financial Officer

Sachin Khandekar
Company Secretary

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 1 - Corporate Information

Vakrangee Limited (hereinafter referred to as ("the Company")) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 'Vakrangee Corporate House', Plot No. 93, Road No. 16, M.I.D.C., Andheri (East), Mumbai – 400 093, Maharashtra, India. The Company's shares are listed on two stock exchanges in India- the Bombay Stock Exchange (BSE) and National Stock Exchange of India (NSE).

The Company is engaged in providing diverse solutions, activities in E-commerce, White Label ATM, Financial Services (Including Banking) and Logistics sector, including bullion and jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and data digitization, software and license.

The financial statements were authorized for issue by the Company's Board of Directors on May 09, 2024.

Note 2 – Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. The accounting policies have been consistently applied by the Company unless otherwise stated or where a newly issued accounting standard is initially adopted.

A. Basis of preparation

i. Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as "Ind AS") under the provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

ii. Basis of preparation

The financial statements have been prepared on historical cost basis except the following assets and liabilities which have been measured at fair value amount:

- certain financial assets and liabilities (including derivative instruments)

- defined benefit plans- plan assets; and
- Equity-settled Share Based Payments

The Financial statements of the Company are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded off to Lakhs, except when otherwise indicated.

B. Summary of material accounting policies

i. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current /non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as noncurrent.

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

Based on the nature of products and services offered by the Company, operating cycle determined is 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents,



Notes to Standalone Financial Statements

for the year ended March 31, 2024

ii. Segment Reporting

The company identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

iii. Foreign Currencies

Transaction and balances

Transactions in foreign currencies are initially recorded by the company in their functional currency at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency using rate of exchange prevailing on the balance sheet date.

Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit or loss except where:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore

forming part of the net investment in foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates on the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Effective 1st April, 2018, the Company has adopted Appendix B to the Ind-AS 21-foreign currency transaction and advance consideration, which clarify the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related assets, expenses or income when an entity has received or paid advance consideration in foreign currency. The effect on account of adoption of this amendment was insignificant.

iv. Revenue recognition

The Company derives revenue primarily from activities in BFSI and ATM Services (ATM, Insurance Services and Banking & financial services), Assisted E-Commerce Service (Online shopping, Pharmacy, Bill payment and recharge, logistics) including bullion and jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and data digitization, software and license.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers notified on March 28, 2018. This standard will supersede all current revenue recognition requirements. The Company has decided to

Notes to Standalone Financial Statements

for the year ended March 31, 2024

use the modified retrospective approach for transition method, applied to contracts that were not completed as of April 1, 2018. Please refer Note 2(B)(iv) "Material Accounting Policies," in the Company's 2018 standalone financial statement for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

The following is a summary of new and/or revised material accounting policies related to revenue recognition.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangement for software-related services are either on a fixed price, fixed-timeframe or on a time-and material basis.

Revenue from software usages and license where the customer obtains a "right to use" the revenue from software and license is recognised at the time the software and license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognised over the access period.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet

Revenue from sale of goods and services is shown as net of sales tax, value added tax, service tax, goods and services tax and applicable discounts and allowances.

Interest Income

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

Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Insurance claims

Insurance claims are accounted for based on claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

v. Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of the replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, 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.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the company's accounting policy. Such properties are classified into the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent to recognition, property, plant and equipment (excluding freehold land)



Notes to Standalone Financial Statements

for the year ended March 31, 2024

are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognizes such parts as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the straight-line method ("SLM"). Management, based on a technical evaluation, believes that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Useful lives
Buildings	60 years
Computers and Printers, including Computer Peripherals	3 years
Office Equipments	5 years
Furniture & Fixtures	10 years
Motor Vehicles	8 years
Plant & Machinery	15 years
ATM Machine	10 years
Leasehold Land and Building, including leasehold improvements (Also refer Note 4)	51 years
Project Assets (comprising of Computers and Printers, including Computer Peripherals, Furniture and Fixtures and Office Equipments)	3-4 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

vi. Intangible Asset

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

Intangible assets consist of rights under licensing agreement and software licences which are amortised over license period which equates the useful life ranging between 2-5 years on a straight-line basis.

vii. Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Current taxes

Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets, on a year-to-year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax relating to items recognised outside the profit and loss is recognised either in other comprehensive income or in equity.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

viii. Fair Value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises accounting policy for fair value. Other fair value-related disclosures are given in the relevant notes.

ix. Investment property

Investment properties are properties that are held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Company, is classified as investment property.



Notes to Standalone Financial Statements

for the year ended March 31, 2024

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful life has been determined based on technical evaluation performed by the management expert.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

x. Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it is carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

xi. Financial Instruments

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

Financial Assets

a) Initial recognition and measurement

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

Notes to Standalone Financial Statements

for the year ended March 31, 2024

assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

Debt Instruments at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order 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. Interest income from these financial assets is included in finance income using the effective interest rate method. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognised or impaired.

Debt instrument at Fair Value through Other Comprehensive Income (OCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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. Interest income from these financial assets is included in finance income using the effective interest rate method. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment gains or losses and foreign exchange gains and losses in the statement of profit and loss. On derecognition of the asset, the cumulative gain or loss previously recognised

in OCI is reclassified from equity to statement of profit and loss.

Debt instrument at Fair Value through Profit or Loss (FVTPL)

A financial asset which does not meet the criteria for categorization as at amortized cost or as fair value through other comprehensive income is classified as fair value through profit or loss. Debt instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Dividends from such investments are recognized in profit or loss as other income. There is no recycling of the amounts from OCI to Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in subsidiaries is carried at cost less impairment in the financial statements.

c) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company balance sheet) when:

The rights to receive cash flows from the asset have expired, or



Notes to Standalone Financial Statements

for the year ended March 31, 2024

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

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

d) Impairment of financial assets

The Company recognises impairment loss applying the expected credit loss (ECL) model on the financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual right to receive cash or another financial asset and financial guarantee not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses.

For trade receivables or any contractual right to receive cash or other financial assets that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company applies 'simplified approach' permitted by Ind AS 109 Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial

Notes to Standalone Financial Statements

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liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered by the company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and

losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Such amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

c) Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there



Notes to Standalone Financial Statements

for the year ended March 31, 2024

is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xii. Inventories

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

xiii. Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts.

The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest

Notes to Standalone Financial Statements

for the year ended March 31, 2024

rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent

rents are recognised as revenue in the period in which they are earned.

xiv. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

xv. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xvi. Dividends

Provision is made for any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

xvii. Provisions

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

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



Notes to Standalone Financial Statements

for the year ended March 31, 2024

xviii. Contingent Liabilities

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

xix. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equities shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider

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

xx. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), and highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

xxi. Employee Benefits

Short-term obligations

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 employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in Other comprehensive income.

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

Post-employment obligations

The Company operates the following post-employment schemes:

- I. Defined benefit plans such as gratuity
- II. Defined contribution plans such as provident fund.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Defined benefit plan - Gratuity Obligations

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity 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 actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows outflows by reference to market yields at the end of the reporting period on government bonds that have a term approximating to the terms of the obligation.

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

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.

Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

xxii. Share-based Payments

Shared based compensation benefits are provided to employees via Vakrangee Limited Employee Stock Option Plan.

Employee options

The cost of equity-settled transactions is determined by the fair value of the options granted at the date when the grant is made. The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the Company's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employee to save or holding shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates



Notes to Standalone Financial Statements

for the year ended March 31, 2024

of the number of options that are expected to be vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Note 3 (a) - Critical Accounting Judgements and Estimates

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made by the management of the Company that affect the reported amount of assets, liabilities, revenue, expenses, accompanying disclosures and the disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associate's assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from those estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

Application of accounting policies that require critical accounting estimates and the use of assumptions in the financial statements are as follows:

- **Share-based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 45.

- **Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using

actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 44.

- **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 46 for further disclosures.

- **Depreciation and useful lives of Property, Plant and Equipment**

Property, Plant and Equipment are depreciated over the estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting

Notes to Standalone Financial Statements

for the year ended March 31, 2024

period. The useful lives and residual values are based on the Company's historical experience with similar assets and taken into account anticipated technological changes. The depreciation for future periods is revised if there are significant changes from previous estimates.

- **Provision and Contingent Liabilities**

A provision is recognised when the Company has a present obligation as a result of past event and it is

probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Note 4 - Property, Plant and Equipment

(₹ in lakhs)

(a) Description	Buildings	Plant and Machinery	Furnitures and Fixtures	Motor Vehicle	Office Equipments	Computers including Computer Peripherals	Leasehold Land & Building	Leasehold Improvement	Total	Capital Work-In-Progress	Grand Total
Cost or Valuation											
At March 31, 2022	915.82	12,414.99	571.91	192.63	402.19	1,724.31	3,185.24	1,073.05	20,480.14	197.45	20,677.59
Additions	-	617.11	-	-	21.77	32.22	-	-	671.09	561.25	1,232.34
Disposals/Transfers	276.76	-	29.00	-	-	-	-	-	305.76	660.29	966.06
At March 31, 2023	639.06	13,032.10	542.90	192.63	423.96	1,756.52	3,185.24	1,073.05	20,845.47	98.41	20,943.88
Additions	-	417.20	-	-	0.22	-	-	-	417.42	579.60	997.02
Disposals/Transfers	26.55	134.10	43.78	137.05	10.49	24.44	-	-	376.42	451.76	828.18
At March 31, 2024	612.51	13,315.20	499.12	55.58	413.68	1,732.08	3,185.24	1,073.05	20,886.47	226.25	21,112.72
Depreciation and Impairment											
At March 31, 2022	68.30	3,529.93	400.22	107.66	258.13	1,547.47	242.23	472.86	6,626.79	-	6,626.79
Depreciation charged for the year	7.47	1,183.93	24.26	15.11	58.11	87.12	59.34	116.02	1,551.36	-	1,551.36
Disposals/Transfers	33.86	-	7.85	-	-	-	-	-	41.71	-	41.71
At March 31, 2023	41.92	4,713.86	416.63	122.77	316.24	1,634.59	301.57	588.88	8,136.44	-	8,136.44
Depreciation for the year charged to P&L	10.56	1,273.85	23.55	9.34	24.61	67.03	59.50	100.64	1,569.08	-	1,569.08
Disposals/Transfers	6.85	64.89	29.90	81.36	9.59	20.37	-	-	212.95	-	212.95
At March 31, 2024	45.63	5,922.82	410.28	50.75	331.26	1,681.25	361.07	689.53	9,492.57	-	9,492.57
Net Book Value											
At March 31, 2024	566.88	7,392.38	88.84	4.82	82.43	50.83	2,824.17	383.53	11,393.88	226.25	11,620.13
At March 31, 2023	597.14	8,318.24	126.28	69.86	107.72	121.94	2,883.67	484.17	12,709.02	98.41	12,807.43
At March 31, 2022	847.52	8,885.06	171.69	84.97	144.06	176.84	2,943.01	600.19	13,853.34	197.45	14,050.79

(b) Immovable Property situated at Vakrangee Corporate House, Plot No. 93, Road No 16, MIDC, Marol, Near Hotel Suncity Residency, Andheri East, Mumbai-400093 with total built up area of entire building is 21050 Sq ft has been mortgaged as collateral security against borrowings from Union Bank of India.

(c) Title deeds of all the Immovable Property are held in name of the Company.

(d) The company has not revalued its Property, Plant and Equipment during the year.

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

(e) CWIP ageing schedule (₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	226.25	-	-	-	226.25
Project temporarily suspended	-	-	-	-	-

(f) Finance Lease arrangement (Leasehold Land and Building)

The net carrying amount of Property, Plant and Equipment under finance lease arrangements are as follows: (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Leasehold Land & Building	2,824.17	2,883.67

During the the year ended on March 31, 2018, the company has entered into a long term finance lease arrangement for a land and building situated at Plot No. 93, Road No.16, MIDC, Marol, Andheri (East) - Mumbai 400 093 for the remaining period of 51 years out of the total lease term of 95 years in consideration of a lump sum premium amounting to ₹3,000.00 lakhs.

In consideration to the provisions of Ind AS 116 - Leases, the leasehold land and building have been assessed for classification as finance lease based on the evaluation of the facts and circumstances of the lease arrangement. The lease arrangement does not contain any clause for renewal or escalation.

Consideration paid shall be equally amortized over the period of leases and the company is not subject to any other future minimum lease rental commitments.

Note 5 - Intangible Assets under Development

(a) Description	Amount
Gross Block	
At March 31, 2022	434.79
Additions	-
Disposal	-
At March 31, 2023	434.79
Additions	-
Disposal	-
At March 31, 2024	434.79
Depreciation and Impairment	
At March 31, 2022	-
Depreciation Charged for the year	-
Impairment during the year	-
Disposal	-
At March 31, 2023	-
Depreciation Charged for the year	-
Impairment during the year	-
Disposal	-
At March 31, 2024	-
Net Book Value	
At March 31, 2024	434.79
At March 31, 2023	434.79
At March 31, 2022	434.79

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

(b) Intangible Assets under Development ageing schedule (₹ in lakhs)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	-	-	434.79	-	434.79
Project temporarily suspended	-	-	-	-	-

Note 6 - Investments

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Unquoted		
Investment carried at Cost		
- Investments in Equity Instruments of Subsidiaries		
96,000 Equity Shares of Vakrangee e-Solutions Inc., Philippines of Peso ₹100/- each fully paid up (March 31, 2023 : 96,000 Equity shares)	96.00	96.00
1,00,000 Equity Shares of Vakrangee Digital Ventures Limited of ₹1/- each fully paid up (March 31, 2023 : 1,00,000 Equity shares)	1.00	1.00
1,50,00,000 Equity Shares of Vakrangee Finserve Limited of ₹10/- each fully paid up (March 31, 2023 : 1,50,00,000 Equity shares)	1,500.00	1,500.00
(A)	1,597.00	1,597.00
Investment carried at Cost		
- Investment in Equity Instruments :		
66,050 Equity Shares of Vortex Engineering Private Limited of ₹10/- each fully paid up (March 31, 2023 : Nil Equity shares)	333.04	-
(B)	333.04	-
Investment carried at Fair value through Profit and Loss (FVTPL)		
- In Equity Shares		
2,500 Equity Shares of CSC e-Governance Services India Limited of ₹1,000/- each fully paid up (March 31, 2023 : 2,500 Equity shares)	354.17	299.01
- In Equity Shares		
(C)	354.17	299.01
TOTAL (A + B + C)	2,284.21	1,896.01
Aggregate amount of unquoted investments	2,284.21	1,896.01

Investment at fair value through profit and loss reflect investment in unquoted equity securities.

The strategic investments in subsidiaries have been taken at cost.

The Company is in the process of acquiring a larger stake in the equity share capital of Vortex Engineering Private Limited.

Hence, the investment has been classified as a strategic investment valued at cost.

The fair value of the unquoted equity shares have been estimated using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable.

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Note 7 - Trade Receivables

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Trade Receivable considered good (Secured)	-	-
Trade Receivable considered good (Unsecured)	-	-
Trade Receivable which have significant increase in Credit Risk	-	-
Trade Receivable - credit impaired	100.76	23.20
	100.76	23.20
Less: Allowance for credit losses	11.18	23.20
TOTAL	89.58	-
(b) Detailed note on disclosure as required by Schdeule III for ageing		
Refer Note 49 for ageing of Trade Receivables		

Note 8 - Loans

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Loans Receivable considered good (Secured)	-	-
(ii) Loans Receivable considered good (Unsecured)		
(a) Loan to Others	-	-
(b) Loan to Related Parties		
Dues from subsidiaries	433.85	176.34
	433.85	176.34
(iii) Loans Receivable which have significant increase in Credit Risk	-	-
(iv) Loans Receivable - credit impaired	-	-
	433.85	176.34

Details of Loans to Related Parties

(₹ in lakhs)

Type of Borrower	As at March 31, 2024		As at March 31, 2023	
	Amount outstanding	Percentage of total Loans	Amount outstanding	Percentage of total Loans
Loan to Subsidiary (without specifying any terms or period of repayment)	433.85	100%	176.34	100%
Total	433.85	100%	176.34	100%

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Note 9 - Other Financial Assets

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits with bank		
- with maturity period of more than 12 months *	123.31	121.75
Other Deposits		
Security Deposit	15.81	15.81
Earnest Money Deposit	11.00	1.00
	26.81	16.81
TOTAL	150.13	138.56
*Amount held as margin money or security against borrowings, guarantee, other commitments	-	121.75

Note 10 - Other Non-Current Assets

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid Expenses	35.48	333.00
Balances with statutory / revenue authorities		
- Income Tax (net of provision for taxation)	485.77	485.77
TOTAL	521.25	818.77

Note 11- Inventories

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Stock-in-Trade	70.60	204.89
Consumables	-	6.94
Stores & Spares	-	9.00
TOTAL	70.60	220.84

(b) Basis of valuation of Inventories

Inventories are valued at lower of cost or net realizable value on FIFO basis which is in accordance with Ind AS-2.

Note 12 - Trade Receivables

(Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Trade Receivable considered good (Secured)	-	-
Trade Receivable considered good (Unsecured)	558.90	88.48
Trade Receivable which have significant increase in Credit Risk	-	92.32
Trade Receivable - credit impaired	-	-
	558.90	180.80
Less: Allowance for credit Losses	-	-
TOTAL	558.90	180.80

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

(b) Debts due from related parties (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Subsidiaries	-	-
TOTAL	-	-

(c) Detailed note on disclosure as required by Schdeule III for ageing

Refer Note 49 for ageing of Trade Receivables

Note 13- Cash and Cash equivalents and Other Bank Balances (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) (A) Cash and Cash Equivalents		
(i) Balances with Banks :		
- Current Accounts	3,782.53	2,192.06
- Deposit Accounts	-	-
(ii) Cash-in-hand	80.58	189.18
	3,863.11	2,381.24
(B) Bank Balances other than above		
(i) Earmarked balances in unclaimed dividend account	61.76	78.94
(ii) Fixed Deposits with maturity period of more than 3 months but less than 12 months**	582.11	798.86
TOTAL	643.87	877.81
**Amount held as margin money or security against borrowings, guarantee, other commitments	698.87	792.17

(b) Debts due from related parties (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Cash and Cash Equivalents		
(i) Balances with Banks :		
- Current Accounts	3,782.53	2,192.06
(ii) Cash-in-hand	80.58	189.18
	3,863.11	2,381.24
Less : - Cash Credit	-	-
TOTAL	3,863.11	2,381.24

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Note 14 - Loans

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Loans Receivable considered good (Secured)	-	-
(ii) Loans Receivable considered good (Unsecured)		
(a) Loan to Others		
Staff Advances	3.07	1.81
	3.07	1.81
(iii) Loans Receivable which have significant increase in Credit Risk	-	-
(iv) Loans Receivable - credit impaired	-	-
TOTAL	3.07	1.81

Note 15 - Other Financial Assets

(Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Insurance claim Receivable	-	2.38
Security Deposit	23.46	19.56
Accrued Interest on FD	4.35	4.22
Receivable from resulting company (Against Demerger)	1,516.27	2,463.37
UBI Settlement Receivable	-	8.50
ATM Settlement Receivable	322.54	356.00
	1,866.62	2,854.03
TOTAL	1,866.62	2,854.03

Note 16 - Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Income Tax (net of provision for taxation)	253.34	-
TOTAL	253.34	-

Note 17 - Other Current Assets

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advances to Vendors	474.53	227.60
Prepaid Expenses	-	99.18
Other Receivable		
- Accrued Revenue	748.91	839.04
Balances with statutory / revenue authorities		
- Goods & Service Tax	747.67	545.98
TOTAL	1,971.11	1,711.80

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Note 18 - Equity Share Capital

Equity share capital

(i) **Authorised share capital** (₹ in lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2023	12,500.00	12,500.00
Increase during the year	-	-
As at March 31, 2024	12,500.00	12,500.00

(ii) **Issued, Subscribed and Paid up Equity share capital** (₹ in lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2022	10,595.00	10,595.00
Exercise of options	0.13	0.13
As at March 31, 2023	10,595.13	10,595.13
Exercise of options	-	-
As at March 31, 2024	10,595.13	10,595.13

(iii) **Details of shareholders holding more than 5% shares in the Company**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares (in lakhs)	% Holding	Number of shares (in lakhs)	% Holding
Vakrangee Holdings Private Limited	2,509.50	23.69%	2,509.50	23.69%
NJD Capital Private Limited	1,311.00	12.37%	1,311.00	12.37%
Life Insurance Corporation of India	658.65	6.22%	658.65	6.22%
Dinesh Nandwana	691.07	6.52%	691.07	6.52%

(iv) **Disclosure of shareholders holding of Promoters**

Shares held by promoters as at March 31, 2024

Name of Promoter	Number of shares (in lakhs)	% of Total shares	% Change during the year
Vakrangee Holdings Private Limited	2,509.50	23.69%	0.00%
NJD Capital Private Limited	1,311.00	12.37%	0.00%
Dinesh Nandwana	691.07	6.52%	0.00%
Dinesh Nandwana HUF	1.96	0.02%	0.00%

Shares held by promoters as at March 31, 2023

Name of Promoter	Number of shares (in lakhs)	% of Total shares	% Change during the year
Vakrangee Holdings Private Limited	2,509.50	23.69%	0.00%
NJD Capital Private Limited	1,311.00	12.37%	0.00%
Dinesh Nandwana	691.07	6.52%	0.00%
Dinesh Nandwana HUF	1.96	0.02%	0.00%

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

(v) Detailed note on the terms of the rights, preferences and restrictions relating to each class of shares including restrictions on the distribution of dividends and repayment of capital.

The Company has only one class of Equity Shares having a par value of ₹1/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2024, the amount of per share dividend recognised as distributions to Equity Shareholders is ₹0.05/- per share of ₹1/- each for the year ended March 31, 2023.

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.

(vi) Aggregate details for five immediately previous reporting periods for each class of shares

Particulars	(No. of shares in lakhs)	
	As at March 31, 2024	As at March 31, 2023
- No. of shares allotted as fully paid up pursuant to contracts without payment being received in cash	-	-
- No. of shares allotted as fully paid by way of Bonus Shares	-	-
- No. of shares bought back	-	-
- No. of shares issued on exercise of options granted under the ESOP scheme.	7.10	7.10

(vii) Capital Management

The Company's objectives when managing capital are to :

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet, including non-controlling interests).

The Company's strategy is to maintain a gearing ration within 1:1. The gearing ratios were as follows :

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
Net debt	445.33	4,534.16
Total equity	11,397.00	7,612.23
Net debt to equity ratio	0.04	0.60

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Note 19 - Other Equity

(i) Reserves and surplus (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Securities Premium	42,808.83	42,808.83
Share Options Outstanding Account	271.92	402.17
Deferred Employee Compensation Expense	(243.30)	(137.87)
General Reserve	812.72	812.72
Amalgamation Reserve / Capital Reserve	(49,762.68)	(49,762.68)
Retained Earnings	5,899.65	6,042.75
Share application money pending allotment	4,175.00	-
Total (A)	3,962.15	165.92

(a) Securities Premium (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	42,808.83	42,804.28
Add:- On share issued during the year	-	1.82
Add:- Transfer from shares options outstanding account	-	2.73
Closing balance	42,808.83	42,808.83

(b) Share Options Outstanding Account (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	402.17	399.80
Add:- On further grant of options	237.27	44.34
Less:- Reversal due to Lapsation of option	(367.53)	(39.24)
Less: Transfer to Securities premium account	-	(2.73)
Closing balance	271.92	402.17

(c) Deferred Employee Compensation Expense (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	(137.87)	(190.01)
Add:- On further grant of options	(237.27)	(44.34)
Less:- Reversal due to Lapsation of option	92.32	22.82
Less:- Amortised during the year	39.53	73.67
Closing balance	(243.30)	(137.87)

(d) General Reserve (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	812.72	812.72
Add:- Transfer from Profit and Loss account	-	-
Closing balance	812.72	812.72

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

(e) Amalgamation Reserve / Capital Reserve		(₹ in lakhs)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Opening balance	(49,762.68)	(49,762.68)	
Less : On demerger (Refer Note 51)	-	-	
Closing balance	(49,762.68)	(49,762.68)	
(f) Retained Earnings		(₹ in lakhs)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Opening balance	6,042.75	6,512.48	
Add:- Profit for the year	386.66	60.02	
Less:- Transfer to General Reserve	-	-	
Less:- Dividend declared and paid	(529.76)	(529.75)	
Less:- Dividend distribution tax	-	-	
Closing balance	5,899.65	6,042.75	
(g) Share Application Money Pending Allotment		(₹ in lakhs)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Opening balance	-	-	
Add: Consideration Received for Allotment of Preferential Issue of Share Warrants	4,175.00	-	
Closing balance	4,175.00	-	
(ii) Other Comprehensive Income		(₹ in lakhs)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Opening balance	(3,148.81)	(3,097.37)	
Remeasurement of net defined benefit obligations (net of taxes)	(11.46)	(51.44)	
Closing balance Total (B)	(3,160.27)	(3,148.81)	
Total (A+B)	801.87	(2,982.90)	

Nature of Reserves

(a) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

(b) Share Options Outstanding Account

It is a reserve which represents the difference between the market value and issue price of the shares issued to the employees under Employees Stock Option Scheme.

(c) Deferred Employee Compensation Expense

The deferred employee compensation expenses means the total cost incurred by the company towards the stock options granted by the Company to the eligible employees. Deferred Employee Compensation will appear in the Balance Sheet as a negative item as part of Net Worth or Shareholders' Equity.

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

(d) General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, Items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

(e) Amalgamation Reserve / Capital Reserve

This reserve is outcome of business combinations carried out during the current year (Refer Note 51).

(f) Share application money pending allotment

Share Application Money Pending Allotment means the amount received on the application on which allotment is not yet made (pending allotment). It has been classified under Other Equity unless actual allotment of equity shares takes place.

(g) Retained Earnings

Retained earnings are the profits that Company has earned to date, less any dividends or other distributions paid to investors.

For movement in other equity during the year, refer Standalone Statement of Changes in Equity.

Note 20 - Borrowings

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured Loans		
Loan Repayable on Demand		
- From Bank	1,205.77	1,280.00
Less: Current Maturities of Long Term Debt	(445.33)	(37.11)
TOTAL	760.44	1,242.89

Note 21 - Trade Payables

(Non - Current)

(₹ in lakhs)

Type of Borrower	As at March 31, 2024		As at March 31, 2023	
	Principal	Interest	Principal	Interest
- Dues of micro enterprises and small enterprises				
Amount due to vendor	-	-	-	-
Principal amount paid (including unpaid) beyond the appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
	-	-	-	-
Total Dues of micro enterprises and small enterprises		-		-
- Dues of Creditors other than micro enterprises and small enterprises		1.77		2.77
Total		1.77		2.77

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Detailed note on disclosure as required by Schedule III for ageing

Refer Note 50 for ageing of Trade Payable

Note 22 - Other Financial Liabilities

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposit	78.17	77.87
Business Deposit from Franchisee / Master Franchisee	1,095.57	1,342.83
TOTAL	1,173.75	1,420.71

Note 23 - Deferred Tax Liabilities (net)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Assets		
(i) On account of difference in depreciation on Property, Plant and Equipment	-	-
(ii) Provision for Employees' obligations	128.98	128.78
(iii) On account of Expected Credit Losses	2.82	5.43
(A)	131.80	134.20
Liabilities		
(i) On account of difference in depreciation on Property, Plant and Equipment	412.86	380.49
(B)	412.86	380.49
Balance carried to Balance Sheet (B-A)	281.06	246.28

Disclosure of shareholders holding of Promoters

(₹ in lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balance
For the year ended March 31, 2024 :				
Deferred tax liabilities/(assets) in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	380.49	32.37	-	412.86
Expenses provided but allowable in Income Tax on payment	(128.78)	3.65	(3.85)	(128.98)
Allowance for expected credit losses	(5.43)	2.61	-	(2.82)
	246.28	38.63	(3.85)	281.06
Others	-	-	-	-
	-	-	-	-
TOTAL	246.28	38.63	(3.85)	281.06

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balance
For the year ended March 31, 2023 :				
Deferred tax liabilities/(assets) in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	338.39	42.10	-	380.49
Expenses provided but allowable in Income Tax on payment	(80.89)	(30.58)	(17.30)	(128.78)
Allowance for expected credit losses	(102.68)	97.25	-	(5.43)
	154.83	108.76	(17.30)	246.28
Others	-	-	-	-
	-	-	-	-
TOTAL	154.83	108.76	(17.30)	246.28

The analysis of Deferred Tax Liabilities is as follows:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liabilities to be recovered after more than 12 months	281.06	246.28
Deferred Tax Liabilities to be recovered within 12 months	-	-
	281.06	246.28

Explanation of changes in the applicable tax rate(s) compared to the previous accounting period

Particulars	As at March 31, 2024	As at March 31, 2023
Applicable Tax rate considered for deferred tax asset or liability	25.168%	25.168%

The applicable tax rates have been changed on the basis of using the tax rates that have been enacted as at the end of the each reporting period.

Note 24 - Employee Benefit Obligations

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employees' benefits	380.28	335.70
TOTAL	380.28	335.70

Note 25 - Borrowings

(Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured Loans		
Loan Repayable on Demand		
- From Bank	-	4,497.05
Current Maturities of Long Term Debts	445.33	37.11
TOTAL	445.33	4,534.16

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Note 26 - Trade Payables

(Current)

(₹ in lakhs)

Type of Borrower	As at March 31, 2024		As at March 31, 2023	
	Principal	Interest	Principal	Interest
Trade Payables				
- Dues of micro enterprises and small enterprises				
Amount due to vendor	0.06	-	243.68	-
Principal amount paid (including unpaid) beyond the appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
	0.06	-	243.68	-
Total Dues of micro enterprises and small enterprises		0.06		243.68
- Dues of Creditors other than micro enterprises and small enterprises		1,882.75		1,414.70
Total		1,882.81		1,658.39

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.

Detailed note on disclosure as required by Schedule III for ageing

Refer Note 50 for ageing of Trade Payable

Note 27 - Other Financial Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Payable to Franchisee	5,544.77	4,142.97
Franchisee amount refundable	552.06	612.95
Payable for acquisition of Property, Plant & Equipments	-	311.06
Payable towards CSR Expenses	12.96	55.86
Unpaid Dividend	61.76	78.94
TOTAL	6,171.55	5,201.79

Note 28 - Other Current Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues	394.13	258.04
Advance from customers	4.43	18.12
Kendra money received pending allotment	45.53	74.82
Franchisee Wallet Balance	89.31	115.51
Staff Emoluments Payable	241.09	288.27
Other Payable		
- Amount received in advance	386.71	-
TOTAL	1,161.19	754.76

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Note 29 - Provisions

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Expenses for Goods & services	992.48	1,383.34
TOTAL	992.48	1,383.34

Note 30 - Employee Benefit Obligations

(Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employees' benefits	116.89	107.22
TOTAL	116.89	107.22

Note 31 - Revenue from Operations

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Revenue from Vakrangee Kendra	17,823.23	15,910.89
(b) Revenue from Sale of Services		
- Sale of Services	533.49	540.00
	533.49	540.00
(c) Other Operating Revenues		
- Scrap Sales	6.94	0.45
	6.94	0.45
TOTAL	18,363.66	16,451.34

Note:- The amount of revenues are exclusive of indirect taxes i.e. Goods and Service Tax

Note 32 - Other Income

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Interest Income		
(a) Interest Income on the financial assets at amortized cost		
- Bank Deposits	130.94	42.57
(b) Other Interest Income	-	42.57
(ii) Dividend income	1.50	1.50
(iii) Other non-operating income		
- Gain on Foreign Exchange Fluctuation	0.05	0.11
- Fair value gain on financial instrument at fair value through Profit and loss	55.16	58.44
- Miscellaneous Income	-	0.02
	55.22	58.57
TOTAL	187.65	102.64

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Note 33 - Operating Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Project Delivery Cost		
- Opening Stock	15.94	16.36
- Add : Purchase of goods and services	1,063.55	211.52
- Less: Transferred into Stock-in-Trade	(15.94)	-
- Less : Closing Stock	-	15.94
	1,063.55	211.95
Project Expenses	1.36	1,084.55
Commission Expenses	11,530.81	9,993.10
Communication Costs	-	0.43
Conveyance & Travelling Expenses	-	-
Penalty*	-	184.60
Transportation, Octroi and Loading / Unloading Charges	-	86.25
Rent, Rates and Taxes	-	67.60
TOTAL	12,595.72	11,628.48

*RBI has imposed a penalty for non deployment of minimum number of ATMs required to be deployed, which is contrvention of the nature referred to in Section 26 (6) of the Payment and Settlement Systems Act, 2007

Note 34 - Changes in Inventories

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) At the beginning of the period		
(i) Work-in-Progress	-	-
(ii) Stock-in-Trade	204.90	394.10
Add: Transferred from Consumables	15.94	-
	220.84	394.10
Less : at the end of the period		
(i) Work-in-Progress	-	-
(ii) Stock-in-Trade	70.60	204.89
	70.60	204.89
TOTAL	150.23	189.20

Note 35 - Employee Benefits Expenses

(₹ in lakhs)

(a) Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Salaries & Wages	1,597.30	841.39
(ii) Directors' Remuneration	373.55	377.87
(iii) Contribution to Provident & Other Funds	22.41	26.80
(iv) Share-based Payment Expenses	(235.68)	57.24
(v) Directors' Sitting Fees	-	19.00
(vi) Staff Welfare Expenses	19.47	47.38
	1,777.04	1,369.68
TOTAL	1,777.04	1,369.68

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

(b) Detailed note on disclosure as required by Ind AS-19

For details, refer Note No. 44.

Note 36 - Finance Costs

(₹ in lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
Interest Expense				
- On Bank Loans	702.41		151.53	
- Others	68.76		-	
		771.17		151.53
TOTAL		771.17		151.53

Note 37 - Other Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
Repairs & Maintenance :				
- Building	12.50		13.95	
- Vehicle	-		2.18	
- Others	574.95	587.45	160.20	176.33
Advertisement and Publicity		7.42		147.75
Business Promotion		10.30		17.48
Rent Expenses		48.43		-
Rates & Taxes		12.64		103.23
Insurance		39.15		22.99
Electricity Charges		39.80		50.66
Printing and Stationery		-		26.94
Communication Costs		30.72		70.49
Fees & Subscriptions		13.00		17.93
Listing, Registrar & Share Issue/Transfer Charges		19.10		44.33
Loss on Foreign Exchange Fluctuation		0.10		0.08
Loss on Sale of Asset		-		26.06
Legal & Professional Fees - Other than payments to Auditor:				
- Legal & Professional	202.24		347.00	
- Filing, Stamp Duty and Franking Charges	10.06	212.30	14.52	361.52
Payments to Auditors :				
- Audit fees (including limited review)	11.00		65.00	
- Tax Audit fees	1.00		10.00	
- For Other Services	-		-	
- For Reimbursement of Expenses	-	12.00	1.32	76.32
Conveyance & Travelling		35.78		90.11
Directors' Sitting Fees		15.35		-
Penalty		18.80		-
Vehicle Expenses		3.20		12.44
Corporate Social Responsibility Expenditure (Refer Note 41)		40.52		181.30

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
Office & General Expenses		41.90		43.50
Allowance for credit losses				
- Opening Allowances	(21.57)		(407.96)	
- Less : Bad Debts written off	-		295.17	
- Add : Allowance of credit lossess	(10.38)		-	
- Less : Closing Allowances	(11.18)	(10.38)	(21.57)	(91.22)
Miscellaneous Expenses		45.13		7.27
TOTAL		1,222.71		1,385.50

Note 38 - Exceptional Item

(₹ in lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
- Profit on disposal of Property plant and equipment		54.44		-
TOTAL		54.44		-

Exceptional item consists of net gain on sale of various items of property, plant and equipment.

Note 39 - Earnings Per Equity Share

(₹ in lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
(a) Net profit after tax attributable to equity shareholders for				
Basic EPS		386.66		60.01
Add/Less: Adjustment relating to potential equity shares		-		-
Net profit after tax attributable to equity shareholders for Diluted EPS		386.66		60.01
(b) Weighted average no. of equity shares (in lakhs) outstanding during the year				
For Basic EPS		10,595.13		10,595.13
For Diluted EPS		10,596.21		10,596.72
(c) Face Value per Equity Share (₹)		1		1
Basic EPS (₹)		0.04		0.01
Diluted EPS (₹)		0.04		0.01
(d) Reconciliation between no. of shares (in lakhs) used for calculating basic and diluted EPS				
No. of shares used for calculating Basic EPS		10,595.13		10,595.13
Add: Potential equity shares		1.08		1.59
No. of shares used for calculating Diluted EPS		10,596.21		10,596.72

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Note 40 - Contingent Liabilities and Commitments (to the extent not provided for) (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Contingent Liabilities		
(i) Claims against the company not acknowledged as debts	-	-
(ii) Company has provided Counter Guarantee in relation to Bank Guarantee to various parties which is not acknowledged in books of accounts	171.32	127.57
(iii) Company has provided Counter Guarantee in relation to Bank Guarantee to various parties on behalf of subsidiary company which is not acknowledged in books of accounts	-	125.00
(iv) Demand raised by VAT/GST (Refer Note 1 below)	34,074.79	34,074.79
(A)	34,246.11	34,327.36
(B) Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	-	-
(B)	-	-
TOTAL (A + B)	34,246.11	34,327.36

Note :

- The Company has received demand orders from Rajasthan VAT/SGST department for the period from 01.04.2017 to 31.03.2019 for the above amounts (interest and penalty thereon to be computed additionally) citing incorrect Schedule/HSN code of e-governance activities. However, the company has been complying with the relevant compliance procedure according to the said schedule/HSN code over the years. The same e-governance activities and its schedule/HSN code has also been assessed and accepted by other GST and Sales Tax departments including Rajasthan CGST audit and Maharashtra SGST investigation department. Therefore, the company has filed a written petition in Rajasthan High Court against the said impugned order. The company is confident that the said order will be quashed, and the decision will be in favor of company.
- For Capital Commitment, the amount of liabilities, which may occur on levying of penalty and/or charges by clients for delays in execution of contracts within the time prescribed in the agreement, is unascertained.

Note 41 - Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, 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 areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act.

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Gross Amount required to be spent by the company during the year	40.52	181.30
b) Amount of expenditure incurred on:		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	26.80	124.89
c) Shortfall at the end of the year	13.72	56.41
d) Total of previous years' short fall	56.41	-
e) Reason for short fall	Pertains to ongoing projects	Pertains to ongoing projects
f) The nature of CSR activities undertaken by the Company	Eradication of hunger and malnutrition, promoting education, healthcare	Eradication of hunger and malnutrition, promoting education, healthcare

Note: As at March 31, 2024, the Company has ₹56.73 lakhs in unspent CSR account.

Note 42 - Segment Reporting

The Company's activities predominantly comprise providing various services through Vakrangee Kendra. Considering the nature of the Company's business and operations, there is only one reportable operating segment (business and / or geographical) i.e. Vakrangee Kendra in accordance with the requirements of the Indian Accounting Standard 108 – "Operating Segments".

Note 43 - Related Party Details

(a) Key Management Personnel and Directors

Mr. Ramesh Mulchand Joshi	Non-Executive Chairman
Mr. Dinesh Nandwana	Managing Director & Group CEO
Dr. Nishikant Hayatnagarkar	Whole-Time Director
Mr. Sunil Agarwal	Director
Mr. Babulal Meena	Director
Mrs. Sujata Chattopadhyay	Director
Mr. Avinash Chandra Vyas	Director
Mr. Hari Chand Mittal	Director
Mr. Ranbir Datt	Nominee Director
Mr. Ajay Jangid	Chief Financial Officer
Mr. Sachin Khandekar	Company Secretary and Compliance Officer

(b) Relative of key management personnel and Name of the enterprises having same key management personnel and/ or their relatives as the reporting enterprises with whom the Company has entered into transactions during the year

- Ms. Divya Nandwana	Director - Subsidiary and Daughter of Managing Director & Group CEO
- Mr. Vedant Nandwana	Director - Subsidiary and Son of Managing Director & Group CEO
- Mr. Amit Sabarwal	Director - Subsidiary
- VL E-Governance & IT Solutions Limited (formerly known as Vakrangee Logistics Private Limited)	Common Director

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

(c) Subsidiary Companies with whom the Company has entered into transactions during the year

Name of subsidiaries	Country of Incorporation	Holding as at	
		March 31, 2024	March 31, 2023
Vakrangee e-Solutions Inc.	Phillipines	100%	100%
Vakrangee Finserve Limited	India	100%	100%
Vakrangee Digital Ventures Limited	India	100%	100%

Related Party Transactions

- In relation to (a)

(₹ in lakhs)

Nature of Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Remuneration to Key Managerial Personnel		
- Dinesh Nandwana	378.10	78.16
- Dr. Nishikant Hayatnagarkar	63.37	16.39
- Ajay Jangid	36.33	36.33
- Sachin Khandekar	11.49	11.49
Post-employment benefits to Key Managerial Personnel		
- Dinesh Nandwana	124.66	111.36
- Dr. Nishikant Hayatnagarkar	23.97	23.18
- Ajay Jangid	4.28	3.76
- Sachin Khandekar	1.04	0.99
Directors Sitting Fees		
- Ramesh Mulchand Joshi	2.20	2.75
- Sunil Agarwal	2.25	2.75
- Babulal Meena	2.20	2.75
- Sujata Chattopadhyay	2.00	2.50
- Avinash Chandra Vyas	2.45	3.00
- Ranbir Datt	2.00	2.50
- Hari Chand Mittal	2.25	2.75
Balance outstanding as on March 31 :		
(Expenses and Salaries Payable)		
- Dinesh Nandwana	18.06	5.82
- Dr. Nishikant Hayatnagarkar	3.48	0.97
- Ajay Jangid	1.35	0.97
- Sachin Khandekar	0.77	0.88

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

(₹ in lakhs)

- In relation to (b)		
Nature of Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Reimbursement of Expenses Paid		
- Vedant Nandwana	-	0.01
Employee Benefit Expenses		
- Ameet Sabarwal	53.11	106.21
Balance outstanding as on March 31 :		
(Expenses and Salaries Payable)		
- Vedant Nandwana	-	0.01
- Amit Sabarwal	4.03	5.98
- VL E-Governance & IT Solutions Limited (Receivable) (formerly known as Vakrangee Logistics Private Limited)	1516.27	2,463.37

(₹ in lakhs)

- In relation to (c)		
Nature of Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Sales of Support Services		
- Vakrangee Finserve Limited	405.00	540.00
- Vakrangee Digital Ventures Limited	-	492.11
Purchase of Support Services		
- Vakrangee Digital Ventures Limited	-	203.29
Margin Money against Guarantee issued by Bank		
- Vakrangee Finserve Limited	-	125.00
Balance Outstanding as on March 31 :		
- Vakrangee Digital Ventures Limited (Loan Receivable)	433.85	176.34

Note 44 - Employee Benefit Obligations

(i) Leave obligations

The leave obligations cover the Company's liability for earned leave.

The amount of provision of ₹260.39 lakhs (March 31, 2023 - ₹240.82 lakhs) is presented as current and non-current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employee to take the full amount of accrued leave or require payment within the next 12 months. The Company has accounted for provision of leave encashment as per Ind-AS 19 based on actuarial valuation undertaken by a registered valuer.

(ii) Gratuity (post-employment benefits)

The Company provides for gratuity to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised/approved funds in India. The Company has funded group gratuity plan against this liability with LIC of India. The Company has accounted for provision of gratuity as per Ind-AS 19 based on actuarial valuation undertaken by a registered valuer.

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

(iii) Defined contribution plans

The Company also has certain defined benefit obligations. Contributions are made to provident fund in India for employees at the specified rate of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹45.85 lakhs (March 31, 2023 - ₹51.09 lakhs).

Gratuity

The following table sets out the amount recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

	(₹ in lakhs)		
Particulars	Present value of obligation	Fair value of Plan assets	Net amount
01-Apr-22	295.06	(140.05)	155.01
Current Service cost	41.38	-	41.38
Past Service Cost	-	-	-
Interest expense/(income)	19.97	(10.26)	9.71
Total amount recognised in profit and loss	61.35	(10.26)	51.09
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	(0.14)	(0.14)
(Gain)/loss from change in financial assumptions	1.19	4.07	5.26
Experience (gains)/losses	(6.52)	-	(6.52)
Total amount recognised in other comprehensive income	(5.33)	3.93	(1.40)
Employer contributions	-	(2.60)	(2.60)
Benefit payments	(36.25)	36.25	-
31-Mar-23	314.83	(112.73)	202.10

	(₹ in lakhs)		
Particulars	Present value of obligation	Fair value of Plan assets	Net amount
01-Apr-23	314.83	(112.73)	202.10
Current Service cost	31.75	-	31.75
Past Service Cost	-	-	-
Interest expense/(income)	20.77	(6.68)	14.09
Total amount recognised in profit and loss	52.53	(6.68)	45.85
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
Due to change in demographic assumption	(20.06)	-	(20.06)
(Gain)/loss from change in financial assumptions	41.97	3.98	45.95
Experience (gains)/losses	(24.90)	-	(24.90)
Total amount recognised in other comprehensive income	(2.99)	3.98	21.05
Employer contributions	-	(12.17)	(12.17)
Benefit payments	(51.91)	51.91	-
31-Mar-24	312.46	(75.69)	256.83

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

The net liability disclosed above relates to funded plans are as follows:

(₹ in lakhs)

Particulars	March 31, 2024	March 31, 2023
Present value of funded obligations	312.46	314.83
Fair value of plan assets	(75.69)	(112.73)
Deficit/(Surplus) of gratuity plan	236.77	202.10

Significant estimates- actuarial assumptions and sensitivity

The net liability disclosed above relates to funded plans are as follows:

(₹ in lakhs)

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.20%	7.19%
Salary growth rate (per annum)	7.00%	5.00%
Mortality Table	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption		Impact on defined benefit obligation		
				Increase in assumption	
	31-Mar-24	31-Mar-23		31-Mar-24	31-Mar-23
Discount rate	1%	1%	Decrease by	11.14%	8.21%
Salary growth rate	1%	1%	Increase by	6.90%	6.84%
Withdrawal Rate	10%	NA	Increase by	0.55%	N.A.

Particulars	Change in assumption		Impact on defined benefit obligation		
				Increase in assumption	
	31-Mar-24	31-Mar-23		31-Mar-24	31-Mar-23
Discount rate	1%	1%	Increase by	9.41%	7.08%
Salary growth rate	1%	1%	Decrease by	7.03%	6.28%
Withdrawal Rate	10%	NA	Decrease by	0.56%	N.A.

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

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

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

*The major categories of plans assets are as follows :

Particulars	In Percentage %	
	31-Mar-24	31-Mar-23
Equity instruments	10.19	9.95
Debt instruments	89.46	89.04
Government bonds	80.72	80.03
Corporate bonds/debentures	8.74	9.01
Asset backed securities	-	-
Cash and cash equivalents	0.35	1.01
Total	100.00	100.00

*The Company contributes all the ascertained liabilities towards gratuity to Life Insurance Corporation of India (LIC) which is the insurer-managed fund. Since the investments in the plan assets is managed by LIC the detailed breakup of the investments is not made available to the Company.

Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed

Investment risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Most of the plan asset investment is in fixed income securities with high grades and in government securities which are subject to interest rate risk. A portion of the funds are invested in equity securities. The Company intends to maintain the above investment mix in the continuing years.
Interest risk	A decrease in the market yields in the government bond will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Note 45 - Share based payments

The company has formulated Employee Stock Option Scheme, 2008 (ESOP Scheme) which was approved by the members/ shareholders of the Company at their annual general meeting held on September 23, 2008, as modified on January 10, 2011 and June 1, 2012 annual general meeting. Further the company has formulated the new "ESOP Scheme 2014" approved by the members of the company through postal ballot on May 23, 2014. The Employee Option Plan is designed to provide incentives to all the existing employees serving with the Company. Under the plan, employees are granted options which vest proportionately from 2 – 6 years from the grant date which includes lock in period.

Once vested, the options remain exercisable for a period of 4 /5 years.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. The exercise price of the options is a price which is determined on the basis of market price of the scrip of the company (on the highest traded Stock Exchange) as decided by the Nomination and Remuneration and Compensation Committee. During the year the committee has decided to grant options at closing price on previous day of grant of options.

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Set out below is a summary of options granted under the plan:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	40.52	1,593,025	42.20	1,535,200
Granted during the year	22.88	1,106,200	30.46	271,800
Exercised during the year	-	-	14.48	13,500
Lapsed / cancelled during the year	25.89	1,419,750	19.57	200,475
Closing Balance	21.66	1,279,475	40.52	1,593,025
Vested and exercisable	23.06	37,250	50.53	330,200

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2024 was ₹ Nil (March 31, 2023 : ₹18.56).

No options expired during the periods in the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise Price (₹)	Share options	Share options
			31-Mar-24	31-Mar-23
26/11/2014	26/11/2023	32.35	-	30,425
11/03/2016	10/03/2025	56.54	-	262,525
26/07/2017	25/07/2026	109.40	-	-
26/10/2017	25/10/2026	137.33	-	-
09/01/2018	08/01/2027	202.28	-	-
13/04/2018	12/04/2027	69.85	-	-
10/07/2018	09/07/2027	25.93	23,200	37,300
05/10/2018	04/10/2027	14.38	11,350	13,200
03/01/2019	02/01/2028	18.03	600	9,550
15/04/2019	14/04/2028	32.95	-	2,400
10/07/2019	09/07/2028	17.95	11,775	18,175
09/10/2019	08/10/2028	14.18	21,850	23,050
11/01/2022	10/01/2030	42.70	-	947,600
26/04/2022	25/04/2030	34.55	-	29,000
20/07/2022	19/07/2030	29.75	37,500	43,900
03/11/2022	02/11/2030	34.00	-	46,400
20/02/2023	19/02/2031	23.55	69,400	129,500
22/02/2024	21/02/2032	25.80	281,100	-
22/03/2024	21/03/2032	19.95	822,700	-
Total			1,279,475	1,593,025

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Fair value of options granted

The fair value at respective grant date of options granted during the year ended March 31, 2024 was ₹25.80, and ₹19.95, respectively. The fair value at grant date of options granted during the year ended March 31, 2023 was ₹15.28, ₹18.08, ₹21.00, and ₹13.94. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2024 included:

- a) Options are granted for consideration and vest upon completion of service for a period of one year. Vested options are exercisable for a period of four years after vesting.

Particulars	Year ended March 31, 2024	
	Grant I	Grant II
b) Exercise price	25.80	19.95
c) Grant date	22/02/2024	22/03/2024
d) Expiry date	21/02/2032	21/03/2032
e) Share price at grant date (₹)	26.17	20.14
f) Expected price volatility of the company's shares	80.00%	80.00%
g) Expected dividend yield	0.19%	0.19%
h) Risk free interest rate	7.14%	7.14%
i) Fair value (₹)	25.80	19.95

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

- j) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognized in profit or loss as part of employee benefit expense were as follows:

Particulars	(₹ in lakhs)	
	March 31, 2024	March 31, 2023
Employee Stock Option Plan	(235.68)	57.24

Note 46 - Financial Instruments

(i) Method and assumptions used to estimate the fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial as well as non-financial assets and 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. A fair value measurement assumes 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 market or the most advantageous market must be accessible to 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.

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

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

Level 1 : Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 : Inputs other than prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : Unobservable inputs for the asset or liability.

The carrying value and fair value by each classification as at March 31, 2024 were as follows:- (₹ in lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	433.85	-	-	433.85	-	-
Trade Receivables	648.47	-	-	648.47	-	-
Cash & Cash equivalents	3,863.11	-	-	3,863.11	-	-
Other Bank Balances	643.87	-	-	643.87	-	-
Short Term Loans	3.07	-	-	3.07	-	-
Other Financial Assets	2,016.75	-	-	2,016.75	-	-
Investments*	333.04	354.17	-	687.21	-	354.17
TOTAL	7,942.17	354.17	-	8,296.34	-	354.17

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	1,205.77	-	-	1,205.77	-	-
Trade Payables	1,884.58	-	-	1,884.58	-	-
Other Financial Liabilities	7,345.30	-	-	7,345.30	-	-
TOTAL	10,435.64	-	-	10,435.64	-	-

The carrying value and fair value by each classification as at March 31, 2023 were as follows:- (₹ in lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	176.34	-	-	176.34	-	-
Trade Receivables	180.80	-	-	180.80	-	-
Cash & Cash equivalents	2,381.24	-	-	2,381.24	-	-
Other Bank Balances	877.81	-	-	877.81	-	-
Short Term Loans	1.81	-	-	1.81	-	-
Other Financial Assets	2,992.60	-	-	2,992.60	-	-
Investments*	-	299.01	-	299.01	-	299.01
TOTAL	6,610.60	299.01	-	6,909.61	-	299.01

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	(₹ in lakhs)	
					Level 1	Level 2
Financial Liabilities						
Borrowings	5,777.05	-	-	5,777.05	-	-
Trade Payables	1,661.15	-	-	1,661.15	-	-
Other Financial Liabilities	6,622.49	-	-	6,622.49	-	-
TOTAL	14,060.69	-	-	14,060.69	-	-

*excluding Investments in Subsidiary Companies ₹1,597.00 lakhs (March 31, 2023 : ₹1,597.00 lakhs) measured at cost.

(ii) Financial Risk Management

The Board of Directors has overall responsibility for the establishment and overview of the company's risk management framework. The Board of Directors has established a risk management policy to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the company's activities. The Audit Committee oversees how management monitors compliances with the company's risk management policies and procedures, and reviews the risk management framework. The Audit Committee is assisted in its role by Internal Audit. Internal Audit covers review of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company's activities are exposed to various risk viz. Credit Risk, Liquidity Risk and Market Risk. In order to minimise any adverse effects on the financial performance of the Company, it uses various instruments and follows policies set up by the Board of Directors / Management of the Company.

a) Credit Risk :

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by credit rating agencies.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks and other counter parties for the facilities availed by subsidiary. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Table showing age of gross trade receivables and movement in expected credit loss allowance: (₹ in lakhs)

Age of receivables	March 31, 2024	March 31, 2023
Within the credit period	558.90	88.48
1-90 days past due	-	37.14
91-180 days past due	-	19.55
181-270 days past due	-	34.00
More than 270 days past due	100.76	23.20
Total	659.66	202.37

(₹ in lakhs)

Movement in the expected credit loss allowance	March 31, 2024	March 31, 2023
Balance at beginning of the year	21.57	407.96
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(10.39)	(386.39)
Total	11.18	21.57

b) Liquidity Risk :

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation, typically the company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities :

(₹ in lakhs)

As on March 31, 2024	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	445.33	760.44	-	1,205.77
Current borrowings	-	-	-	-

(₹ in lakhs)

As on March 31, 2023	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	37.11	1,242.89	-	1,280.00
Current borrowings	4,497.05	-	-	4,497.05

c) Market Risk :

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments.

(i) Market Risk - Foreign Exchange

Foreign currency Risk is that risk in which fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company operates internationally and a portion of its business is transacted in several currencies and therefore the Company is exposed to foreign exchange

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

risk through its overseas sales and purchases in various foreign currencies. The Company hedges the receivables as well as payables by forming view after discussion with Forex consultant and as per policies by Management. The Company is also exposed to the Foreign currency loans availed from various banks to reduce the overall interest cost.

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows:

Currency	Liabilities		Assets	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
US Dollar (USD)	-	-	-	-

(₹ in lakhs)

Foreign Currency Exposure

Particulars	USD in Lakhs	
	March 31, 2024	March 31, 2023
Trade Receivables	-	-
Loans Receivable	-	-
TOTAL	-	-

Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and impact on Equity

Currency	Impact of Profit and Loss / Equity			
	For year ended March 31, 2024		For year ended March 31, 2023	
	1% increase	1% decrease	1% increase	1% decrease
US Dollar (USD)	-	-	-	-

(₹ in lakhs)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

ii) Market Risk - Interest Rate

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Note 47 - Disclosure under Section 186 (4) of the Companies Act, 2013 pertaining to subsidiaries and associates

(i) Details of loans to subsidiaries

Name of Subsidiaries	As at	
	March 31, 2024	March 31, 2023
- Vakrangee Digital Ventures Limited. (Purpose of loan is to provide financial assistance and support to the subsidiary.)	433.85	176.34
Total:	433.85	176.34

(₹ in lakhs)

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

(ii) Details of Investment in Subsidiaries

Name of Subsidiaries	No. of Shares as at year-end	% of shareholding
Vakrangee e-Solutions Inc. (incorporated in Philippines)	96,000	100%
Vakrangee Finserve Limited	15,000,000	100%
Vakrangee Digital Ventures Limited	100,000	100%

Note 48 - Income Taxes

- (a) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below: (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before income taxes	519.80	227.55
Enacted tax rates in India	25.168%	25.168%
Computed expected tax expense	130.82	57.27
Effect of non-deductible expenses	(36.32)	1.51
Others	-	-
Income Tax expense of current year	94.51	58.78
Earlier year tax expenses	-	-
Current Income Tax expense	94.51	58.78

- (b) The following table provides the details of income tax liabilities and income tax assets as of March 31, 2024 and March 31, 2023: (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Income Tax Liabilities	-	-
Income Tax Assets	739.11	485.77
Net current income tax liabilities / (assets) at the end	(739.11)	(485.77)

The gross movement in the current income tax liability / (asset) for the year ended March 31, 2024 and March 31, 2023 is as follows: (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net current income tax liability / (asset) at the beginning	(485.77)	(51.50)
Income Tax paid	(347.85)	(493.05)
Current Income Tax expense	94.51	58.78
Net current income tax liability / (asset) at the end	(739.11)	(485.77)

- (c) The gross movement in the deferred income tax account for the year ended March 31, 2024 and March 31, 2023, are as follows: (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net deferred income tax liability at the beginning	246.29	154.83
Movements relating to temporary differences	38.63	108.76
Temporary differences on other comprehensive income	(3.85)	(17.30)
Net deferred income tax liability at the end	281.07	246.29

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Note 49 - Ageing of Trade Receivable

Trade receivables ageing schedule for the year ended as on March 31, 2024 and March 31, 2023:

(₹ in lakhs)

Particulars	Outstanding for the following period from invoice date					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables	558.90	-	100.76	-	-	659.66
– considered good	88.48	-	23.20	-	-	111.68
Undisputed Trade receivables – which have significant increase in Credit Risk	-	-	-	-	-	-
	56.69	34.00	-	-	-	90.69
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-
	-	-	-	-	-	-
Total Trade Receivables	558.90	-	100.76	-	-	659.66
	145.17	34.00	23.20	-	-	202.37
Less: Allowance for credit loss	-	-	-	-	-	11.18
	-	-	-	-	-	21.57
Net Trade Receivables	-	-	-	-	-	648.48
	-	-	-	-	-	180.80

Note 50 - Ageing of Trade Payable

Trade payables ageing schedule for the year ended as on March 31, 2024 and March 31, 2023:

(₹ in lakhs)

Particulars	Outstanding for the following period from invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues to MSME	0.06	-	-	-	0.06
	243.68	-	-	-	243.68
Others	1,882.75	1.77	-	-	1,884.52
	1,395.69	21.78	-	-	1,417.47
Total trade payables	1,882.81	1.77	-	-	1,884.58
	1,639.37	21.78	-	-	1,661.15

Note 51 - Scheme of Arrangement

The Board of Directors at their meeting held on November 12, 2021, considered and approved to restructure the business by way of a Scheme of Arrangement for Demerger ("Scheme") whereby the E-Governance & IT/ITES Business (Demerged Undertaking) of Vakrangee Limited ("Demerged Company") will be demerged into the VL E-Governance and IT Solutions Limited (formerly known as Vakrangee Logistics Private Limited) ("Resulting Company") on a going concern basis. Pursuant to the Regulation 37 of the LODR, the Company has obtained No Objection Letter from the BSE and NSE vide their letter dated March 11, 2022 and subsequently, an application was made to the National Company Law Tribunal (NCLT) for further directions.



Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Pursuant to the Scheme of Arrangement (the 'Scheme'), duly sanctioned by the National Company Law Tribunal, Mumbai Bench, vide its Order dated May 19, 2023 ('Order') with effect from the Appointed Date, i.e. April 1, 2021, the business of E-Governance and IT/ITES stands transferred to and vested in VL E-Governance and IT Solutions Limited as a going concern. In accordance with Sections 230 to 232 of the Companies Act, 2013, the Company filed the NCLT Order with Ministry of Company Affairs (MCA) on May 26, 2023. Consequent to the filing, the scheme became effective from May 26, 2023.

The Scheme has been given effect to in these financial statements by transferring the carrying amount of assets and liabilities pertaining to the Demerged Undertaking with effect from the Appointed Date to the Resulting Company with the corresponding debit to the Other Equity.

Consequent to the above, the comparative information of the Company for the year ended March 31, 2022 is restated from the published financial statements to give the impact of the Scheme. Provision for tax for the accounting periods commencing from April 1, 2021 has been recomputed post giving effect to the Scheme.

Details of Assets and Liabilities of the Demerged undertaking that are being transferred		(₹ in lakhs)
Assets		Amount
Loans		2,657.46
Capital Advances		59,595.00
Trade Receivable		107,762.59
Other Current Assets		86,641.99
		(₹ in lakhs)
Liabilities		Amount
Trade Payable		589.87

Note 52 - Statutory Information

- There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- The Company has not entered into any transactions with struck off companies during the year.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company does not have 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)
- The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) 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, 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. Further, the Company has not received any funds from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

- (g) The Company has complied with the number of layers prescribed under clause (87) of the Section 2 of the Companies Act read with the Companies (Restrictions on Number of Layers) Rule, 2017.
- (h) The Company is not declared wilful defaulter by bank or financial institutions or any lender during the financial year.
- (i) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- (j) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

Note 53 - Relationship with Struck-off Companies

(₹ in lakhs)

Name of Struck off Company	Nature of Transaction	Balance outstanding at the end of the year as at March 31, 2024	Relationship with the Struck off company, if any, to be disclosed
Emmel Financial Services	Shares held by struck off company	0.305	Shareholder
Yes Equities Private Limited	Shares held by struck off company	0.004	Shareholder

Note 54 - Ratios

The following are analytical ratios for the year ended March 31, 2024 and March 31, 2023

Particulars	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	Variance
Current Ratio	Total Current assets	Total Current liabilities	0.86	0.60	42.07 %
Note: Increase in the current assets and reduction in the current liabilities has resulted in to the increase in the ratio.					
Debt-Equity Ratio	Total Debt (including borrowings & lease liabilities)	Total Equity	0.11	0.76	(86.06)%
Note: Due to repayment of borrowed loans and increase in other equities in the current financial year, the ratio has decreased					
Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	0.45	0.08	469.23 %
Note: Due to the company has repaid it's borrowing durig the year, the ratio has increased					
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	4.07 %	0.77 %	431.70 %
Note: Due to increase in profit, the ratio has increased					
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	1.03	1.41	(26.88)%
Note: Due to decrease in cost of goods sold and inventory, the ratio has decreased					
Trade receivables turnover ratio	Revenue	Average Trade Receivable	44.29	94.02	(52.89)%
Note: Due to increase in trade receivables, the ratio has decreased.					

Notes forming part of Standalone Financial Statements

for the year ended March 31, 2024

Particulars	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	Variance
Trade payables turnover ratio	Total Purchases	Average Trade Payable	0.60	0.13	359.71 %
Note: Due to increase in purchases, the ratio has increased					
Net capital turnover ratio	Revenue	Working Capital	(11.93)	(3.04)	292.32 %
Note: Due to increase in revenue and decrease in working capital, the ratio has decreased.					
Net profit ratio	Net Profit	Revenue	2.11 %	0.36 %	477.23 %
Note: Due to increase in net profit, the ratio has increased					
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	22.26 %	14.42 %	54.41 %
Note: Due to increase in EBITDA and decrease in capital employed, the ratio has increased.					
Return on Investment(ROI)	Income generated from investments	Average invested fund	29.52 %	24.61 %	19.93 %

Note 55 - Previous year figures

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

As per our report of even date attached

For S. K. Patodia & Associates LLP
Chartered Accountants
Firm's Registration No. : 112723W/W100962

For and on behalf of the Board of Directors
Vakrangee Limited
CIN : L65990MH1990PLC056669

Dhiraj Lalpuria
Partner
Membership No.: 146268

Ramesh Joshi
Chairman
DIN : 00002683

Dinesh Nandwana
Managing Director & Group CEO
DIN : 00062532

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Place : Mumbai
Date : May 9, 2024

Place : Mumbai
Date : May 9, 2024

Ajay Jangid
Chief Financial Officer

Sachin Khandekar
Company Secretary

Independent Auditor's Report

TO THE MEMBERS OF VAKRANGEE LIMITED
Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of **Vakrangee Limited** (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Cash flows, and Consolidated Statement of Changes in equity for the year then ended on that date, and notes to the Consolidated Financial Statements, including a summary of material 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, and based on the consideration of reports of management and other auditors on separate financial statements and on the other financial information of the subsidiaries read with the note on accounting for Demerger as described in the Emphasis of Matter paragraph below, 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 Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2024, the consolidated profit, the consolidated total comprehensive income, the consolidated changes in equity and the consolidated 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 Companies Act, 2013. Our responsibilities under those Standards 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 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 audit opinion on the Consolidated Financial Statements.

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 of the current period. 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 reports.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed



to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

1. Estimates Involving in Capitalisation of Capital Expenditure, and determining their useful lives (Refer Note 1 "Material Accounting Policies", Critical Accounting Estimates and Note 4 "Property, Plant and Equipment" for details)

The Group has capitalised additions to Property, Plant and Equipment (PPE), mainly related to the Automated Teller Machine (ATM) purchased newly from the OEM. Expenditure such as freight cost and cost to bring the asset to the location and new acquisition cost are capitalised. Identification and allocation of the related expenditures involves judgment and estimation of future economic benefit.

The useful lives of PPE items are based on management's estimates regarding the period during which the asset or its significant components will be used. The estimates are based on historical experiences, market practice and group decision on technical evaluation of useful lives of the ATM.

The Capital expenditure and new acquisition is not considered to be an area of significant risk for our audit but as it requires considerable time and resource to audit due to its magnitude, it is considered to be a key audit matter.

Principal Audit Procedure

We assessed whether the Group's accounting policy in relation to the capitalisation of expenditures are in sync and in compliance with IND AS and found them to be consistent.

We obtained a listing of capital expenditures and major acquisition during the year and, on a sample basis, checked whether the assets were undertaken based on internal purchase order that had been properly approved by the key person with such authority with no material exceptions noted. We inspected a sample of contracts and underlying invoices to determine whether the classification between capital and operating expenditure was appropriate. We noted no material exceptions.

We evaluated whether the useful lives of the component determined and applied by the

management were in line with historical experience, group assessment and the market practice.

We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from work in progress to asset in use, with the date of the act of completion of the work. We noted no material exceptions.

Reference to related disclosures

The Group has provided information on the disclosure of the addition, deletion of PPE and depreciation for the year on such addition and existing asset in Note 4 of the Consolidated Financial Statements.

2. Expected Credit Loss

As described in Note 2 (B) (xi) (d) of the consolidated financial statements for the year ended March 31, 2024. The management of the Group has determined the allowance for credit losses based on historical loss experience adjusted to reflect the impact of the economic conditions. The allowance for credit loss model requires consideration of the customers' business operations/ability to pay dues. Based on such analysis the Group has recorded an allowance aggregating to ₹11.18 lakhs as at March 31, 2024, considered in Note 7 & 11 of the Consolidated Financial Statements. We identified allowance for credit losses as a key audit matter because the Group exercises significant judgment in calculating the expected credit losses.

Principal Audit Procedure

We have performed the following procedures:

- i) Evaluated the design and implementation including the operating effectiveness of the controls over:
 - Basis of consideration of the impact of the economic conditions;
 - Completeness and accuracy of the data used in estimation of probability of default;
 - Computation of the expected credit loss allowance
- ii) Tested the completeness and accuracy of the ageing of accounts receivable data.
- iii) Further in addition to the above process, a forward looking expected loss impairment model as prescribed in IND AS 109 "Financial

Instruments" was also applied by the Group. This involves judgment as the expected credit losses must reflect information about past events, current conditions, and forecasts of future conditions.

- iv) Selected a sample of the customers, and
 - Verified publicly available credit reports and other information relating to the Group's customers to test if the management had correctly considered the adjustments to credit risk.
 - Obtained and verified the details of credit period extension granted to the customers and developed an expectation of similar extensions across other customers of the Group.
- v) Recomputed the expected credit loss allowance considering the above determined input data and compared the amounts so recomputed with the amounts recorded by the management to determine if there were any material differences individually or in the aggregate.

Information other than the Consolidated Financial Statements and Auditors' Report thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our 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 Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other 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 of the assets of the Group 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 the 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 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 Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective management and the Board of Directors of the entities included in the Group is responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is also responsible for overseeing the financial reporting process of each entity.

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 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.

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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management of Holding Company 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 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 of which we are the independent auditors, 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 and certified by the management, such other auditors and management remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

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 of the current period 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.

Other Matters

1. We did not audit the financial statements of one subsidiary included in the consolidated financial statements, whose financial statements reflect total assets of ₹6,442.70 lakhs as at March 31, 2024, total revenues of ₹3,320.70 lakhs for the year ended March 31, 2024, total net profit after tax of ₹31.30 lakhs, total comprehensive income of ₹31.30 lakhs and net cash inflows ₹40.13 lakhs for the year ended March 31, 2024, whose financial statements / information have been audited by its respective independent auditor as considered in the consolidated financial statements. The independent auditors' report on financial statements / information of this entity has been furnished to us and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this entity, in terms of sub-section (3) of Section 143 of the Act is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.
2. The Consolidated Financial Statements also include the Group's share of total assets of ₹3,551.47 lakhs, total revenue of ₹10.49 lakhs, net profit/ (loss) after tax of ₹10.49 lakhs and total comprehensive income of ₹17.97 lakhs for the year ended March 31, 2024 respectively, in respect of one subsidiary located outside India, as considered in the Consolidated Financial Statements, based on their financial statements / information which have not been audited by their auditors, which are certified by the Management.

Our opinion above on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the

above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our report and on consideration of report of the other auditor on separate financial statements and the other financial information of subsidiaries as referred in the 'Other Matter' paragraph, we report, to the extent applicable that:
 - a) We / the other auditors whose report we have relied upon 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 the preparation of the aforesaid Consolidated Financial Statements have been kept by the Holding Company so far as it appears from our examination of those books and report of other auditors;
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Consolidated Total Comprehensive Income), the Consolidated Statement of Cash Flows, and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of Holding Company as on March 31, 2024 taken on record by the Board of Directors of Holding Company, 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 Consolidated Financial Statements of the Holding Company and its subsidiaries, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) In our opinion, and according to the information and explanations given to us, and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2024, has been paid / provided by the Holding Company and its subsidiaries to its directors is in accordance with the provisions of Section 197 read with Schedule V to the Act.
- 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, and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
- i. The Group does not have any pending litigations which would impact its financial position except as referred in Note 40 to the Consolidated Financial Statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2024.
 - iii. There has been no delay in transferring amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Group for the year ended March 31, 2024.
 - iv. (A) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group 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, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (B) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (C) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The dividend declared or paid during the year by the Holding Company and/ or its subsidiaries is in compliance with section 123 of the Act.
- vi. Based on our examination which included test checks, the Holding Company and its subsidiaries has used an accounting software for maintaining books of account which has a feature of recording audit trail (edit logs) facility and the same has operated throughout the year for all

the relevant transaction recorded in the software. Further, during the course of our Audit we did not come across any instance of audit trail feature being tampered with.

2. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's report) Order, 2020 ("the Order"/CARO) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company

and its subsidiaries included in the consolidated financial statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

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

For S. K. Patodia & Associates LLP

Chartered Accountants

Firm Registration Number: 112723W/W100962

Dhiraj Lalpuria

Partner

Membership Number: 146268

UDIN: 24146268BKCSMK9681

Place : Mumbai

Date : May 9, 2024



Annexure A to the Independent Auditor's Report

Referred to in paragraph 1(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Vakrangee Limited

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

We have audited the internal financial controls over financial reporting of Vakrangee Limited ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") as of March 31, 2024 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of Holding Company and its subsidiaries based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India (ICAI). Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether adequate internal financial controls over financial reporting with reference to these 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 system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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, and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial Statements.

Meaning of Internal Financial Control over Financial Reporting with reference to Consolidated Financial Statements

The Company's internal financial controls over financial reporting with reference to Consolidated 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 over financial reporting includes those policies and procedures that:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- (ii) 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
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or dispositions of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting 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 over financial reporting with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting 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 S. K. Patodia & Associates LLP

Chartered Accountants

Firm Registration Number: 112723W/W100962

Dhiraj Lalpuria

Partner

Membership Number: 146268

UDIN: 24146268BKCSMK9681

Place : Mumbai

Date : May 9, 2024

Opinion

In our opinion, to best of our information and according to the explanation given to us, and based on the consideration of report of other auditor, as referred to in 'Other Matter' paragraph below, the Holding Company and its subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting with reference to consolidated financial statements and such internal financial controls over financial reporting with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting with reference to financial statements criteria established by the Holding Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far as it relates to separate financial statements of subsidiaries, which is Company incorporated in India, is based on the corresponding reports of the auditor of such Company incorporated in India.

Consolidated Balance Sheet as at March 31, 2024

(₹ in lakhs)

Particulars	Note No.	As at	
		March 31, 2024	March 31, 2023
I ASSETS			
1 Non - Current Assets			
Property Plant and Equipment	4	11,393.88	12,709.02
Capital Work-in-Progress	4	614.41	347.21
Intangible Assets under development	5	434.79	434.79
Financial Assets			
(i) Investments	6	687.21	299.01
(ii) Trade Receivables	7	89.58	-
(iii) Loans		-	-
(iv) Other Financial Assets	8	297.88	238.60
Other Non - Current Assets	9	788.15	868.70
Total Non-current Assets		14,305.90	14,897.33
2 Current Assets			
Inventories	10	70.60	220.84
Financial Assets			
(i) Trade Receivables	11	4,388.71	4,007.49
(ii) Cash and Cash equivalents	12	4,110.05	2,588.26
(iii) Bank Balances other than (ii) above	12	757.99	987.25
(iv) Loans	13	3.07	1.81
(v) Other Financial Assets	14	1,872.30	2,861.40
Current Tax Assets (Net)	15	446.50	218.95
Other Current Assets	16	4,044.45	4,023.13
Total Current Assets		15,693.67	14,909.13
TOTAL		29,999.57	29,806.46
II EQUITY AND LIABILITIES			
1 Equity			
Equity Share Capital	17	10,595.13	10,595.13
Other Equity	18	5,616.00	1,789.97
Total Equity		16,211.13	12,385.10
2 Liabilities			
i Non - Current Liabilities			
Financial Liabilities			
(i) Borrowings	19	760.44	1,242.89
(ii) Trade Payables	20		
- Dues of micro enterprises and small enterprises		-	-
- Dues of Creditors other than micro enterprises and small enterprises		1.77	2.77
(ii) Other Financial Liabilities	21	1,173.75	1,420.71
Deferred Tax Liabilities (net)	22	281.06	246.28
Employee Benefit Obligations	23	380.28	335.71
Total Non-Current Liabilities		2,597.30	3,248.36
ii Current Liabilities			
Financial Liabilities			
(i) Borrowings	24	445.33	4,534.16
(ii) Trade Payables	25		
- Dues of micro enterprises and small enterprises		0.06	243.68
- Dues of Creditors other than micro enterprises and small enterprises		1,936.57	1,580.62
(iii) Other Financial Liabilities	26	6,171.55	5,201.78
Other Current Liabilities	27	1,279.58	827.75
Provisions	28	1,223.30	1,677.78
Employee Benefit Obligations	29	116.89	107.23
Current Tax Liabilities	30	17.87	-
Total Current Liabilities		11,191.14	14,173.00
Total Liabilities (i + ii)		13,788.44	17,421.36
TOTAL		29,999.57	29,806.46
Summary of Material Accounting Policies	1-3		
The accompanying notes are an integral part of the Consolidated Financial Statements.	1-55		

As per our report of even date attached

For S. K. Patodia & Associates LLP
Chartered Accountants
Firm's Registration No. : 112723W/W100962

For and on behalf of the Board of Directors
Vakrangee Limited
CIN : L65990MH1990PLC056669

Dhiraj Lalpuria
Partner
Membership No.: 146268

Ramesh Joshi
Chairman
DIN : 00002683

Dinesh Nandwana
Managing Director & Group CEO
DIN : 00062532

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Place : Mumbai
Date : May 9, 2024

Place : Mumbai
Date : May 9, 2024

Ajay Jangid
Chief Financial Officer

Sachin Khandekar
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

(₹ in lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I Income			
Revenue from Operations	31	21,258.21	19,730.23
Other Income	32	233.89	140.25
Total Income		21,492.10	19,870.48
II Expenses			
Operating Expenses	33	15,239.94	14,546.13
Purchase of Stock-in-Trade		-	50.68
Changes in Inventories	34	150.23	189.20
Employee Benefits Expense	35	1,938.80	1,531.44
Finance Costs	36	771.17	151.53
Depreciation and Amortization Expense	4,5	1,569.08	1,551.36
Other Expenses	37	1,291.05	1,582.12
Total Expenses		20,960.27	19,602.46
III Profit Before Tax and exceptional Items		531.83	268.02
IV Exceptional Items	38	54.44	-
V Profit Before Tax		586.27	268.02
VI Tax Expense:			
(a) Current Tax		112.38	58.78
(b) Deferred Tax		38.63	108.76
		151.01	167.54
VII Profit for the year		435.26	100.48
VIII Other Comprehensive Income			
Items that will be reclassified subsequently to profit or loss			
i) Exchange difference on translation of foreign operations		7.48	14.83
Items that will not be reclassified subsequently to profit or loss			
i) Fair value gain on financial instruments at fair value through OCI		-	-
ii) Remeasurement of net defined benefit obligations (net of taxes)		(11.46)	(51.44)
Other Comprehensive Income (net of tax)		(3.98)	(36.61)
Total Comprehensive Income for the period		431.28	63.87
IX Weighted Average No. of equity shares for computing EPS (in lakhs)	39		
(1) Basic		10,595.13	10,595.13
(2) Diluted		10,596.21	10,596.72
X Earnings Per Equity Share (Face Value ₹1/- Per Share):	39		
(1) Basic (₹)		0.04	0.01
(2) Diluted (₹)		0.04	0.01
Summary of Material Accounting Policies	1-3		
The accompanying notes are an integral part of the Consolidated Financial Statements.	1-55		

As per our report of even date attached

For S. K. Patodia & Associates LLP
Chartered Accountants
Firm's Registration No. : 112723W/W100962

For and on behalf of the Board of Directors
Vakrangee Limited
CIN : L65990MH1990PLC056669

Dhiraj Lalpuria
Partner
Membership No.: 146268

Ramesh Joshi
Chairman
DIN : 00002683

Dinesh Nandwana
Managing Director & Group CEO
DIN : 00062532

Dr. Nishikant Hayatnagar
Whole-time Director
DIN : 00062638

Place : Mumbai
Date : May 9, 2024

Place : Mumbai
Date : May 9, 2024

Ajay Jangid
Chief Financial Officer

Sachin Khandekar
Company Secretary

Consolidated Statement of Cash Flows for the year ended March 31, 2024

(₹ in lakhs)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
I	Cash flow from operating activities		
	Profit before tax from continuing operations	586.27	268.02
	Profit before tax	586.27	268.02
	Non-cash adjustment to reconcile profit before tax to net cash flows		
	Depreciation of property, plant and equipment	1,569.08	1,551.36
	Employee share based payment expenses	(235.68)	57.24
	Net foreign exchange differences	0.05	0.11
	Allowance for credit losses	(10.38)	(589.21)
	Fair value gain on financial instrument at fair value through Profit and loss	(55.16)	(58.44)
	Remeasurement of defined benefit obligations	(15.31)	(68.74)
	Gain on disposal of property, plant and equipment	(54.44)	26.06
	Interest income	(142.44)	(50.44)
	Dividend income	(1.50)	(1.50)
	Operating profit before working capital changes	1,640.47	1,134.45
	Movements in assets and liabilities :		
	Decrease / (increase) in inventories	150.23	189.63
	Decrease / (increase) in trade receivables	(460.41)	807.29
	Decrease / (increase) in loans and other financial assets	1,157.81	(772.58)
	Decrease / (increase) in other current assets	(21.32)	1,743.37
	Decrease / (increase) in other non-current assets	297.55	(327.55)
	Increase / (decrease) in trade payables	111.33	(945.76)
	Increase / (decrease) in employee benefit obligations	54.25	110.34
	Increase / (decrease) in provisions	(454.48)	(102.73)
	Increase / (decrease) in other financial liabilities	722.81	(2,307.54)
	Increase / (decrease) in other current liabilities	451.83	(2,976.46)
	Cash generated from operations	3,650.07	(3,447.56)
	Income taxes paid (net of refunds)	(539.05)	(714.06)
	Net cash flow from operating activities (A)	3,111.02	(4,161.62)
II	Cash flow from investing activities		
	Purchase of property, plant and equipment, including CWIP	(684.62)	(820.85)
	Proceeds from sale of property, plant and equipment	217.91	238.00
	Proceeds from sale of investments	-	-
	Investment in unquoted shares	(333.03)	-
	Decrease in foreign currency translation reserve	(7.35)	14.83
	Interest received	142.44	50.44
	Dividends received	1.50	1.50
	Net cash flow from/(used in) investing activities (B)	(663.15)	(516.08)

Consolidated Statement of Cash Flows (contd.) for the year ended March 31, 2024

(₹ in lakhs)

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
III	Cash flow from financing activities		
	Proceeds from borrowings	(4,571.28)	3,050.24
	Share application money received against preferential share warrant	4,175.00	-
	Proceeds from issue of shares	-	0.14
	Proceeds towards securities premium on issue of shares	-	1.82
	Dividends paid to company's shareholders	(529.76)	(529.75)
	Net cash flow (used in) in financing activities (C)	(926.04)	2,522.44
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	1,521.83	(2,155.26)
	Effects of exchange rate changes on cash and cash equivalents	(0.05)	(0.11)
	Cash and cash equivalents at the beginning of the year	2,588.26	4,743.63
	Cash and cash equivalents at the end of the year	4,110.05	2,588.26

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

Summary of Material Accounting Policies

1-3

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

1-55

As per our report of even date attached

For S. K. Patodia & Associates LLP

Chartered Accountants

Firm's Registration No. : 112723W/W100962

For and on behalf of the Board of Directors

Vakrangee Limited

CIN : L65990MH1990PLC056669

Dhiraj Lalpuria

Partner

Membership No.: 146268

Ramesh Joshi

Chairman

DIN : 00002683

Dinesh Nandwana

Managing Director & Group CEO

DIN : 00062532

Dr. Nishikant Hayatnagarkar

Whole-time Director

DIN : 00062638

Place : Mumbai

Date : May 9, 2024

Place : Mumbai

Date : May 9, 2024

Ajay Jangid

Chief Financial Officer

Sachin Khandekar

Company Secretary

Consolidated Statement of changes in equity for the year ended March 31, 2024

(₹ in lakhs)

Particulars	Equity Share Capital	Other Equity								Total equity attributable to equity holders of the Company	
		Reserves and Surplus				Other Comprehensive Income					
		Securities Premium	Retained Earnings	General Reserve	Amalgamation Reserve / Capital Reserve	Share Options Outstanding Account	Share Application Money Pending Allotment	Equity instruments through other comprehensive income	Other items of other Comprehensive Income		Foreign Currency Translation Reserve
Balance as at March 31, 2022	10,595.00	42,804.29	10,606.49	812.72	(49,762.68)	209.78	-	-	(3,097.37)	623.55	12,791.78
Increase in share capital on account of conversion of ESOPs	0.14	-	-	-	-	-	-	-	-	-	0.14
Amount received on shares issued during the year	-	1.82	-	-	-	-	-	-	-	-	1.82
Transferred from Share Options Outstanding Account	-	2.73	-	-	-	(2.73)	-	-	-	-	-
Profit for the year	-	-	100.49	-	-	-	-	-	-	-	100.49
Dividends (including corporate dividend tax)	-	-	(529.75)	-	-	-	-	-	-	-	(529.75)
Transfer to General Reserve	-	-	-	-	-	-	-	-	-	-	-
Share-based payments (net)	-	-	-	-	-	57.24	-	-	-	-	57.24
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	-	-	(51.44)	-	(51.44)
Exchange Translations	-	-	-	-	-	-	-	-	-	14.83	14.83
Balance as at March 31, 2023	10,595.13	42,808.83	10,177.23	812.72	(49,762.68)	264.30	-	-	(3,148.81)	638.38	12,385.10
Increase in share capital on account of conversion of ESOPs	-	-	-	-	-	-	-	-	-	-	-
Amount received on shares issued during the year	-	-	-	-	-	-	-	-	-	-	-
Transferred from Share Options Outstanding Account	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	435.26	-	-	-	-	-	-	-	435.26
Dividends (including dividend distribution tax)	-	-	(529.76)	-	-	-	-	-	-	-	(529.76)
Transfer to General Reserve	-	-	-	-	-	-	-	-	-	-	-
Share-based payments (net)	-	-	-	-	-	(235.68)	-	-	-	-	(235.68)
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	-	-	(11.46)	-	(11.46)
Exchange Translations	-	-	-	-	-	-	-	-	-	(7.33)	(7.33)
Share Application Money Received Pending for Allotment	-	-	-	-	-	-	4,175.00	-	-	-	4,175.00
Balance as at March 31, 2024	10,595.13	42,808.83	10,082.74	812.72	(49,762.68)	28.61	4,175.00	-	(3,160.27)	631.05	16,211.13

Summary of Material Accounting Policies

1-3

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

1-55

As per our report of even date attached

For S. K. Patodia & Associates LLP
Chartered Accountants
Firm's Registration No. : 112723W/W100962

For and on behalf of the Board of Directors
Vakrangee Limited
CIN : L65990MH1990PLC056669

Dhiraj Lalpuria
Partner
Membership No.: 146268

Ramesh Joshi
Chairman
DIN : 00002683

Dinesh Nandwana
Managing Director & Group CEO
DIN : 00062532

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Place : Mumbai
Date : May 9, 2024

Place : Mumbai
Date : May 9, 2024

Ajay Jangid
Chief Financial Officer

Sachin Khandekar
Company Secretary

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 1 - Corporate Information

Vakrangee Limited (hereinafter referred to as "the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 'Vakrangee Corporate House', Plot No. 93, Road No. 16, M.I.D.C, Andheri (East), Mumbai – 400 093, Maharashtra, India. The Company's shares are listed on two stock exchanges in India, namely BSE Limited (formerly known as the Bombay Stock Exchange) and National Stock Exchange of India (NSE).

Vakrangee Limited along with its subsidiaries, Vakrangee e-Solutions Inc. (Philippines), Vakrangee Finserve Limited and Vakrangee Digital Ventures Limited (hereinafter referred to as "Group") is engaged in providing diverse solutions, activities in e-commerce sector, including bullion and jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and data digitization, software and license.

The Consolidated financial statements were authorized for issue by the Board of Directors on May 09, 2024.

Note 2 – Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These accounting policies have been consistently applied to all the years presented by the Group unless otherwise stated.

A. Basis of preparation

i. Statement of compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as "Ind AS") under the provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Group has adopted the Ind AS in accordance with Ind AS 101 First time adoption of Ind AS was done during the year ended March 31, 2017.

The accounting policies have been consistently applied by the Group unless otherwise stated or where a newly issued accounting standard is initially adopted.

ii. Basis of preparation

The consolidated financial statements have been prepared on historical cost basis except the following asset and liabilities which have been measured at fair value amount:

- certain financial assets and liabilities (including derivative instruments);
- defined benefit plans- plan assets; and
- Equity-settled Share Based Payments

The Consolidated Financial statements of the Group are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded off to Lakhs, except when otherwise indicated.

iii. Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company, entities (including structured entities) controlled by the Company and its Subsidiaries.

Control is achieved when the Company

- has power over the investee.
- it 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.

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than the majority of the voting or similar rights of the investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:



Notes to Consolidated Financial Statements

for the year ended March 31, 2024

- the contractual arrangement with the other vote holders of the investee.
- rights arising from other contractual arrangements.
- the Group's voting rights and potential voting rights. In assessing control, potential voting rights that currently are exercisable are considered; and
- the size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder's meetings.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and ceases control when the Group loses control of the subsidiary. The income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit and loss from the effective date the Company gains control until the date when the Company ceases to control the subsidiaries.

The financial statements of the subsidiary companies and entities (including structured entities) controlled by the Company used in the consolidation are drawn up to the same reporting date as of the Company. Accounting policies of the respective subsidiaries are adjusted wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together of like items of assets, liabilities, equity, income, expenses and cash flows, after fully eliminating intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group on consolidation.

Changes in the Group's ownership interests in existing subsidiaries:

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed of.

B. Summary of material accounting policies

i. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current /non-current classification.

For the Purpose of Balance Sheet, an asset is classified as current if:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle.
- It is held primarily for the purpose of trading; or
- It is expected to be realized within twelve months after the reporting date; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

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

All other liabilities are classified as noncurrent.

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

Based on the nature of products and services offered by the Company, the operating cycle determined is 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents,

ii. Segment Reporting

The Group identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

iii. Foreign Currencies

Transaction and balances

Transactions in foreign currencies are initially recorded by the company in their functional currency at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency using rate of exchange prevailing on the balance sheet date.

Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit or loss except where:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- exchange differences on transactions entered in order to hedge certain foreign currency risks.



Notes to Consolidated Financial Statements

for the year ended March 31, 2024

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates on the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Effective 1st April, 2018, the Company has adopted Appendix B to the Ind-AS 21-foreign currency transaction and advance consideration, which clarify the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related assets, expenses or income when an entity has received or paid advance consideration in foreign currency. The effect on account of adoption of this amendment was insignificant.

Group Companies

For the purposes of presenting these consolidated financial statements, the financial statements of foreign operations/foreign subsidiaries that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated into INR at the exchange rate prevailing at the end of each reporting period.

- Income and expenses are translated at average exchange rates for the period (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions),
- Equity is recorded at the historical rate on the date of issue and hence, is not required to be re-translated at each subsequent reporting date, and
- All the resulting foreign exchange differences are recognised in other comprehensive income and held in foreign currency translation reserve ('FCTR'), a component of Equity.

When the foreign operation is either partially or fully disposed of, the proportionate share or entire cumulative foreign exchange differences (pertaining to the said operation that are held in FCTR as at the date of disposal) respectively, are re-classified from Equity and considered in calculating the resulting profit / (loss) on sale of the operation. The said profit / (loss) on sale of the operation is recognized in the Statement of Profit and loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognized in other comprehensive income.

iv. Revenue recognition

The Company derives revenue primarily from activities in BFSI and ATM Services (ATM, Insurance Services and Banking & financial services), Assisted E-Commerce Service (Online shopping, Pharmacy, Bill payment and recharge, logistics) including bullion and Jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and data digitization, software and license.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" notified on March 28, 2018. This standard will supersede all current revenue recognition requirements. The Company has decided to use the modified retrospective approach for transition method, applied to contracts that were not completed as of April 1, 2018. Please refer Note 2(B)(iv) "Material Accounting Policies," in the Company's 2018 standalone financial statement for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

The following is a summary of new and/or revised Material accounting policies related to revenue recognition.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangements for software-related services are either on a fixed price, fixed-timeframe or on a time-and material basis.

Revenue from software usages and license where the customer obtains a "right to use" the revenue from software and license is recognized at the time the software and license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet

Revenue from sale of goods and services is shown as net of sales tax, value added tax, service tax, goods and services tax and applicable discounts and allowances.

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the

effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

v. Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, 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.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the company's accounting policy. Such properties are classified to the appropriate categories of property, plant and



Notes to Consolidated Financial Statements

for the year ended March 31, 2024

equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognizes such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the straight-line method ("SLM"). Management, based on a technical evaluation, believes that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Useful lives
Buildings	60 years
Computers and Printers, including Computer Peripherals	3 years
Office Equipments	5 years
Furniture & Fixtures	10 years
Motor Vehicles	8 years
Plant & Machinery	15 years
ATM Machine	10 years

Description of Asset	Useful lives
Leasehold Land and Building, including leasehold improvements (Also refer Note 4)	51 years
Project Assets (comprising of Computers and Printers, including Computer Peripherals, Furniture and Fixtures and Office Equipments)	3-4 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

vi. Intangible Asset

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

Intangible assets consist of rights under licensing agreement and software licenses which are amortised over license period which equates the useful life ranging between 2-5 years on a straight-line basis.

vii. Taxation

Income tax expense comprises current tax expense and the net change in the deferred

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

tax asset or liability during the year. Current and deferred taxes are recognized statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively.

Current taxes

The current income tax expense includes income taxes payable by the Company and its subsidiaries in India and overseas. The current income tax expense for overseas subsidiaries has been computed based on the tax laws applicable to the subsidiary in the respective jurisdiction in which it operates.

Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax relating to items recognised outside the profit and loss is recognised (either in other comprehensive income or in equity).

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

viii. Fair Value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the



Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

ix. Investment property

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. After initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful life has been determined based on technical evaluation performed by the management expert.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

x. Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and

intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit)

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

xi. Financial Instruments

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

Financial Assets

a) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

Debt Instruments at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order 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. Interest income from these financial assets is included in finance income using the effective interest rate method. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognized or impaired.

Debt instrument at Fair Value through Other Comprehensive Income (OCI)

A financial asset is subsequently measured at fair value through other comprehensive

income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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. Interest income from these financial assets is included in finance income using the effective interest rate method. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment gains or losses and foreign exchange gains and losses in the statement of profit and loss. On derecognition of the asset, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss.

Debt instrument at Fair Value through Profit or Loss (FVTPL)

A financial asset which does not meet the criteria for categorization as at amortized cost or as fair value through other comprehensive income is classified as fair value through profit or loss. Debt instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Dividends from such investments are recognized in profit or loss as other income. There is no recycling of the amounts from OCI to Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.



Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Equity instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

c) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the

maximum amount of consideration that the company could be required to repay.

d) Impairment of financial assets

The Company recognises impairment loss applying the expected credit loss (ECL) model on the financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual right to receive cash or other financial asset and financial guarantee not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses.

For trade receivables or any contractual right to receive cash or other financial assets that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company applies 'simplified approach' permitted by Ind AS 109 Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which considers historical credit loss experience and adjusted for forward-looking information.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered by the company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Such amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.



Notes to Consolidated Financial Statements

for the year ended March 31, 2024

c) Derecognition

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

Offsetting of financial instruments

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

xii. Inventories

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

xiii. Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts.

The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

xiv. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

xv. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xvi. Dividends

Provision is made for the amount of any dividend declared, being appropriately



Notes to Consolidated Financial Statements

for the year ended March 31, 2024

authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

xvii. Provisions

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

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

xviii. Contingent Liabilities

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

xix. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equities shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider

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

xx. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), and highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

xxi. Employee Benefits

Short-term obligations

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 employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted

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using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in Other comprehensive income.

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

Post-employment obligations

The Company operates the following post-employment schemes:

- I. Defined benefit plans such as gratuity
- II. Defined contribution plans such as provident fund.

Defined benefit plan - Gratuity Obligations

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity 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 actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows outflows by reference to market yields at the end of

the reporting period on government bonds that have a terms approximating to the terms of the obligation.

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

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.

Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

xxii. Share-based Payments

Shared based compensation benefits are provided to employees via Vakrangee Limited Employee Stock Option Plan.

Employee options

The cost of equity-settled transactions is determined by the fair value of the options granted at the date when the grant is made. The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by



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for the year ended March 31, 2024

reference to the fair value of the options granted:

- including any market performance conditions (e.g., the Company's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employee to save or holding shares for a specific period of time.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of options that are expected to be vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Note 3 (a) - Critical Accounting Judgements and Estimates

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made by the management of the Company that affect the reported amount of assets, liabilities, revenue, expenses, accompanying disclosures and the disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

The estimates and associate's assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from those estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

Application of accounting policies that require critical accounting estimates and the use of assumptions in the financial statements are as follows:

- **Share-based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requiring determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 45.

- **Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 44.

- **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 46 for further disclosures.

- **Depreciation and useful lives of Property, Plant and Equipment**

Property, Plant and Equipment are depreciated over the estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are

based on the Company's historical experience with similar assets and taken into account anticipated technological changes. The Depreciation for future periods is revised if there are significant changes from previous estimates.

- **Provision and Contingent Liabilities**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 4 - Property, Plant and Equipment

(₹ in lakhs)

(a) Description	Buildings	Plant and Machinery	Furnitures and Fixtures	Motor Vehicle	Office Equipments	Computers including Computer Peripherals	Leasehold Land & Building	Leasehold Improvement	Total	Capital Work-In-Progress	Grand Total
Cost or Valuation											
At March 31, 2022	915.82	12,414.99	571.91	192.63	403.19	1,928.97	3,185.24	1,073.05	20,685.80	197.45	20,883.25
Additions	-	617.11	-	-	21.77	32.22	-	-	671.09	810.05	1,481.14
Disposals/Transfers	276.76	-	29.00	-	-	-	-	-	305.76	660.29	966.06
At March 31, 2023	639.06	13,032.10	542.90	192.63	424.96	1,961.19	3,185.24	1,073.05	21,051.13	347.21	21,398.34
Additions	-	417.20	-	-	0.22	-	-	-	417.42	718.96	1,136.37
Disposals/Transfers	26.55	134.10	43.78	137.05	10.49	24.44	-	-	376.42	451.76	828.18
At March 31, 2024	612.51	13,315.20	499.12	55.58	414.68	1,936.75	3,185.24	1,073.05	21,092.12	614.41	21,706.54
Depreciation and Impairment											
At March 31, 2022	68.30	3,529.93	400.22	107.66	258.87	1,752.13	242.23	472.86	6,832.20	-	6,832.20
Depreciation charged for the year	7.47	1,183.93	24.26	15.11	58.31	87.12	59.34	116.02	1,551.56	-	1,551.56
Disposals/Transfers	33.86	-	7.85	-	-	-	-	-	41.71	-	41.71
At March 31, 2023	41.92	4,713.86	416.63	122.77	317.18	1,839.25	301.57	588.88	8,342.06	-	8,342.06
Depreciation for the year charged to P&L	10.56	1,273.85	23.55	9.34	24.67	67.03	59.50	100.64	1,569.14	-	1,569.14
Disposals/Transfers	6.85	64.89	29.90	81.36	9.59	20.37	-	-	212.95	-	212.95
At March 31, 2024	45.63	5,922.82	410.28	50.75	332.26	1,885.92	361.07	689.53	9,698.25	-	9,698.25
Net Book Value											
At March 31, 2024	566.88	7,392.38	88.84	4.82	82.43	50.83	2,824.17	383.52	11,393.88	614.41	12,008.29
At March 31, 2023	597.14	8,318.24	126.28	69.86	107.78	121.93	2,883.67	484.17	12,709.02	347.21	13,056.23
At March 31, 2022	847.52	8,885.06	171.69	84.97	144.32	176.84	2,943.01	600.19	13,853.59	197.45	14,051.05

(b) Immovable Property situated at Vakrangee Corporate House, Plot No. 93, Road No 16, MIDC, Marol, Near Hotel Suncity Residency, Andheri East, Mumbai-400093 with total built up area of entire building is 21050 Sq ft has been mortgaged as collateral security against borrowings from Union Bank of India.

(c) Title deeds of all the Immovable Property are held in name of the Holding Company.

(d) The Group has not revalued its Property, Plant and Equipment during the year.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

(e) CWIP ageing schedule (₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	365.61	248.80	-	-	614.41
Project temporarily suspended	-	-	-	-	-

(f) Finance Lease arrangement (Leasehold Land and Building)

The net carrying amount of Property, Plant and Equipment under finance lease arrangements are as follows: (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Leasehold Land & Building	2,824.17	2,883.67

During the the year ended on March 31, 2018, the company has entered into a long term finance lease arrangement for a land and building situated at Plot No.93, Road No.16, MIDC, Marol, Andheri (East) Mumbai 400093 for the remaining period of 51 years out of the total lease term of 95 years in consideration of a lump sum premium amounting to ₹3,000.00 lakhs.

In consideration to the provisions of Ind AS 116 - Leases, the leasehold land and building have been assessed for classification as finance lease based on the evaluation of the facts and circumstances of the lease arrangement. The lease arrangement does not contain any clause for renewal or escalation.

Consideration paid shall be equally amortized over the period of leases and the company is not subject to any other future minimum lease rental commitments.

Note 5 - Intangible Assets

(a) Intangible Assets under development (₹ in lakhs)

Description	Amount
Gross Block	
At March 31, 2022	434.79
Additions	-
Disposal	-
At March 31, 2023	434.79
Additions	-
Disposal	-
At March 31, 2024	434.79
Depreciation and Impairment	
At March 31, 2022	-
Depreciation Charged for the year	-
Impairment during the year	-
Disposal	-
At March 31, 2023	-
Depreciation Charged for the year	-
Impairment during the year	-
Disposal	-
At March 31, 2024	-
Net Book Value	
At March 31, 2024	434.79
At March 31, 2023	434.79
At March 31, 2022	434.79

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

(b) Intangible Assets under Development ageing schedule (₹ in lakhs)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	-	-	434.79	-	434.79
Project temporarily suspended	-	-	-	-	-

Note 6 - Investments

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Investment carried at Cost		
- Investment in Equity Instruments :		
66,050 Equity Shares of Vortex Engineering Private Limited of ₹10/- each fully paid up	333.04	-
(March 31, 2023 : Nil Equity shares)		
(A)	333.04	-
Investment carried at Fair value through Profit and Loss (FVTPL)		
- In Equity Shares		
2,500 Equity Shares of CSC e-Governance Services India Limited of ₹1,000/- each fully paid up	354.17	299.01
(March 31, 2023 : 2,500 Equity shares)		
(B)	354.17	299.01
TOTAL (A + B)	687.21	299.01
Aggregate amount of unquoted investments	687.21	299.01

Investment at fair value through profit and loss reflect investment in unquoted equity securities.

The Holding Company is in the process of acquiring a larger stake in the equity share capital of Vortex Engineering Private Limited. Hence, the investment has been classified as a strategic investment valued at cost.

The fair value of the unquoted equity shares have been estimated using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable.

Note 7 - Trade Receivables

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Trade Receivable considered good (Secured)	-	-
Trade Receivable considered good (Unsecured)	-	-
Trade Receivable which have significant increase in Credit Risk	-	-
Trade Receivable - credit impaired	100.76	23.20
	100.76	23.20
Less: Allowance for credit losses	11.18	23.20
TOTAL	89.58	-
(b) Detailed note on disclosure as required by Schdeule III for ageing		
Refer Note 48 for ageing of Trade Receivables		

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 8 - Other Financial Assets

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits with bank		
- with maturity period of more than 12 months*	245.17	195.89
Other Deposits		
Security Deposit	16.71	16.71
Earnest Money Deposit	36.00	26.00
	52.71	42.71
TOTAL	297.88	238.60
*Amount held as margin money or security against borrowings, guarantee, other commitments	121.86	195.89

Note 9 - Other Non-Current Assets

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Advances	-	-
Prepaid Expenses	35.48	333.00
Balances with statutory / revenue authorities		
- Income Tax (net of provision for taxation)	750.99	533.99
- Sales Tax	1.68	1.71
	752.67	535.70
TOTAL	788.15	868.70

Note 10 - Inventories

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) (i) Stock-in-Trade	70.60	204.89
(ii) Consumables	-	6.94
(iii) Stores & Spares	-	9.00
TOTAL	70.60	220.84

(b) Basis of valuation of Inventories

Inventories are valued at lower of cost or net realizable value on FIFO basis which is in accordance with Ind AS-2.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 11 - Trade Receivables

(Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Trade Receivable considered good (Secured)	-	-
Trade Receivable considered good (Unsecured)	4,388.72	3,915.17
Trade Receivable which have significant increase in Credit Risk	-	92.32
Trade Receivable - credit impaired	-	-
	4,388.72	4,007.49
Less: Allowance for credit Losses	-	-
TOTAL	4,388.72	4,007.49

(b) Debts due from related parties

(c) Detailed note on disclosure as required by Schdeule III for ageing

Refer Note 48 for ageing of Trade Receivables

Note 12- Cash & Cash equivalents

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) (A) Cash and Cash Equivalents		
(i) Balances with Banks :		
- Current Accounts	4,026.40	2,398.83
- Deposit Accounts	-	-
(ii) Cash-in-hand	83.65	189.43
	4,110.05	2,588.26
(B) Bank Balances other than above		
(i) Earmarked balances in unclaimed dividend account	61.76	78.94
(ii) Fixed Deposits with maturity period of more than 3 months but less than 12 months**	696.23	908.31
TOTAL	757.99	987.25
**Amount held as margin money or security against borrowings, guarantee, other commitments	810.07	901.26

(b) For the purpose of cash flow statement

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Cash and Cash Equivalents		
(i) Balances with Banks :		
- Current Accounts	4,026.40	2,398.83
- Deposit Accounts	-	-
(ii) Cash-in-hand	83.65	189.43
	4,110.05	2,588.26
Less : - Cash Credit	-	-
TOTAL	4,110.05	2,588.26

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 13 - Loans

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Loans Receivable considered good (Secured)	-	-
(ii) Loans Receivable considered good (Unsecured)	-	-
(a) Loan to Others	-	-
Staff Advances	3.07	1.81
Inter Corporate Deposits	-	-
	3.07	1.81
(iii) Loans Receivable which have significant increase in Credit Risk	-	-
(iv) Loans Receivable - credit impaired	-	-
	3.07	1.81

Note 14 - Other Financial Assets

(Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Others		
Advance for Outlets	0.64	3.56
Advance to BCAs	5.04	3.80
Insurance claim Receivable	-	2.38
Security Deposit	23.46	19.56
Accrued Interest on FD	4.35	4.22
Receivable from resulting company	1,516.27	2,463.37
UBI Settlement Receivable	-	8.50
CC Settlement Receivable	-	-
ATM Settlement Receivable	322.54	356.00
COD Receivables	-	20.09
Less : - Allowance for credit losses	-	(20.09)
	-	-
TOTAL	1,872.30	2,861.40

Note 15 - Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Income Tax (net of provision for taxation)	446.50	218.95
TOTAL	446.50	218.95

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 16 - Other Current Assets

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advances to Vendors	2,419.70	2,469.71
Prepaid Expenses	(0.00)	99.18
Other Receivable		
- Accrued Revenue	749.16	839.04
Balances with statutory / revenue authorities		
- Goods & Service Tax	875.59	615.20
TOTAL	4,044.45	4,023.13

Note 17 - Equity Share Capital

Equity share capital

(i) Authorised share capital

(₹ in lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2023	12,500.00	12,500.00
Increase during the year	-	-
As at March 31, 2024	12,500.00	12,500.00

(ii) Paid up Equity share capital

(₹ in lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2022	10,595.00	10,595.00
Exercise of options	0.13	0.13
As at March 31, 2023	10,595.13	10,595.13
Exercise of options	-	-
As at March 31, 2024	10,595.13	10,595.13

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares (in lakhs)	% Holding	Number of shares (in lakhs)	% Holding
Vakrangee Holdings Private Limited	2,509.50	23.69%	2,509.50	23.69%
NJD Capital Private Limited	1,311.00	12.37%	1,311.00	12.37%
Life Insurance Corporation of India	658.65	6.22%	658.65	6.22%
Dinesh Nandwana	691.07	6.52%	691.07	6.52%

(iv) Disclosure of shareholders holding of Promoters

Shares held by promoters as at March 31, 2024

Name of Promoter	Number of shares (in lakhs)	% of Total shares	% Change during the year
Vakrangee Holdings Private Limited	2,509.50	23.69%	0.00%
NJD Capital Private Limited	1,311.00	12.37%	0.00%
Dinesh Nandwana	691.07	6.52%	0.00%
Dinesh Nandwana HUF	1.96	0.02%	0.00%

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Shares held by promoters as at March 31, 2023

Name of Promoter	Number of shares (in lakhs)	% of Total shares	% Change during the year
Vakrangee Holdings Private Limited	2,509.50	23.69%	0.00%
NJD Capital Private Limited	1,311.00	12.37%	0.00%
Dinesh Nandwana	691.07	6.52%	0.00%
Dinesh Nandwana HUF	1.96	0.02%	0.00%

(v) Detailed note on the terms of the rights, preferences and restrictions relating to each class of shares including restrictions on the distribution of dividends and repayment of capital.

The Company has only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2024, the amount of per share dividend recognised as distributions to Equity Shareholders is ₹ 0.05/- per share of ₹ 1/- each for the year ended March 31, 2023.

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.

(vi) Aggregate details for five immediately previous reporting periods for each class of shares

Particulars	(No. of shares in lakhs)	
	As at March 31, 2024	As at March 31, 2023
- No. of shares allotted as fully paid up pursuant to contracts without payment being received in cash	-	-
- No. of shares allotted as fully paid by way of Bonus Shares	-	-
- No. of shares bought back	-	-
- No. of shares issued on exercise of options granted under the ESOP scheme.	7.10	7.10

(vii) Capital Management

The Company's objectives when managing capital are to :

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet, including non-controlling interests).

The Company's strategy is to maintain a gearing ration within 1:1. The gearing ratios were as follows : (₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Net debt	445.33	4,534.16
Total equity	16,211.13	12,385.10
Net debt to equity ratio	0.03	0.37

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 18 - Other Equity

(i) Reserves and surplus

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Securities Premium	42,808.84	42,808.84
Share Options Outstanding Account	271.91	402.17
Deferred Employee Compensation Expense	(243.30)	(137.87)
General Reserve	812.72	812.72
Amalgamation Reserve / Capital Reserve	(49,762.68)	(49,762.68)
Retained Earnings	10,082.73	10,177.23
Share application money pending allotment	4,175.00	-
Total (A)	8,145.22	4,300.40

(a) Securities Premium

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	42,808.84	42,804.29
Add:- On share issued during the year	-	1.82
Add:- Transfer from shares options outstanding account	-	2.73
Closing balance	42,808.84	42,808.84

(b) Share Options Outstanding Account

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	402.17	399.80
Add:- On further grant of options	237.27	44.34
Less:- Reversal due to Lapsation of option	(367.53)	(39.24)
Less: Transfer to Securities premium account	-	(2.73)
Closing balance	271.91	402.17

(c) Deferred Employee Compensation Expense

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	(137.87)	(190.01)
Add:- On further grant of options	(237.27)	(44.34)
Less:- Reversal due to Lapsation of option	92.32	22.82
Less:- Amortised during the year	39.53	73.67
Closing balance	(243.30)	(137.87)

(d) Amalgamation Reserve / Capital Reserve

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	(49,762.68)	(49,762.68)
Less : On demerger (Refer Note 50)	-	-
Closing balance	(49,762.68)	(49,762.68)

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

(e) General Reserve		(₹ in lakhs)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Opening balance	812.72	812.72	
Add:- Transfer from Profit & Loss account	-	-	
Closing balance	812.72	812.72	
(f) Retained Earnings		(₹ in lakhs)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Opening balance	10,177.23	10,606.49	
Add:- Profit for the year	435.26	100.49	
Less:- Transfer to General Reserve	-	-	
Less:- Dividend declared	(529.76)	(529.75)	
Less:- Dividend distribution tax	-	-	
Closing balance	10,082.73	10,177.23	
(g) Share application money pending allotment		(₹ in lakhs)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Opening balance	-	-	
Add: Consideration Received for Allotment of Preferential Issue of Share Warrants	4,175.00	-	
Closing balance	4,175.00	-	
(ii) Other Comprehensive Income			
(a)		(₹ in lakhs)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Opening balance	(3,148.81)	(3,097.37)	
Remeasurement of net defined benefit obligations (net of taxes)	(11.46)	(51.44)	
Closing balance (i)	(3,160.27)	(3,148.81)	
(b) Foreign Currency Translation Reserve		(₹ in lakhs)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Opening balance	638.38	623.55	
Translation reserve for the year	(7.33)	14.83	
Closing balance (ii)	631.05	638.38	
Total (B)	(2,529.23)	(2,510.43)	
Total (A+B)	5,616.00	1,789.97	

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Nature of Reserves

(a) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

(b) Share Options Outstanding Account

It is a reserve which represents the difference between the market value and issue price of the shares issued to the employees under Employees Stock Option Scheme.

(c) Deferred Employee Compensation Expense

The deferred employee compensation expenses means the total cost incurred by the company towards the stock options granted by the Company to the eligible employees. Deferred Employee Compensation will appear in the Balance Sheet as a negative item as part of Net Worth or Shareholders' Equity.

(d) General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, Items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

(e) Amalgamation Reserve / Capital Reserve

This reserve is outcome of business combinations carried out during the current year (Refer Note 50).

(f) Share application money pending allotment

Share Application Money Pending Allotment means the amount received on the application on which allotment is not yet made (pending allotment). It has been classified under Other Equity unless actual allotment of equity shares takes place.

(g) Retained Earnings

Retained earnings are the profits that Company has earned to date, less any dividends or other distributions paid to investors.

(h) Foreign Currency Translation Reserve

Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity.

For movement in other equity during the year, refer Consolidated Statement of Changes in Equity.

Note 19 - Borrowings

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured Loans		
- From Bank	1,205.77	1,280.00
Less: Current Maturities of Long Term Debt	(445.33)	(37.11)
TOTAL	760.44	1,242.89

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 20 - Trade Payables

(Non - Current)

(₹ in lakhs)

Type of Borrower	As at March 31, 2024		As at March 31, 2023	
	Principal	Interest	Principal	Interest
- Dues of micro enterprises and small enterprises				
Amount due to vendor	-	-	-	-
Principal amount paid (including unpaid) beyond the appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
	-	-	-	-
Total Dues of micro enterprises and small enterprises		-		-
- Dues of Creditors other than micro enterprises and small enterprises		1.77		2.77
Total		1.77		2.77

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.

Detailed note on disclosure as required by Schedule III for ageing

Refer Note 49 for ageing of Trade Payable

Note 21 - Other Financial Liabilities

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposit	78.17	77.87
Business Deposit from Franchisee / Master Franchisee	1,095.57	1,342.83
TOTAL	1,173.75	1,420.71

Note 22 - Deferred Tax Liabilities (net)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Assets		
(i) On account of difference in depreciation on Property, Plant and Equipment	-	-
(ii) Provision for Employees' obligations	128.98	128.78
(iii) Temporary differences on Tax Provisions	-	-
(iv) On account of Expected Credit Loss	2.82	5.43
(v) Unused tax credits	-	-
(A)	131.80	134.20
Liabilities		
(i) On account of difference in depreciation on Property, Plant and Equipment	412.86	380.49
(B)	412.86	380.49
Balance carried to Balance Sheet (B-A)	281.06	246.28

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

(a) Movement in deferred tax account during the year is as follows:

(₹ in lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balance
For the year ended March 31, 2024 :				
Deferred tax liabilities/(assets) in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	380.49	32.37	-	412.86
Expenses provided but allowable in Income Tax on payment	(128.78)	3.65	(3.85)	(128.98)
Allowance for expected credit losses	(5.43)	2.61	-	(2.82)
	246.28	38.63	(3.85)	281.06
Others	-	-	-	-
	-	-	-	-
TOTAL	246.28	38.63	(3.85)	281.06
For the year ended March 31, 2023 :				
Deferred tax liabilities/(assets) in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	338.39	42.10	-	380.49
Expenses provided but allowable in Income Tax on payment	(80.89)	(30.58)	(17.30)	(128.78)
Allowance for expected credit losses	(102.68)	97.25	-	(5.43)
	154.83	108.76	(17.30)	246.28
Others	-	-	-	-
	-	-	-	-
TOTAL	154.83	108.76	(17.30)	246.28

The analysis of Deferred Tax Liabilities is as follows:

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liabilities to be recovered after more than 12 months	281.06	246.28
Deferred Tax Liabilities to be recovered within 12 months	-	-
	281.06	246.28

(b) Explanation of changes in the applicable tax rate(s) compared to the previous accounting period

Particulars	As at March 31, 2024	As at March 31, 2023
Applicable Tax rate considered for deferred tax asset or liability	25.168%	25.168%

The applicable tax rates have been changed on the basis of using the tax rates that have been enacted as at the end of the each reporting period.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 23 - Employee Benefit Obligations

(Non - Current)

(₹ in lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Provision for Employees' benefits	380.28	335.70
TOTAL	380.28	335.70

Note 24 - Borrowings

(Current)

(₹ in lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Secured Loans		
Loans repayable on demand		
- From Banks	-	4,497.05
- From Holding Co. (Unsecured)	-	-
Unsecured Loans		
- Intercompany Deposit	-	-
Current Maturities of Long Term Debts	445.33	37.11
TOTAL	445.33	4,534.16

Note 25 - Trade Payables

(Current)

(₹ in lakhs)

Type of Borrower	As at March 31, 2024		As at March 31, 2023	
	Principal	Interest	Principal	Interest
Trade Payables				
- Dues of micro enterprises and small enterprises				
Amount due to vendor	0.06	-	243.68	-
Principal amount paid (including unpaid) beyond the appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
	0.06	-	243.68	-
Total Dues of micro enterprises and small enterprises		0.06		243.68
- Dues of Creditors other than micro enterprises and small enterprises		1,936.57		1,580.62
Total		1,936.63		1,824.29

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.

Detailed note on disclosure as required by Schdeule III for ageing

Refer Note 49 for ageing of Trade Payable

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 26 - Other Financial Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Payable to Franchisee under WLA	5,544.77	4,142.97
Franchisee amount refundable	552.06	612.95
Payables against cash collection	-	311.06
Payable for acquisition of Property, Plant & Equipments	-	55.86
Payable towards CSR Expenses	12.96	-
Unpaid Dividend	61.76	78.94
TOTAL	6,171.55	5,201.78

Note 27 - Other Current Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues	484.79	300.05
Advance from customers	4.43	18.12
Kendra money received pending allotment	45.53	74.82
Franchisee Wallet Balance	89.31	115.51
Staff Emoluments Payable	268.82	319.25
Other Payable		
- Amount received in advance	386.71	-
TOTAL	1,279.58	827.75

Note 28 - Provisions

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Expenses for Goods & services	1,223.30	1,677.77
TOTAL	1,223.30	1,677.77

Note 29 - Employee Benefit Obligations (Current)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employees' benefits	116.89	107.22
TOTAL	116.89	107.22

Note 30 - Current Tax Liabilities (Net)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Income Tax (net of provision for taxation)	17.87	-
TOTAL	17.87	-

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 31 - Revenue from Operations

(₹ in lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
(a) Revenue from Vakrangee Kendra		20,717.78		19,729.78
(b) Revenue from Sale of Services				
	533.49	533.49		-
(c) Other Operating Revenues				
- Scrap Sales	6.94	6.94		0.45
TOTAL		21,258.21		19,730.23

Note:- The amount of revenues are exclusive of indirect taxes i.e. Goods and Service Tax

Note 32 - Other Income

(₹ in lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
(i) Interest Income				
(a) Interest Income on the financial assets at amortized cost				
- Bank Deposits	142.40		50.44	
(b) Other Interest Income	0.04	142.44	-	50.44
(ii) Dividend income		1.50		1.50
(iii) Other non-operating income				
- Rent Received	-		-	
- Gain on Sale of Asset	-		-	
- Gain on Foreign Exchange Fluctuation	10.54		29.86	
- Fair value gain on financial instrument at fair value through Profit and loss	55.16		58.44	
- Miscellaneous Income	24.25		0.01	
		89.95		88.31
TOTAL		233.89		140.25

Note 33 - Operating Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
Project Delivery Cost				
- Opening Stock	15.94		16.36	
- Add : Purchase of goods and services	1,063.55		220.71	
- Less: Transferred into Stock-in-Trade	(15.94)			
- Less : Closing Stock	-		15.94	
		1,063.55		221.13
Project Expenses		1.54		1,084.55
Commission Expenses		14,174.86		12,901.57
Communication Costs		-		0.43
Conveyance & Travelling Expenses		-		-
Penalty*		-		184.60
Transportation, Octroi and Loading / Unloading Charges		-		86.25
Rent, Rates and Taxes		-		67.60
TOTAL		15,239.94		14,546.13

*RBI has imposed a penalty for non deployment of minimum number of ATMs required to be deployed, which is contrivention of the nature referred to in Section 26 (6) of the Payment and Settlement Systems Act, 2007

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 34 - Changes in Inventories

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) At the beginning of the period		
(i) Work-in-Progress	-	-
(ii) Stock-in-Trade	204.90	394.10
Add: Trading stock transferred from Project stock	15.94	-
	220.84	394.10
Less : at the end of the period		
(i) Work-in-Progress	-	-
(ii) Stock-in-Trade	70.60	204.89
	70.60	204.89
TOTAL	150.23	189.20

Note 35 - Employee Benefits Expenses

(₹ in lakhs)

(a) Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Salaries & Wages	1,759.05	1,003.15
(ii) Directors' Remuneration	373.55	377.87
(iii) Contribution to Provident & Other Funds	22.41	26.80
(iv) Share-based Payment Expenses	(235.68)	57.24
(v) Directors' Sitting Fees	-	19.00
(vi) Staff Welfare Expenses	19.47	47.38
	1,938.80	1,531.44
TOTAL	1,938.80	1,531.44

(b) Detailed note on disclosure as required by Ind AS-19

For details, refer Note No. 44.

Note 36 - Finance Costs

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expense		
- On Bank Loans	771.17	151.53
TOTAL	771.17	151.53

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 37 - Other Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
Repairs & Maintenance :				
- Building	12.50		13.95	
- Vehicle	-		2.18	
- Others	574.95	587.45	160.20	176.33
Advertisement and Publicity		7.42		147.75
Business Promotion		10.30		17.48
Rent Expenses		48.43		
Rates & Taxes		12.64		103.23
Insurance		39.15		22.99
Electricity Charges		39.80		50.66
Printing and Stationery		-		26.94
Communication Costs		30.73		70.49
Fees & Subscriptions		13.00		17.93
Listing, Registrar & Share Issue/Transfer Charges		19.10		44.33
Loss on Foreign Exchange Fluctuation		0.10		0.08
Loss on Sale of Asset		-		26.06
Legal & Professional Fees - Other than payments to Auditor:				
- Legal & Professional	202.52		369.06	
- Filing, Stamp Duty and Franking Charges	10.33		14.81	
- Registration charges	-	212.84	-	383.88
Payments to Auditors :				
- Audit fees (including limited review)	14.20		68.20	
- Tax Audit fees	1.00		10.00	
- For Other Services	-		-	
- For Reimbursement of Expenses	-	15.20	1.34	79.54
Conveyance & Travelling		35.88		90.41
Vehicle Expenses		3.20		12.44
Corporate Social Responsibility Expenditure (Refer Note 41)		60.27		208.62
Penalty		18.80		
Directors' Sitting Fees		15.35		
Office & General Expenses		86.47		186.54
Allowance for credit losses		-		
Opening Allowances	(21.57)		(610.78)	
Less : Written off during the year	-		497.99	
Add : Allowances of Credit Lossess	(10.38)			
Less : Closing Allowances	(11.18)	(10.38)	(21.57)	(91.22)
Miscellaneous Expenses		45.30		7.65
TOTAL		1,291.05		1,582.12

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 38 - Exceptional Item

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- Net gain on disposal of Property plant and equipment	54.44	-
TOTAL	54.44	-

Exceptional item consists of net gain on sale of various items of property, plant and equipment.

Note 39 - Earnings Per Equity Share

(₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Net profit after tax attributable to equity shareholders for		
Basic EPS	435.26	100.48
Add/Less: Adjustment relating to potential equity shares	-	-
Net profit after tax attributable to equity shareholders for Diluted EPS	435.26	100.48
(b) Weighted average no. of equity shares (in lakhs) outstanding during the year		
For Basic EPS	10,595.13	10,595.13
For Diluted EPS	10,596.21	10,596.72
(c) Face Value per Equity Share (₹)	1	1
Basic EPS (₹)	0.04	0.01
Diluted EPS (₹)	0.04	0.01
(d) Reconciliation between no. of shares (in lakhs) used for calculating basic and diluted EPS		
No. of shares used for calculating Basic EPS	10,595.13	10,595.13
Add: Potential equity shares	1.08	1.59
No. of shares used for calculating Diluted EPS	10,596.22	10,596.72

Note 40 - Contingent Liabilities and Commitments (to the extent not provided for)

(₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Contingent Liabilities		
(i) Claims against the company not acknowledged as debts	-	-
(ii) Company has provided Counter Guarantee in relation to Bank Guarantee to various parties which is not acknowledged in books of accounts	196.32	253.57
(iii) Company has provided Counter Guarantee in relation to Bank Guarantee to various parties on behalf of subsidiary company which is not acknowledged in books of accounts	-	125.00
(iv) Demand raised by VAT/GST (Refer Note 1 below)	34,074.79	34,074.79
(A)	34,271.11	34,453.36
(B) Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	-	-
(B)	-	-
TOTAL (A + B)	34,271.11	34,453.36

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note :

- The Holding Company has received demand orders from Rajasthan VAT/SGST department for the period from 01.04.2017 to 31.03.2019 for the above amounts (interest and penalty thereon to be computed additionally) citing incorrect Schedule/HSN code of e-governance activities. However, the company has been complying with the relevant compliance procedure according to the said schedule/HSN code over the years. The same e-governance activities and its schedule/HSN code has also been assessed and accepted by other GST and Sales Tax departments including Rajasthan CGST audit and Maharashtra SGST investigation department. Therefore, the Holding Company has filed a written petition in Rajasthan High Court against the said impugned order. The Holding Company is confident that the said order will be quashed, and the decision will be in favor of the Company.
- For Capital Commitment, the amount of liabilities, which may occur on levying of penalty and/or charges by clients for delays in execution of contracts within the time prescribed in the agreement, is unascertained.

Note 41 - Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, 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 areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act.

Particulars	(₹ in lakhs)	
	As at March 31, 2024	As at March 31, 2023
a) Gross Amount required to be spent by the company during the year	60.27	208.62
b) Amount of expenditure incurred on:		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	46.55	152.21
c) Shortfall at the end of the year	13.72	56.41
d) Total of previous years' short fall	56.41	-
e) Reason for short fall	Pertains to ongoing projects	Pertains to ongoing projects
f) The nature of CSR activities undertaken by the Company	Eradication of hunger and malnutrition, promoting education, healthcare	Eradication of hunger and malnutrition, promoting education, healthcare

Note: As at March 31, 2024, the Holding Company has ₹56.73 lakhs in unspent CSR account.

Note 42 - Segment Reporting

The Group's activities predominantly comprise providing various services through Vakrangee Kendra. Considering the nature of the group's business and operations, there is only one reportable operating segment (business and / or geographical) i.e. Vakrangee Kendra in accordance with the requirements of the Indian Accounting Standard 108 – "Operating Segments".

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 43 - Related Party Details

(a) Key Management Personnel & Directors

Mr. Ramesh Mulchand Joshi	Managing Director & Group CEO
Mr. Dinesh Nandwana	Managing Director & Group CEO
Dr. Nishikant Hayatnagarkar	Whole-Time Director
Mr. Sunil Agarwal	Director
Mr. Babu Lal Meena	Director
Mrs. Sujata Chattopadhyay	Director
Mr. Avinash Chandra Vyas	Director
Mr. Hari Chand Mittal	Director
Mr. Ranbir Datt	Nominee Director
Mr. Ajay Jangid	Chief Financial Officer
Mr. Sachin Khandekar	Company Secretary and Compliance Officer

(b) Relative of key management personnel and Name of the enterprises having same key management personnel and/ or their relatives as the reporting enterprises with whom the Company has entered into transactions during the year

- Ms. Divya Nandwana	Director - Subsidiary and Daughter of Managing Director & Group CEO
- Mr. Vedant Nandwana	Director - Subsidiary and Son of Managing Director & Group CEO
- Mr. Amit Sabarwal	Director - Subsidiary

Related Party Transactions

- In relation to (a)

(₹ in lakhs)

Nature of Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Remuneration to Key Managerial Personnel		
- Dinesh Nandwana	378.10	78.16
- Dr. Nishikant Hayatnagarkar	63.37	16.39
- Ajay Jangid	36.33	36.33
- Sachin Khandekar	11.49	11.49
Post-employment benefits to Key Managerial Personnel		
- Dinesh Nandwana	124.66	111.36
- Dr. Nishikant Hayatnagarkar	23.97	23.18
- Ajay Jangid	4.28	3.76
- Sachin Khandekar	1.04	0.99
Directors Sitting Fees		
- Ramesh Mulchand Joshi	2.20	2.75
- Sunil Agarwal	2.25	2.75
- Babulal Meena	2.20	2.75
- Sujata Chattopadhyay	2.00	2.50
- Avinash Chandra Vyas	2.45	3.00
- Ranbir Datt	2.00	2.50
- Hari Chand Mittal	2.25	2.75

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

- In relation to (a)		(₹ in lakhs)	
Nature of Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023	
Balance outstanding as on March 31 :			
(Expenses and Salaries Payable)			
- Dinesh Nandwana	18.06	5.82	
- Dr. Nishikant Hayatnagarkar	3.48	0.97	
- Ajay Jangid	1.35	0.97	
- Sachin Khandekar	0.77	0.88	
- In relation to (b)		(₹ in lakhs)	
Nature of Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023	
Reimbursement of Expenses Paid			
- Vedant Nandwana	-	0.01	
Employee Benefit Expenses			
- Divya Nandwana	42.93	42.93	
- Vedant Nandwana	21.45	21.45	
- Amit Sabarwal	214.87	267.97	
Balance outstanding as on March 31 :			
(Expenses and Salaries Payable)			
- Divya Nandwana	2.71	2.36	
- Vedant Nandwana	1.48	1.24	
- Amit Sabarwal	12.18	14.18	
- VL E-Governance & IT Solutions Limited (Receivable) (formerly known as Vakrangee Logistics Private Limited)	3,461.44	4,705.49	

Note 44 - Employee Benefit Obligations

(i) Leave obligations

The leave obligations cover the Company's liability for earned leave.

The amount of provision of ₹260.39 lakhs (March 31, 2023 - ₹240.82 lakhs) is presented as current and non-current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employee to take the full amount of accrued leave or require payment within the next 12 months. The Company has accounted for provision of leave encashment as per Ind-AS 19 based on actuarial valuation undertaken by a registered valuer.

(ii) Gratuity (post-employment benefits)

The Company provides for gratuity to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised/approved funds in India. The Company has funded group gratuity plan against this liability with LIC of India. The Company has accounted for provision of gratuity as per Ind-AS 19 based on actuarial valuation undertaken by a registered valuer.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

(iii) Defined contribution plans

The Company also has certain defined benefit obligations. Contributions are made to provident fund in India for employees at the specified rate of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹45.85 lakhs (March 31, 2023 - ₹51.09 lakhs).

Gratuity

The following table sets out the amount recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

Particulars	Present value of obligation	Fair value of Plan assets	Net amount
			(₹ in lakhs)
01-Apr-22	295.06	(140.05)	155.01
Current Service cost	41.38	-	41.38
Past Service Cost	-	-	-
Interest expense/(income)	19.97	(10.26)	9.71
Total amount recognised in profit and loss	61.35	(10.26)	51.09
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	(0.14)	(0.14)
(Gain)/loss from change in financial assumptions	1.19	4.07	5.26
Experience (gains)/losses	(6.52)	-	(6.52)
Total amount recognised in other comprehensive income	(5.33)	3.93	(1.40)
Employer contributions	-	(2.60)	(2.60)
Benefit payments	(36.25)	36.25	-
31-Mar-23	314.83	(112.73)	202.10
			(₹ in lakhs)
01-Apr-23	314.83	(112.73)	202.10
Current Service cost	31.75	-	31.75
Past Service Cost	-	-	-
Interest expense/(income)	20.77	(6.68)	14.09
Total amount recognised in profit and loss	52.52	(6.68)	45.85
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
Due to change in demographic assumption	(20.06)	-	(20.06)
(Gain)/loss from change in financial assumptions	41.97	3.98	45.95
Experience (gains)/losses	(24.90)	-	(24.90)
Total amount recognised in other comprehensive income	(2.99)	3.98	21.05
Employer contributions	-	(12.17)	(12.17)
Benefit payments	(51.91)	51.91	-
31-Mar-24	312.45	(75.69)	256.83

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

The net liability disclosed above relates to funded plans are as follows:

(₹ in lakhs)

Particulars	March 31, 2024	March 31, 2023
Present value of funded obligations	312.45	314.83
Fair value of plan assets	(75.69)	(112.73)
Deficit/(Surplus) of gratuity plan	236.77	202.10

Significant estimates- actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

(₹ in lakhs)

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.20%	7.19%
Salary growth rate (per annum)	7.00%	5.00%
Mortality Table	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption		Impact on defined benefit obligation		
				Increase in assumption	
	31-Mar-24	31-Mar-23		31-Mar-24	31-Mar-23
Discount rate	1%	1%	Decrease by	11.14%	8.21%
Salary growth rate	1%	1%	Increase by	6.90%	6.84%
Withdrawal Rate	10%	NA	Increase by	0.55%	N.A.

Particulars	Change in assumption		Impact on defined benefit obligation		
				Increase in assumption	
	31-Mar-24	31-Mar-23		31-Mar-24	31-Mar-23
Discount rate	1%	1%	Increase by	9.41%	7.08%
Salary growth rate	1%	1%	Decrease by	7.03%	6.28%
Withdrawal Rate	10%	NA	Decrease by	0.56%	N.A.

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

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

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

*The major categories of plans assets are as follows :

Particulars	In Percentage %	
	31-Mar-24	31-Mar-23
Equity instruments	10.19	9.95
Debt instruments	89.46	89.04
Government bonds	80.72	80.03
Corporate bonds/debentures	8.74	9.01
Asset backed securities	-	-
Cash and cash equivalents	0.35	1.01
Total	100.00	100.00

*The Company contributes all the ascertained liabilities towards gratuity to Life Insurance Corporation of India (LIC) which is the insurer-managed fund. Since the investments in the plan assets is managed by LIC the detailed breakup of the investments is not made available to the Company.

Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed

Investment risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Most of the plan asset investment is in fixed income securities with high grades and in government securities which are subject to interest rate risk. A portion of the funds are invested in equity securities. The Company intends to maintain the above investment mix in the continuing years.
Interest risk	A decrease in the market yields in the government bond will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Note 45 - Share based payments

The company has formulated Employee Stock Option Scheme, 2008 (ESOP Scheme) which was approved by the members/ shareholders of the Company at their annual general meeting held on September 23, 2008, as modified on January 10, 2011 and June 1, 2012 annual general meeting. Further the company has formulated the new "ESOP Scheme 2014" approved by the members of the company through postal ballot on May 23, 2014. The Employee Option Plan is designed to provide incentives to all the existing employees serving with the Company. Under the plan, employees are granted options which vest proportionately from 2 – 6 years from the grant date which includes lock in period.

Once vested, the options remain exercisable for a period of 4 /5 years.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. The exercise price of the options is a price which is determined on the basis of market price of the scrip of the company (on the highest traded Stock Exchange) as decided by the Nomination and Remuneration and Compensation Committee. During the year the committee has decided to grant options at closing price on previous day of grant of options.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Set out below is a summary of options granted under the plan:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	40.52	15,93,025	42.20	15,35,200
Granted during the year	22.88	11,06,200	30.46	2,71,800
Exercised during the year	-	-	14.48	13,500
Lapsed / cancelled during the year	25.89	14,19,750	19.57	2,00,475
Closing Balance	21.66	12,79,475	40.52	15,93,025
Vested and exercisable	23.06	37,250	50.53	3,30,200

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2024 was ₹ Nil (March 31, 2023 : ₹18.56).

No options expired during the periods in the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise Price (₹)	Share options	Share options
			31-Mar-24	31-Mar-23
26/11/2014	26/11/2023	32.35	-	30,425
11/03/2016	10/03/2025	56.54	-	2,62,525
26/07/2017	25/07/2026	109.40	-	-
26/10/2017	25/10/2026	137.33	-	-
09/01/2018	08/01/2027	202.28	-	-
13/04/2018	12/04/2027	69.85	-	-
10/07/2018	09/07/2027	25.93	23,200	37,300
05/10/2018	04/10/2027	14.38	11,350	13,200
03/01/2019	02/01/2028	18.03	600	9,550
15/04/2019	14/04/2028	32.95	-	2,400
10/07/2019	09/07/2028	17.95	11,775	18,175
09/10/2019	08/10/2028	14.18	21,850	23,050
11/01/2022	10/01/2030	42.70	-	9,47,600
26/04/2022	25/04/2030	34.55	-	29,000
20/07/2022	19/07/2030	29.75	37,500	43,900
03/11/2022	02/11/2030	34.00	-	46,400
20/02/2023	19/02/2031	23.55	69,400	1,29,500
22/02/2024	21/02/2032	25.80	2,81,100	-
22/03/2024	21/03/2032	19.95	8,22,700	-
Total			12,79,475	15,93,025

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Fair value of options granted

The fair value at respective grant date of options granted during the year ended March 31, 2024 was ₹ 25.80, ₹ 19.95, respectively. The fair value at grant date of options granted during the year ended March 31, 2023 was ₹ 15.28, ₹18.08, ₹ 21.00, ₹13.94. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2024 included:

- a) Options are granted for consideration and vest upon completion of service for a period of one year. Vested options are exercisable for a period of four years after vesting.

Particulars	Year ended March 31, 2024	
	Grant I	Grant II
b) Exercise price	25.80	19.95
c) Grant date	22/02/2024	22/03/2024
d) Expiry date	21/02/2032	21/03/2032
e) Share price at grant date (₹)	26.17	20.14
f) Expected price volatility of the company's shares	80.00%	80.00%
g) Expected dividend yield	0.19%	0.19%
h) Risk free interest rate	7.14%	7.14%
i) Fair value (₹)	25.80	19.95

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

- j) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognized in profit or loss as part of employee benefit expense were as follows:

Particulars	(₹ in lakhs)	
	March 31, 2024	March 31, 2023
Employee Stock Option Plan	(235.68)	57.24

Note 46 - Financial Risk Management

(i) Method and assumptions used to estimate the fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial as well as non-financial assets and 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. A fair value measurement assumes 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 market or the most advantageous market must be accessible to 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.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

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

Level 1 : Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 : Inputs other than prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : Unobservable inputs for the asset or liability.

The carrying value and fair value by each classification as at March 31, 2024 were as follows:- (₹ in lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	-	-	-	-	-	-
Trade Receivables	4,478.28	-	-	4,478.28	-	-
Cash & Cash equivalents	4,110.05	-	-	4,110.05	-	-
Other Bank Balances	757.99	-	-	757.99	-	-
Short Term Loans	3.07	-	-	3.07	-	-
Other Financial Assets	2,170.18	-	-	2,170.18	-	-
Investments	333.04	354.17	-	687.21	-	354.17
TOTAL	11,852.62	354.17	-	12,206.79	-	354.17

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	1,205.77	-	-	1,205.77	-	-
Trade Payables	1,938.40	-	-	1,938.40	-	-
Other Financial Liabilities	7,345.29	-	-	7,345.29	-	-
TOTAL	10,489.46	-	-	10,489.46	-	-

The carrying value and fair value by each classification as at March 31, 2023 were as follows:- (₹ in lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	-	-	-	-	-	-
Trade Receivables	4,007.49	-	-	4,007.49	-	-
Cash & Cash equivalents	2,588.26	-	-	2,588.26	-	-
Other Bank Balances	987.25	-	-	987.25	-	-
Short Term Loans	1.81	-	-	1.81	-	-
Other Financial Assets	3,100.00	-	-	3,100.00	-	-
Investments	-	299.01	-	299.01	-	299.01
TOTAL	10,684.80	299.01	-	10,983.81	-	299.01

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in lakhs)

Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	5,777.05	-	-	5,777.05	-	-
Trade Payables	1,827.07	-	-	1,827.07	-	-
Other Financial Liabilities	6,622.48	-	-	6,622.48	-	-
TOTAL	14,226.61	-	-	14,226.61	-	-

(ii) Financial Risk Management

The Respective Board of Directors of the Holding and Component Company has overall responsibility for the establishment and overview of the company's risk management framework. The Board of Directors has established a risk management policy to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the company's activities. The Audit Committee oversees how management monitors compliances with the company's risk management policies and procedures, and reviews the risk management framework. The Audit Committee is assisted in its role by Internal Audit. Internal Audit covers review of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Group's activities are exposed to various risk viz. Credit Risk, Liquidity Risk and Market Risk. In order to minimise any adverse effects on the financial performance of the Company, it uses various instruments and follows policies set up by the Board of Directors / Management of the Company.

a) Credit Risk :

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by credit rating agencies.

In addition, the Holding Company is exposed to credit risk in relation to financial guarantees given to banks and other counter parties for the facilities availed by subsidiary. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Table showing age of gross trade receivables and movement in expected credit loss allowance: (₹ in lakhs)

Age of receivables	March 31, 2024	March 31, 2023
Within the credit period	887.23	456.09
1-90 days past due	-	37.14
91-180 days past due	-	19.55
181-270 days past due	-	34.00
More than 270 days past due	3,602.24	3,482.28
Total	4,489.47	4,029.06

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in lakhs)

Movement in the expected credit loss allowance	March 31, 2024	March 31, 2023
Balance at beginning of the year	21.57	610.78
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(10.38)	(589.21)
Total	11.19	21.57

b) Liquidity Risk :

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation, typically the company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities:

As on March 31, 2024	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	445.33	760.44	-	1,205.77
Current borrowings	-	-	-	-

(₹ in lakhs)

As on March 31, 2023	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	37.11	1,242.89	-	1,280.00
Current borrowings	4,497.05	-	-	4,497.05

(₹ in lakhs)

c) Market Risk :

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments.

(i) Market Risk - Foreign Exchange

Foreign currency Risk is that risk in which fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company operates internationally and a portion of its business is transacted in several currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company hedges the receivables as well as payables by forming view after discussion with Forex consultant and as per policies by Management. The Company is also exposed to the Foreign currency loans availed from various banks to reduce the overall interest cost.

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows:

(₹ in lakhs)

Currency	Liabilities		Assets	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
US Dollar (USD)	-	-	-	-

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Foreign Currency Exposure

Particulars	USD in Lakhs	
	March 31, 2024	March 31, 2023
Trade Receivables	-	-
Loans Receivable	-	-
TOTAL	-	-

Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and impact on Equity

(₹ in lakhs)

Currency	Impact of Profit and Loss / Equity			
	For year ended March 31, 2024		For year ended March 31, 2023	
	1% increase	1 % decrease	1% increase	1 % decrease
US Dollar (USD)	-	-	-	-

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

ii) Market Risk - Interest Rate

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Note 47 - Income Taxes

- (a) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below: (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before income taxes	586.27	268.02
Enacted tax rates in India*	25.168%	25.168%
Computed expected tax expense	145.84	70.25
Effect of non-deductible expenses	(30.82)	(3.99)
Absorption of unabsorbed brought forward losses and depreciation	-	-
Others	(2.64)	(7.49)
Income Tax expense	112.38	58.77
Earlier year tax expenses	-	-
Current Income Tax expense	112.38	58.77

*Tax rate on subsidiaries have been considered at 25.168%, being rate for companies having turnover of less than 250 crores.

- (b) The following table provides the details of income tax liabilities and income tax assets as of March 31, 2024 and March 31, 2023: (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Income Tax Liabilities	17.87	-
Income Tax Assets	1,197.46	752.94
Net current income tax liabilities / (assets) at the end	(1,179.59)	(752.94)

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

The gross movement in the current income tax liability / (asset) for the year ended March 31, 2024 and March 31, 2023 is as follows: (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net current income tax liability / (asset) at the beginning	(752.92)	(97.64)
Income Tax paid	(539.05)	(714.06)
Current Income Tax expense	112.38	58.78
Net current income tax liability / (asset) at the end	(1,179.59)	(752.92)

(c) The gross movement in the deferred income tax account for the year ended March 31, 2024 and March 31, 2023, are as follows: (₹ in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net deferred income tax liabilities / (asset) at the beginning	246.28	154.83
Movements relating to temporary differences	38.63	108.76
Temporary differences on other comprehensive income	(3.85)	(17.30)
Unused Tax Credit	-	-
Net deferred income tax liabilities / (asset) at the end	281.06	246.28

Note 48 - Ageing of Trade Receivable

Trade receivables ageing schedule for the year ended as on March 31, 2024 and March 31, 2023:

(₹ in lakhs)

Particulars	Outstanding for the following period from invoice date					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	887.23	-	100.76	-	3,501.48	4,489.47
	456.09	-	23.20	-	3,459.08	3,938.37
Undisputed Trade receivables – which have significant increase in Credit Risk	-	-	-	-	-	-
	56.69	34.00	-	-	-	90.69
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-
	-	-	-	-	-	-
Total Trade Receivables	887.23	-	100.76	-	3,501.48	4,489.47
	512.78	34.00	23.20	-	3,459.08	4,029.06
Less: Allowance for credit loss						11.18
						21.57
Net Trade Receivables						4,478.29
						4,007.49

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 49 - Ageing of Trade Payable

Trade payables ageing schedule for the year ended as on March 31, 2024 and March 31, 2023:

(₹ in lakhs)

Particulars	Outstanding for the following period from invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues to MSME	0.06	-	-	-	0.06
	409.60	-	-	-	409.60
Others	1,936.56	1.77	-	-	1,938.33
	1,395.69	21.78	-	-	1,417.47
Total trade payables	1,936.62	1.77	-	-	1,938.39
	1,805.29	21.78	-	-	1,827.07

Note 50 - Scheme of Arrangement

The Board of Directors of Holding Company at their meeting held on November 12, 2021, considered and approved to restructure the business by way of a Scheme of Arrangement for Demerger ("Scheme") whereby the E-Governance & IT/ITES Business (Demerged Undertaking) of Vakrangee Limited ("Demerged Company") will be demerged into the VL E-Governance and IT Solutions Limited (formerly known as Vakrangee Logistics Private Limited) ("Resulting Company") on a going concern basis. Pursuant to the Regulation 37 of the LODR, the Company has obtained No Objection Letter from the BSE and NSE vide their letter dated March 11, 2022 and subsequently, an application was made to the National Company Law Tribunal (NCLT) for further directions.

Pursuant to the Scheme of Arrangement (the 'Scheme'), duly sanctioned by the National Company Law Tribunal, Mumbai Bench, vide its Order dated May 19, 2023 ('Order') with effect from the Appointed Date, i.e. April 1, 2021, the business of E-Governance and IT/ITES stands transferred to and vested in VL E-Governance and IT Solutions Limited as a going concern. In accordance with Sections 230 to 232 of the Companies Act, 2013, the Holding Company filed the NCLT Order with Ministry of Company Affairs (MCA) on May 26, 2023. Consequent to the filing, the scheme became effective from May 26, 2023.

The Scheme has been given effect to in these financial statements by transferring the carrying amount of assets and liabilities pertaining to the Demerged Undertaking with effect from the Appointed Date to the Resulting Company with the corresponding debit to the Other Equity.

Consequent to the above, the comparative information of the Holding Company for the year ended March 31, 2022 is restated from the published financial statements to give the impact of the Scheme. Provision for tax for the accounting periods commencing from April 1, 2021 has been recomputed post giving effect to the Scheme.

Details of Assets and Liabilities of the Demerged undertaking that are being transferred

(₹ in lakhs)

Assets	Amount
Loans	2,657.46
Capital Advances	59,595.00
Trade Receivable	107,762.59
Other Current Assets	86,641.99
	(₹ in lakhs)
Liabilities	Amount
Trade Payable	589.87

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 51 - Statutory Information

- (a) There are no proceedings initiated or are pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (b) The Group has not entered into any transactions with struck off companies during the year.
- (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 has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (e) The Group does not have 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).
- (f) The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) 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, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Further, the Company has not received any funds from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (g) The Group has complied with the number of layers prescribed under clause (87) of the Section 2 of the Companies Act read with the Companies (Restrictions on Number of Layers) Rule, 2017.
- (h) The Group is not declared wilful defaulter by bank or financial institutions or any lender during the financial year.
- (i) Quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.
- (j) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

Note 52 - Relationship with Struck-off Companies

(₹ in lakhs)

Name of Struck off Company	Nature of Transaction	Balance outstanding at the end of the year as at March 31, 2024	Relationship with the Struck off company, if any, to be disclosed
Emmel Financial Services	Shares held by struck off company	0.305	Shareholder
Yes Equities Private Limited	Shares held by struck off company	0.004	Shareholder

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 53 - Ratios

The following are analytical ratios for the year ended March 31, 2024 and March 31, 2023

Particulars	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	Variance
Current Ratio	Total Current assets	Total Current liabilities	1.40	1.05	33.31 %
Note: Increase in the current assets and reduction in the current liabilities has resulted in to the increase in the ratio.					
Debt-Equity Ratio	Total Debt (including borrowings & lease liabilities)	Total Equity	0.07	0.37	(79.90)%
Note: Due to decrease in borrowings, the ratio has been decreased.					
Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	0.44	0.08	467.72 %
Note: Due to decrease in borrowings, the ratio has been decreased.					
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	3.04 %	0.80 %	281.40 %
Note: Due to increase in net profit, the ratio has increased					
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	1.03	0.76	35.66 %
Note: Due to decrease in cost of goods sold and inventory, the ratio has decreased					
Trade receivables turnover ratio	Revenue	Average Trade Receivable	5.01	4.79	4.54 %
Note: Due to increase in net sales, the ratio has increased.					
Trade payables turnover ratio	Total Purchases	Average Trade Payable	0.56	0.12	378.74 %
Note: Due to increase in purchases, the ratio has increased					
Net capital turnover ratio	Revenue	Working Capital	4.72	26.80	(82.38)%
Note: Due to increase in working capital, the ratio has decreased					
Net profit ratio	Net Profit	Revenue	2.05 %	0.51 %	302.06 %
Note: Due to increase in profit, the ratio has been increased.					
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	14.16 %	11.65 %	21.51 %
Return on Investment (ROI)	Income generated from investments	Average invested fund	17.72 %	15.91 %	11.33 %

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 54 - Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements (₹ in lakhs)

Name of the entity	Country of incorporation	% of voting power as at March 31, 2024	% of voting power as at March 31, 2023	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
				As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Vakrangee Limited	India	-	-	38.26 %	6,202.47	(4.21)%	(18.34)	288.04 %	(11.46)	(6.91)%	(29.80)
Indian Subsidiaries											
Vakrangee Finserve Limited	India	100.00	100.00	37.29 %	6,044.47	100.24 %	436.30	0.00 %	-	101.16 %	436.30
Vakrangee Digital Ventures Limited	India	100.00	100.00	(0.13)%	(20.61)	1.57 %	6.82	0.00 %	-	1.58 %	6.82
Foreign Subsidiary											
Vakrangee e-Solutions Inc.	Philippines	100.00	100.00	24.59 %	3,984.81	2.41 %	10.49	(188.04)%	7.48	4.18 %	17.97
Total					16,211.13		435.26		(3.98)		431.28



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2024

Note 55 - Previous year / period figures

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The previous year's figures have been regrouped or rearranged wherever necessary.

As per our report of even date attached

For S. K. Patodia & Associates LLP
Chartered Accountants
Firm's Registration No. : 112723W/W100962

For and on behalf of the Board of Directors
Vakrangee Limited
CIN : L65990MH1990PLC056669

Dhiraj Lalpuria
Partner
Membership No.: 146268

Ramesh Joshi
Chairman
DIN : 00002683

Dinesh Nandwana
Managing Director & Group CEO
DIN : 00062532

Dr. Nishikant Hayatnagarkar
Whole-time Director
DIN : 00062638

Place : Mumbai
Date : May 9, 2024

Place : Mumbai
Date : May 9, 2024

Ajay Jangid
Chief Financial Officer

Sachin Khandekar
Company Secretary

Office Addresses

Mumbai (Registered Office)

Vakrangee Limited

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Jaipur

Vakrangee Limited

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