

Date: **6<sup>th</sup> September, 2024**

**BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400001  
**Scrip Code: 517214**

**National Stock Exchange of India Limited**

Exchange Plaza, Plot No. C/1, G Block  
Bandra – Kurla Complex, Bandra (E)  
Mumbai – 400 051  
**Scrip Code: DIGISPICE**

Sub.: **Annual Report for the Financial Year 2023-24 and Notice of the 36<sup>th</sup> Annual General Meeting ('AGM')**

Dear Sir/Madam,

The 36<sup>th</sup> AGM of DiGiSPICE Technologies Limited is scheduled to be convened on Thursday, 28<sup>th</sup> September, 2024 at 3:00 P.M. through Video Conferencing or Other Audio Visual Means.

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith a copy of the Annual Report of the Company for the financial year 2023-24 along with Notice of 36<sup>th</sup> AGM, which is being sent through electronic mode to the Members of the Company who have made available their e-mail ids with Company/Depository Participants/Registrar & Share Transfer Agent.

The Annual Report and the Notice of AGM are also available on the website of the Company at [www.digispice.com](http://www.digispice.com) under below links:

1. [Annual Report 2023-24](#)
2. [Notice of AGM](#)

Kindly take the above information on record and acknowledge receipt of the same.

Thanking you.

Yours faithfully,

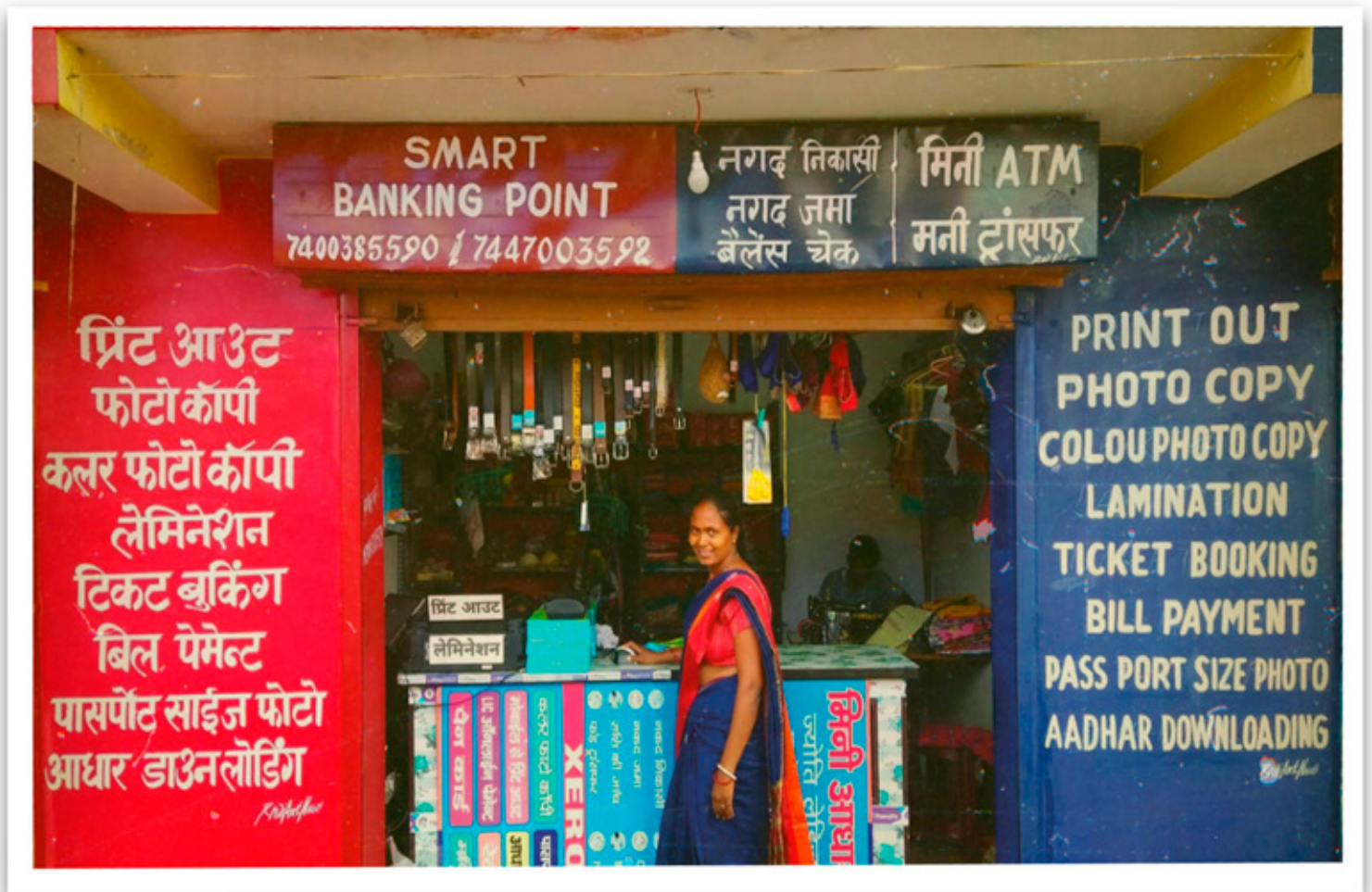
For **DiGiSPICE Technologies Limited**

**Ruchi Mehta**

**Company Secretary & Compliance Officer**

Encl: - Copy of the Annual Report and Notice of AGM

# Revolutionising the way Bharat banks



Spice money

तो **Life** बनी



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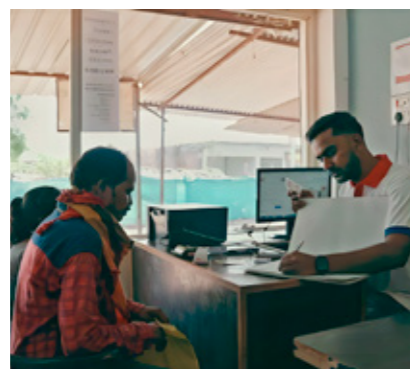
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# Revolutionising the way Bharat banks

India represents a significant opportunity for financial services to grow owing to its large population, favourable demographics and growing income levels in rural and urban regions. The rural landscape poses a subtle challenge – one that requires innovative solutions to bridge the distance and cost efficiencies to make financial inclusion a sustainable reality.

We believe that every Indian deserves access to financial services, no matter where they live or how much they earn. So, we set out to find a solution.

Our approach to community development evolved when we began empowering local entrepreneurs. By supporting their growth into nanopreneurs, we saw a blossoming of jobs and opportunities in their own communities. This understated yet powerful strategy reduced our operational costs while also allowing us to harness the depth of local expertise and trust.

We began by building a digital platform that could reach most corners of the country, even the most remote villages. We partnered with local businesses, trained Adhikaris, and invested in technology that could handle the complexity of financial services.

Beyond urban centres, where financial services are scarce and technology literacy is low, the assisted model is crucial as many individuals struggle to access financial services independently due to unfamiliarity with digital platforms. Our assisted model, supported by local Adhikaris, bridges this gap by providing personalised guidance and support, empowering people to take control of their finances.

But we didn’t stop there. We knew that financial inclusion wasn’t just about providing services but was about empowering people to take control of their finances. So, we created solutions tailored



to their needs: savings accounts, loans, and investment options that were simple, affordable, and accessible.

Today, we are proud to have made a meaningful impact, enabling small businesses to thrive, families to save, and individuals to invest in their futures. Guided by a strategic vision built on four key pillars, we are just beginning our journey to strengthen our market presence and empower consumers and businesses with digital financial products.

### Key building blocks

Consolidation of assisted payments space

Savings and investment products

Lending products

Development of UPI-based propositions

## Financial highlights FY 2023-24

**₹ 439** crore  
Total revenue

↑ 1.8% YoY

**₹ 21.7** crore  
EBITDA

↑ 113% YoY

**₹ 1.08** lakh crore  
Spice Money customer GTV

↑ 7% YoY

## Chairman's message

# Making consistent progress

## Dear Shareholders,

It is a pleasure to connect with you once again and present how your Company performed in FY 2023-24. Every year, through this letter, it is my endeavour to provide you with information that will help you understand how the business is performing, the drivers of the performance, and our plans for the future.

An important development over the last year has been our complete exit from the legacy Telco/Enterprise businesses that were held within Digispice. The prospects of Digispice are now wholly driven by the Spice Money business, and excluding one-time adjustments, the reported numbers would reflect the performance of the fintech business housed in the subsidiary Spice Money.

In FY 2023-24, your Company made a net profit of ₹ 12.1 crore as compared to a loss of ₹ 5.1 crore last year from its continuing business. This improvement, despite facing regulatory changes in our core cash withdrawal business, can be attributed to

an increased focus due to divestment and closure of non-core businesses, a shift in revenue profile and a focus on keeping costs in check. More on this is covered in the letter below. First, for those who have not read the earlier letters, let me provide a quick overview of Spice Money.

As I have spoken earlier, Spice Money was formed on a simple but important insight – the realities and requirements of Bharat are different from those of India and there are opportunities to profitably provide for these requirements by using technology creatively. Our journey started with AePS (Aadhaar Enabled Payment Services), an NPCI solution built over the UPI stack, which allows account holders to access their accounts, make withdrawals and deposits at a friendly neighbourhood store, using just their Aadhaar numbers and thumbprints. While everyone has been celebrating the success of UPI and its role in igniting the fintech revolution in India, we have been witnessing to a different, silent but equally critical fintech revolution brought about by AePS, that has the potential to bring a billion Indians into the fold of formal financial services. The extent of this can be gleaned by the fact that whereas about 350-400 million customers used UPI to make payments last year, over 100 million rural consumers used Spice Money services last year to access their bank accounts to check balance, to withdraw money from their bank accounts or to do other payments.

We are now fully focused on addressing the challenges faced by the rural and semi-urban consumers and businesses as they access formal financial services. Our business model is simple – to create a virtuous cycle of introducing relevant products that service the growing needs of an expanding customer base in rural and semi-urban India, thereby fostering the growth and loyalty of our network servicing these needs, which in turn enhances our ability to attract partners who are able to deliver a more diverse set of products and services profitably to the said customer base. Let me list some key developments along these lines that took place over the last financial year –

- Our Spice Money Adhikari (SMA) base grew close to 12% in FY 2023-24, from 1.2 million to 1.4 million. More than 75% of our SMAs operate in rural India, and we now reach about 95% of pin codes across the country. In FY 2023-24, over 100 million customers withdrew more than ₹ 50,000 crore from their bank accounts using AePS over our network, saving much in terms of time, effort and money to do the basic banking cash withdrawal transaction.
- Our overall Customer Payments GTV or value of transactions done by end consumers on our network grew by 7% from ~₹ 101,000 crore to ₹ 108,000 crore. Our collections payments business, which last year contributed about 18% of GTV grew over 50% and now contributes over 25% of our GTV. Our Bill Payment Services using the Bharat Bill Pay System (BBPS) almost doubled and forms about 4% of our customer GTV. EMI loan payments that forms a part of Bill Payment Services grew about 2.5 times last year contributing almost 3% of the total customer GTV. This is

## 12%

Growth YoY of Adhikaris in FY 2023-24

**“We are committed to derisking our revenue stream and positioning ourselves for faster growth, with a diversified revenue mix that includes collections, subscription packs, bank account opening, and credit offerings.”**

in line with our medium-term strategy of diversifying our GTV profile to reduce our dependence on AePS and help our SMAs get additional business while increasing customer footfalls. Non-AePS business now forms about 50% of our GTV, up from about 43% last year.

- Last year, we spoke about our strategy to transform our network from, metaphorically speaking, an ATM network to a Branch network. We have now signed up two private banks to open Current and Savings Bank Accounts (CASA) through our SMA network. By the end of FY 2023-24, we have opened approximately 350,000 new accounts for these banks using our SMA network. These accounts in aggregate carry a balance close to of over ₹ 125 crore. We are thus helping our banking partners augment the reach of their savings products in addition to the payment products and have enabled over 35,000 of our SMAs to do the same. This positions us well to offer increasingly complex savings and investments products in future.
- We continue to take incremental steps in our credit offering by working with third-party lenders to offer business credit to our SMAs who are micro-entrepreneurs. In FY 2023-24, we disbursed over ₹ 100 crore of credit using our platform to both SMAs and to their customers, about 2.4x the amount dispersed in FY 2022-23.
- To reduce dependence on third-party lenders, some of whom might not have our target segments as their core markets, we took a decision to become a lender

**"Our mission is to transform how Bharat banks, by creating a network of assisted touchpoints, offering tailored financial products, and designing digital products for the new-to-tech and under-banked consumers."**



## Chairman's message

**“We are excited about the potential of our UPI Enabled PPI wallet offering, which promises to bring a billion Indians into the fold of formal financial services, offering a safe entry to the world of digital finance.”**

ourselves. This allows us to better control the product contours based on our insights about our SMAs and their customers. We have applied with the regulator to acquire an NBFC. We will keep you updated on progress on this initiative.

- ♦ We are in the process of alpha launch of our Pre-Paid instrument (PPI) wallet which will allow the new-to-tech and new-to-banking consumers to join the realm of digital payments in a safe and convenient way assisted by their neighbourhood SMA, whom they trust. We hope to do a wider launch of this product within the FY and will keep you updated on the progress.

In my letter last year, I had referred to a contraction in size of our AePS cash withdrawal business, which is our primary source of GTV and revenues. We had anticipated this to be a temporary decline but nevertheless, took steps to counter the decline and focus on growing a suite of alternate revenue lines. While our anticipation turned out to be wrong and the AePS cash withdrawal business continues to face headwinds, our strategy to create alternate lines is bearing fruit and positioning us far better for the future.

We have significantly diversified our revenue mix. Collections, subscription packs, bank account opening, credit

offerings – all services that are independent of the money coming into the bank account of our AePS customers – now contribute about a third of our revenue. This helps us derisk our revenue stream while positioning us better for faster growth in future – these revenue lines are growing rapidly, so as they form a larger part of our total revenue, our revenue growth rate will start converging towards the growth rate of these lines of business.

It is also important to note that a number of these new revenue lines, like CASA, credit, subscription packs etc are independent of growth in GTV. Thus, going forward, our performance might not align fully with the growth in GTV, and hence growth in Gross Margins (revenue earned by us after sharing the commissions with our partners) would better reflect the performance of the business. You might find that our future reporting might reflect this shift.

I believe this provides a clear picture of our business performance and some of the key developments over the last one year, some of which might not yet be fully reflected in reported numbers. Before I end, let me give you a big picture overview of our business, the way I envision it, that will probably help you get some insights into our long-term potential and how to judge our progress towards realising it.

The mission of Spice Money is to use technology creatively to transform how Bharat Banks. The three strategic building blocks as we go about pursuing this mission are – (1) Create a network of Assisted Touchpoints by onboarding and managing small merchants as ‘Spice Money Adhikaris (SMAs)’ on our digital platform in rural and semi-urban areas to serve as economically efficient alternatives to ATM and Bank Branches, (2) Offer, using our SMA network, a complete suite of

financial products, with partners or on our own, which are tailored to meet the banking needs specific to Bharat, and (3) Design and build digital products and apps with laser focus on the digital capabilities, financial needs and security requirements of the new-to-tech and under-banked consumers.

While work continues on all three fronts, we are pleased with the notable progress we have made in the first two. We have a network that covers almost the whole of the country, a mature and popular cash withdrawal product, a well-accepted cash management and bill payment product, and have made a headway in offering CASA products to rural consumers and credit to our SMA network. We continue to optimise our network and collaborate with partners to expand our product offerings. We are also moving forward with setting up our own NBFC to deliver credit services to our core markets.

We are now also beginning to focus on the third building block. We are starting with a simple thesis – that a PPI wallet offering UPI payments, backed by a cash load facility and supported by the Spice Money Adhikari network, is a promising product for our target segment in rural India, offering them a safe entry to the world of digital finance. Just like the Spice Money Adhikari, our wallet can evolve to serve as the default window to the world of formal finance for the new-to-tech and new-to-formal-finance consumer. We are very excited by the potential of this opportunity.

To conclude, I remain confident that we are well placed for the future and are making good progress on our journey to

create long term shareholder value while doing good for the marginalised people of our country. I would like to thank all our employees, SMAs, partners and all other stakeholders for their continued commitment and hard work. Please join me in applauding their efforts. We remain committed to our vision to help a billion people of our country integrate into the formal financial system and contribute significantly towards building a Viksit Bharat.

Best Wishes,

**Dilip Modi**  
Chairman



Feature story

# Creating an ecosystem for inclusive growth

Reflecting on our journey, it becomes clear that the core mission driving us is to assist communities beyond the urban areas. Over the last five years, we have built an extensive network of Spice Money nanopreneurs, called 'Adhikaris' across the length and breadth of the country, focused on serving the under-banked and driving the Government of India's financial inclusion agenda.

## Embracing rural entrepreneurship - Nanopreneurship

Imagine India where every rural community has access to essential services and financial opportunities. India where entrepreneurship thrives, and individuals have the power to create positive change. This is the India we envision at Spice Money, and at the core of our vision lies the concept of Nanopreneurs, which we proudly refer to as 'Adhikaris' which translates to 'Officer', and these individuals with our mentorship and training are adept at serving their neighbourhood and entire village with a range of essential services.

Our Adhikaris are not mere representatives of our brand but are trusted members of their own

community who understand their unique challenges and needs. Their entrepreneurial spirit allows them to create opportunities where they are needed most, empowering access to financial services that were once out of reach.

Our journey has been remarkable, marked by the transformation of Spice Money and the creation of a network of around 1.4 million digitally-enabled merchants across semi-urban and rural India. This network offers ATM banking points and financial services to underserved areas, bridging the urban-rural divide

## Webbed network of merchants

The growth of our 'Adhikari' network has been exponential, with a 55% CAGR over the last five years, demonstrating our Company's ability to scale and expand reach. Today, a staggering 4 lakh merchants transact on the platform every month, reflecting the growing trust and adoption of the services.

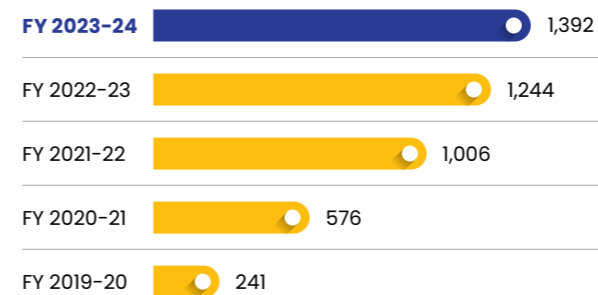
## The numbers speak for themselves:

- ♦ GTV of ₹ 1.08 lakh crore in FY 2023-24, marking the second consecutive year we have crossed the ₹ 1 lakh crore milestone
- ♦ CAGR of 49% since FY 2019-20
- ♦ Strong correlation between Adhikari network growth and increasing GTV, validating the power of the nanopreneur model

### Spice Money Adhikaris

('000)

↑ 55%  
5-year CAGR



4 lakh  
Merchants transacting monthly

49%  
CAGR of GTV from FY 2019-20-FY 2023-24





## Feature story

# Transforming opportunities into possibilities

Across the landscape of rural and semi-urban India, where opportunities often seem scarce, our inclusive programme also focuses on empowering women entrepreneurs in provincial areas. By providing them with the necessary tools and training, we enable them to become financially independent and contribute to their families' income.

They come from diverse backgrounds, united by a shared passion to make a difference. Spice Money Adhikaris are a vibrant group of individuals, including graduates, specially-abled individuals, and dedicated rural community champions. Others are undergraduates, women, or simply driven individuals eager to spark positive change.

By becoming rural entrepreneurs, they not only earn a living but also cultivate respect and a deep sense of purpose. Through their work, they empower themselves and the communities they serve, leaving a lasting impact on the lives of those around them.



## Adhikari's story

One woman's journey illustrates the transformative power of financial inclusion. Veena, a spirited entrepreneur from a small village named Konanuru in Karnataka, struggled to make ends meet, running a modest grocery store that barely met her family's needs. Despite her determination, limited access to financial resources stood in her way.

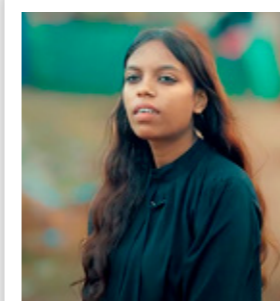
*'Then, everything changed when Spice Money entered my life.'* said Veena

An opportunity knocked at Veena's door when Spice Money, with a vision to empower local merchants and improve financial accessibility, introduced its services to her village. Trained as a Spice Money Adhikari, Veena began offering a range of financial services, from digital payments to micro-loans. This new role not only provided her with a steady income but also unlocked a world of possibilities for her and her community.



Today, Veena stands as a testament to the idea that opportunities can indeed be transformed into possibilities. With the backing of Spice Money, she has become a role model in her village, demonstrating how access to financial services can create a ripple effect of positive change. Her story highlights how a single opportunity can unlock the potential within individuals and communities, leading to a brighter, more prosperous future.

## Testimonials: Directly from our Adhikaris

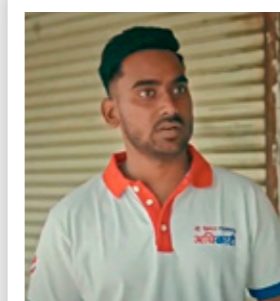


Mitali Sahu

“ Jo pehle sambhav nahi tha, ab Spice Money ke saath sambhav hai”

Translates to

“ What seemed impossible earlier is now possible with the help of Spice Money”



Bheem Nayak

“ Log duwaye dete hai aur kaafi Khushi hai”

Translates to

“ People give/impart their blessings which gives a sense of satisfaction and happiness”

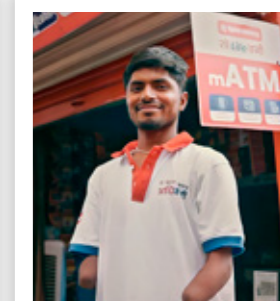


Pratiksha Sharma

“ Ab mai ek housewife nahi Adhikari bhi hoon”

Translates to

“ Now I am not just a housewife but also an officer and nanopreneur”



Somat Lodhi

“ Mujhe lagta hai mai bahut bada banker hoon”

Translates to

“ I feel like I am a big banker now”



Feature story

# From diverse roots to a focused fintech

In a remarkable transformation, Digispice Technologies has evolved from a multi-business entity to a focused fintech company over the last five years. This journey began with a vision to leverage technology to serve the growing needs of emerging India.

Our Company has successfully navigated this transformation, driven by a commitment to innovation, customer-centricity, and strategic decision-making. Today, Digispice stands as a testament to the power of transformation, with a focused fintech business that is poised to make a significant impact on the financial landscape of India.

## Addressing a massive opportunity

India's semi-urban and rural regions have long been underserved by the formal financial sector owing to infrastructure gaps, limited access, and low product awareness. However, recent government initiatives and the rise of digital platforms have significantly transformed this landscape. By offering accessible financial solutions and services, our Adhikaris provide vital support to

individuals and small businesses that often face barriers to traditional banking. They are the lifeline for many, helping families manage their finances, facilitating transactions, and providing valuable financial education. Further, we are widening our offerings to meet the evolving needs of our customers in the rural and semi-urban regions.

>63%  
of India's population lives in rural and semi-urban regions

442 million  
Rural internet subscribers

~14.2%  
Annual growth in rural super-rich households, the fastest in the country

73.5%  
Rural literacy rate



## Diversifying for growth: Evolving into a multi-product business

At Spice Money, we have made significant strides in diversifying its portfolio, transitioning from a cash-out-focused business to a multi-product enterprise. This strategic shift has enabled us to reduce dependency on a single revenue stream and tap into new growth opportunities.

In FY 2022-23, cash-in/out transactions dominated the business, accounting for 77% of the overall portfolio. However, in FY 2023-24, we witnessed a deliberate shift towards diversification, with cash-in/out contributions decreasing to 68%. This reduction was offset by a substantial increase in contributions from Collections and Banking, which rose to 14% and 2%, respectively.

Moreover, our Digital Services and Subscription Packs segments have emerged as significant growth drivers, with their contributions increasing notably in FY24. The Service Fee Gross Margin (GM) has also seen an increase, from ₹ 154 crore in FY 2022-23 to ₹ 169 crore in FY 2023-24.

This diversification strategy has not only enhanced our revenue streams but also bolstered our resilience against market fluctuations. As we continue to evolve and expand our product offerings, we are confident that our multi-product approach will drive sustainable growth and profitability for Spice Money.

## Building a comprehensive financial services stack

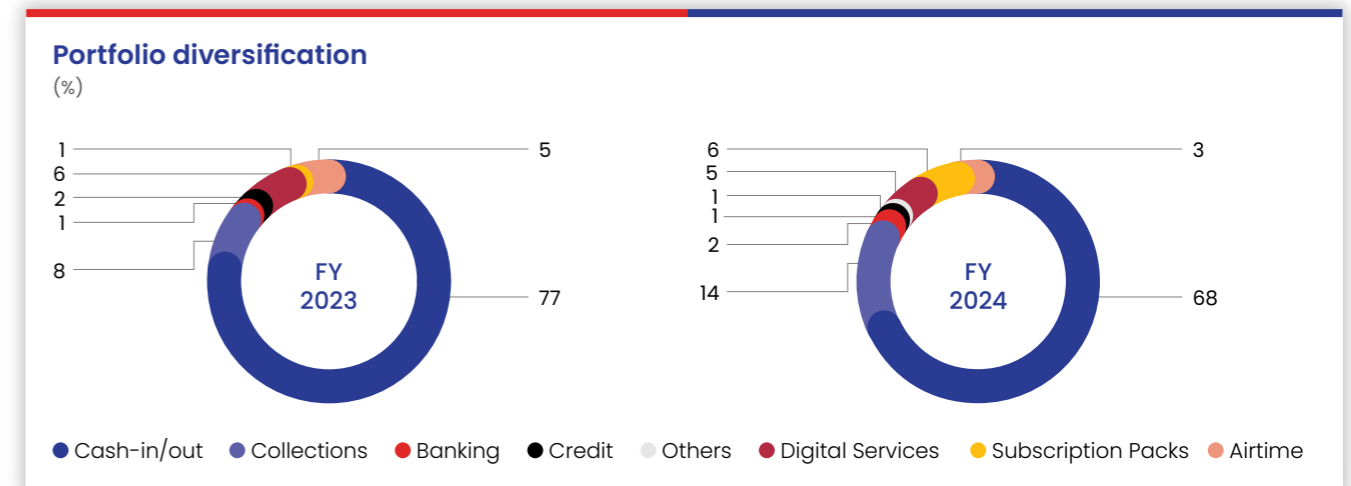
As our core business is the AePS stack, where we have achieved a significant market share of approximately 18% in the Off-Us industry. We aim to consolidate our share and maintain market leadership, doubling down on operating leverage in our core business.

While UPI dominates urban India, AePS is the preferred choice in emerging markets, with around 150 million unique users compared to UPI's 350 million. Our platform's primary use case is cash withdrawal, alongside utility payments, loan repayments, CASA, and credit services. This evolution has transformed us from a payments business into a banking and credit enterprise. We plan to enter lending through a strategic NBFC acquisition, creating credit products for our Adhikari base and adjacent merchants.

150 million  
AePS users

~18%  
Off-Us industry market share

Through strategic partnerships with reputed financial institutions, we are now focused on creating products tailored to Emerging India's needs, particularly in credit. Our tech and data platforms enable secure cash withdrawals and deposits, backed by our technology infrastructure. Additionally, we will strategically use our PPI license to develop UPI-based propositions for merchants and consumers, addressing the presence of a large number of inoperative bank accounts in our target markets.





## Feature story

# Building bridges, making a difference

In the heart of rural India, a quiet revolution is unfolding. A group of passionate individuals, driven by a desire to make a difference, are transforming their communities and their own lives. The Spice Money Adhikaris, come from a diverse and dynamic group of rural entrepreneurs who are trying to redefine the image of rural India.

As our network of nanopreneurs grow, so does our impact on rural India. Our innovative approach to financial inclusion helped bridge the gap between rural and urban India, creating a more equitable financial landscape. With our sights set on expanding our reach, we continued to innovate and improve our services, concreting our position as a leader in rural fintech.



## Technology meets trust

In rural areas, trust is built on familiarity and personal relationships. Our local Adhikaris are known and trusted members of the community, having lived and grown up alongside the villagers. This makes it easier for senior citizens and others to embrace technology and access financial services with confidence, knowing that they are dealing with someone they trust.



## Time and money: Saved

Rural citizens no longer need to endure the inconvenience of travelling long distances to access their money. With Spice Money's POS services, they can withdraw cash conveniently at a nearby location, saving a significant amount of time and reducing travel expenses. This means they can allocate more time to their daily activities and priorities.



## Convenience redefined

No more worrying about ATMs running out of cash or breaking down, leaving rural citizens stranded without access to their funds. Our strategically located Adhikaris bring financial transactions right to the villagers' doorsteps, making life easier and more convenient. This ensures that rural citizens have uninterrupted access to their money, enabling them to manage their finances efficiently.



## One-stop digital hub

Spice Money's Adhikari network offers a comprehensive range of digital services under one roof, catering to the daily monetary needs of rural communities. From Aadhaar and PAN card services to bill payments, mobile recharges, and more, our Adhikaris provide a single point of contact for all their financial and digital requirements. This convenience enables rural citizens to manage their lives more efficiently, without having to travel long distances or deal with multiple service providers.



Who we are

# Revolutionising inclusive finance

Established with a vision to bridge the financial inclusion divide in India, we are making an effort to transform the financial landscape by leveraging advanced technology and an extensive network of nanopreneurs (Adhikaris) that enhances the life experience for individuals in rural India by delivering banking and financial services to the doorstep of every Indian.

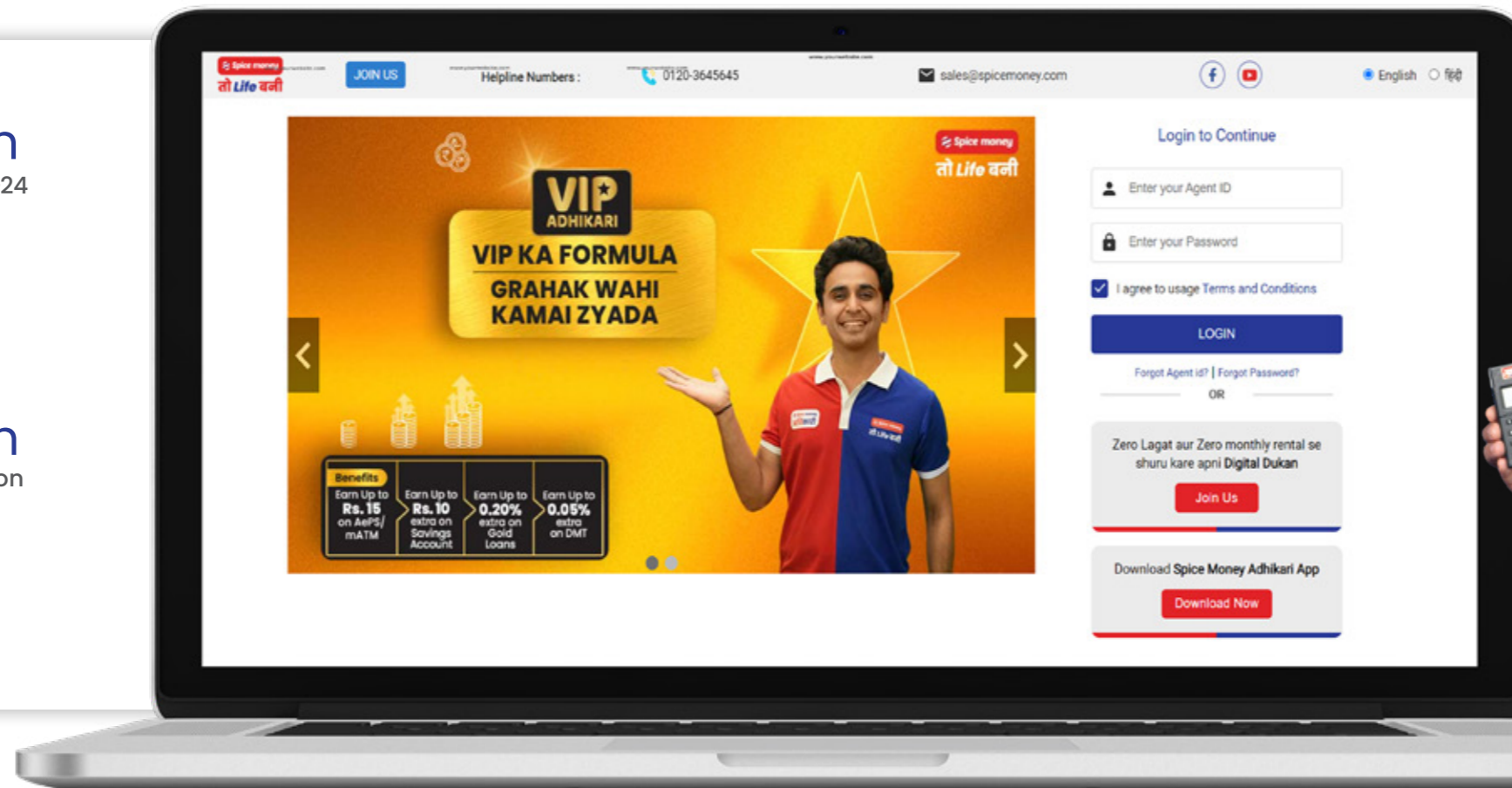
Through our subsidiary Spice Money, we provide digitalised financial e-services such as cash deposits and Aadhaar-led withdrawals, micro-ATM (m-ATM) services, and lots more to semi-urban and rural citizens through our Spice Money Adhikari app.

To deal with the obstacles of low ATM penetration and the lack of a physical banking infrastructure for inhabitants of rural India, we are also developing the largest m-ATM network to date.

**1.4 million**  
Adhikaris in FY 2023-24

**95%**  
Pin code presence

**2.4+ lakh**  
Villages covered as on FY 2023-24



## Vision

To be the Largest Digital Financial Services Platform for 1 Billion Bharat consumers.

## Values

### Innovation



We embrace innovation and technology to create new opportunities and drive growth in the digital financial services industry.

### Integrity



We uphold the highest standards of integrity and ethical conduct in all our business practices.

### Inclusivity



We are committed to promoting financial inclusion and enabling access to financial services for all, particularly in rural and semi-urban areas.



## Our offerings

# Revolutionising inclusive finance

We are developing creative solutions to meet daily financial demands, such as Aadhaar-led cash deposits and withdrawals, micro-ATM (m-ATM) services, resolving standard banking-related challenges, and more.

## Digital platform for Adhikaris in evolving India

### Core business lines



#### Basic banking services

- ♦ m-ATM
- ♦ Cash withdrawal
- ♦ CASA
- ♦ Cash deposit
- ♦ Balance enquiry
- ♦ Remittance



#### Payment/utility services

- ♦ Digital payment
- ♦ Bill payment
- ♦ Mobile/DTH recharge



#### Cash collection

- ♦ Loan/EMI collection
- ♦ Enterprise cash management

### Emerging business lines

#### Financial services

- ♦ Savings
- ♦ Investments
- ♦ Insurance
- ♦ Credit



#### E-commerce services

- ♦ ONDC B2B and Buyer & Seller Apps



#### Healthcare services

- ♦ e-pharmacy
- ♦ Diagnostics
- ♦ Telemedicine



#### Government services

- ♦ G2C services – UMANG



#### Entrepreneur solutions

- ♦ Digital payments
- ♦ CRM
- ♦ Khata



#### Travel services

- ♦ Railway/Bus/Flight
- ♦ Tour packages
- ♦ Hotel bookings



### Services offered



#### Banking services

Our Spice Money Adhikari network enables rural populations to easily access services including cash deposits, withdrawals, and transfers. Access these services through the Adhikari app and site, which utilises an NPCI-enabled AePS stack and linked devices for vital cashout services. Customers may access financial services such as cash withdrawals and deposits by just providing their Aadhaar card and bank credentials.



#### Bill payment services

Our Adhikaris may accept payments for utility bills including water, electricity, gas and broadband using BBPS. This service includes payments for FASTag, municipal corporation tax, LIC premiums, and other services offered by the BBPS portal.



#### Payment services

Our platform provides access to the largest network of m-ATMs in the country. This network allows for card-based cash withdrawals and allows rural individuals to pay for services using their card. We provide bill payment services via the Spice Money Adhikari network utilising BBPS.



#### Devices and other services

We provide the required services and suitable equipment to our Adhikaris, such as printers, m-ATMs, and biometric scanners. This gives them the authority to assist customers in getting PAN cards issued at Spice Money Smart Banking locations by just providing their Aadhaar card and bank credentials.



#### Cash collection services

Spice Money Adhikari stores act as Cash Collection Points, making it easier for agents, clients, and bank representatives to deposit insurance premiums, loan EMIs, and other payments.



#### Credit services

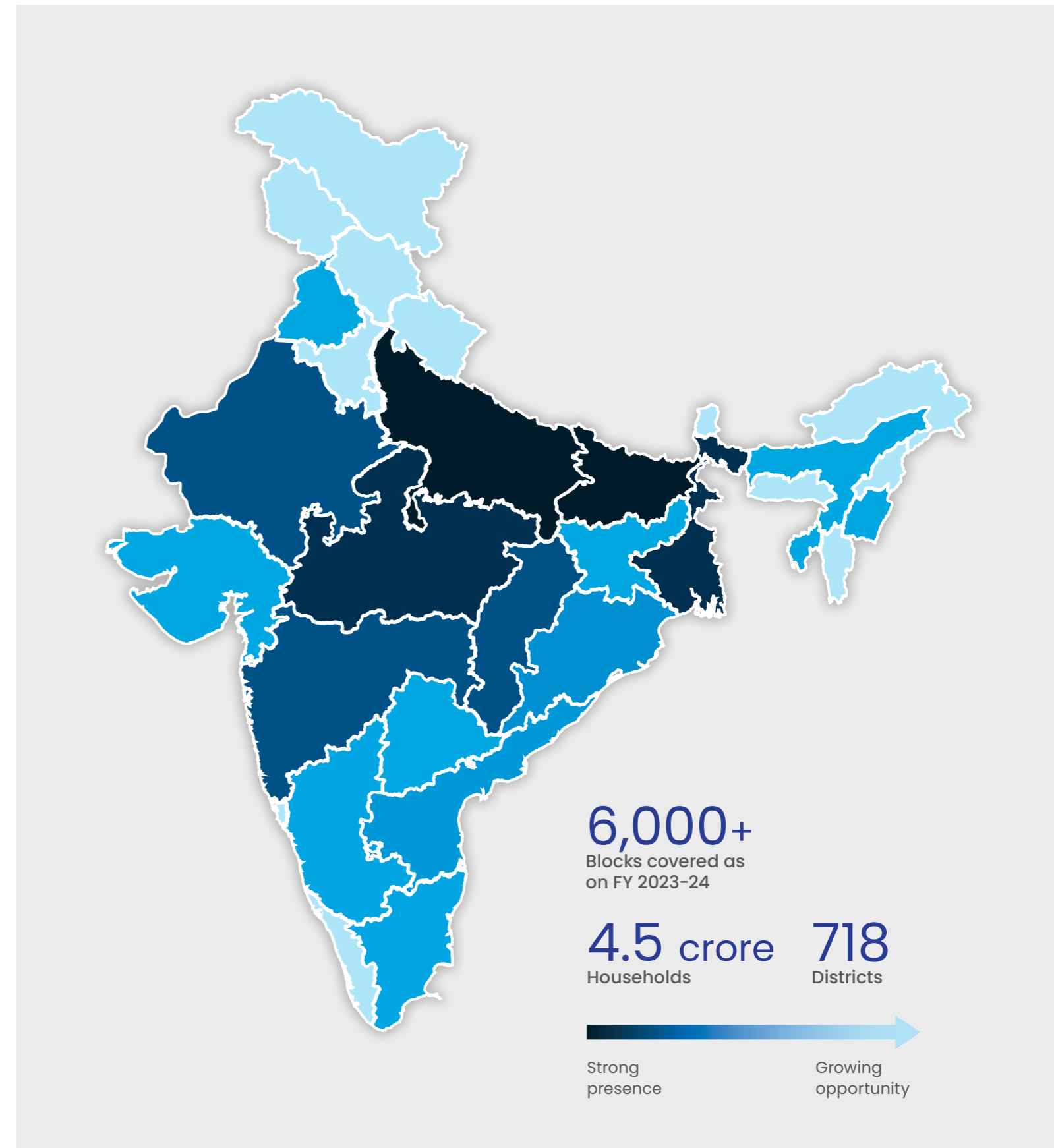
We have developed a marketplace model through broad partnerships with various banks and non-bank financial institutions to provide our Spice Money Adhikaris and rural consumers with quick, easy, and appealing lending options.

### Geographic presence

# Touching lives in every corner

Our geographic presence has been a key element of our growth strategy and we have made significant strides in expanding our reach across India. Over the last five years, our merchant base has grown exponentially, from approximately 240,000 in FY 2019-20 to nearly 1.4 million today.

We continue strengthening our network and focus on expanding in the North, East, Central, South, and West regions in the next three years. Our goal remains to build a comprehensive network that spans districts and blocks across emerging India and provides doorstep banking services to customers.





Engaging nanopreneurs

## Empowering our Adhikaris for success

Our comprehensive range of initiatives is designed to support, educate, and inspire our Adhikaris and promote a culture of excellence, collaboration, and community. From thought leadership and knowledge sharing to skills development and business growth, our initiatives cater to the diverse needs of our Adhikaris, enabling them to succeed and thrive in an ever-evolving financial landscape. Through these initiatives, we are shaping the future of rural fintech.



Chaupal

Our flagship thought leadership series, hosted by our visionary Founder, Mr. Dilip Modi, brings together industry pioneers and change-makers to accelerate transformation in rural fintech. Through in-depth conversations, we explore new ideas, challenges, and opportunities, amplifying the pace of change in India's rural fintech landscape.



Panchayat

Our monthly connect programme is designed to build lasting bonds with Adhikaris and partners, sharing stories, insights, and experiences. We strengthen loyalty and trust by encouraging a sense of community and unity, gaining valuable feedback to inform our strategies.



Samachar

Our exclusive platform keeps Adhikaris informed and updated on the latest industry news, product launches, valuable suggestions, and exciting offers. Our Adhikaris can capitalise on new opportunities and stay competitive, by staying ahead of the curve.



Spice Impact

Our dedicated app is designed specifically for our partners, enabling them to manage their Adhikari networks more effectively. We support our partners in driving growth and success, by providing valuable insights and information



Prachar

Our innovative creative resource kit provides Adhikaris with a wealth of downloadable designs, sales tools, and marketing materials. We support their business growth and success, by enabling our Adhikaris to access these resources promptly and hassle-free.



Mission Red Blue

Our pioneering mission aims to establish a distinct identity for Smart Banking Points across India, benefiting all Banking Correspondents. By driving this initiative, we are committed to creating a more inclusive and accessible financial ecosystem.



Adhikari Utsav

Our annual celebration is a testament to the hard work and dedication of our Adhikaris. By recognising their achievements and showcasing our latest offerings, we inspire and motivate our Adhikaris to reach new heights.



Charcha

Our inspiring video series puts the spotlight on our top-performing Adhikaris, sharing their stories, experiences, and insights. Highlighting their successes, we motivate and encourage others to aim for excellence.



Satark

Our awareness-driven video series is dedicated to preventing fraud and ensuring a secure ecosystem for our Adhikaris and customers. By educating and informing, we protect and empower our stakeholders.

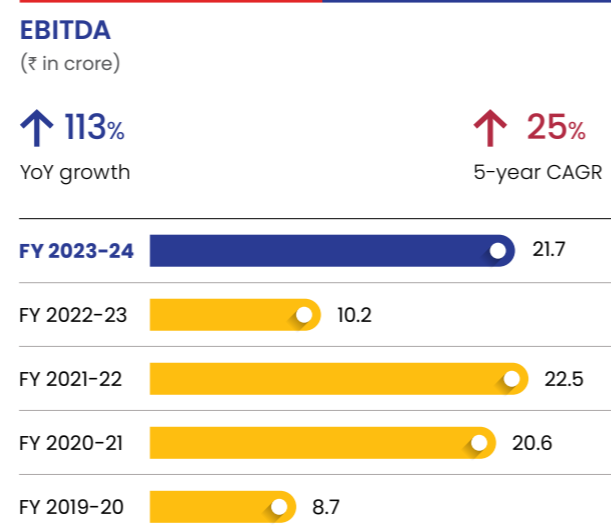
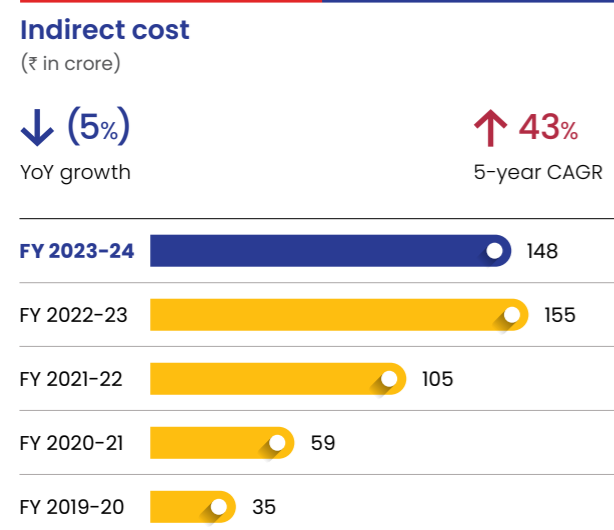
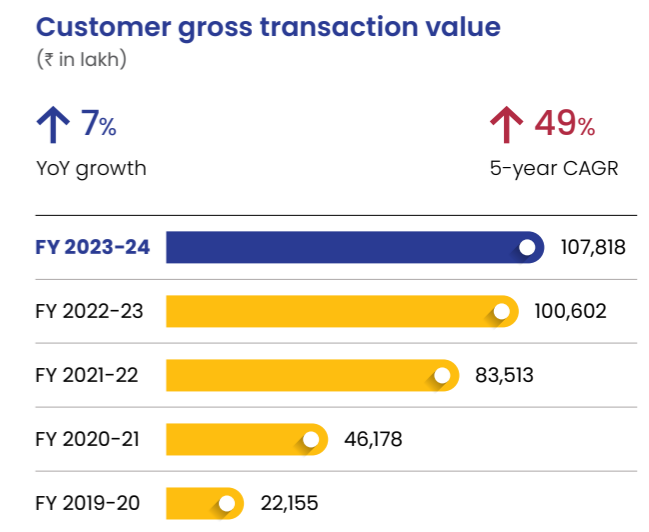
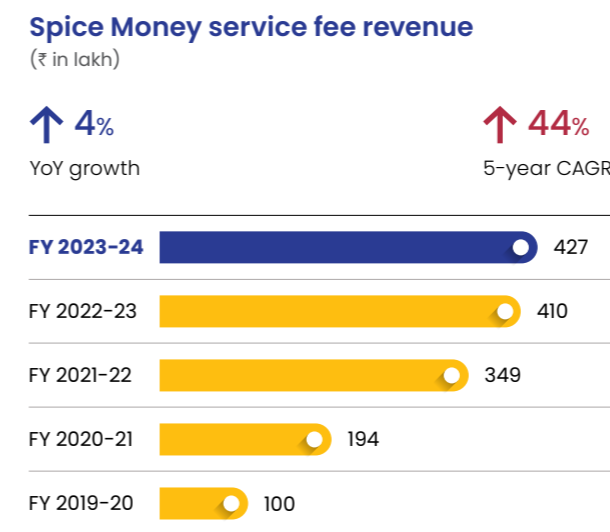
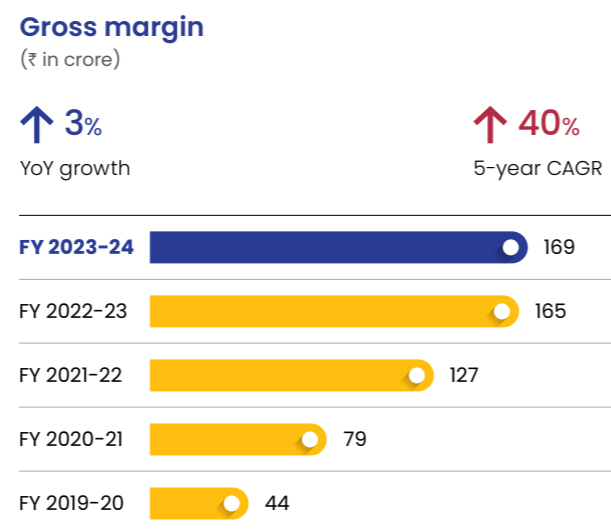
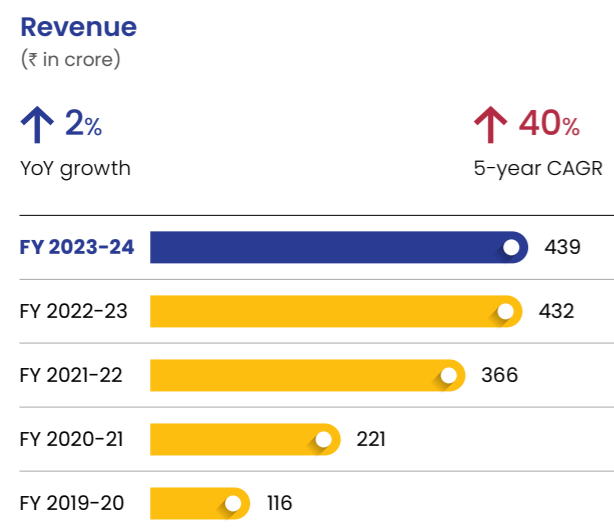


Spice Money Academy

Our comprehensive online certification programme equips Adhikaris with the knowledge, skills, and expertise to excel as a high performer. Through interactive modules, evaluations, and certifications, we ensure our Adhikaris are empowered to succeed.

Key performance indicators

# Measuring success





Opportunity landscape

# Exploring possibilities

We have woven a stable network that extends to the farthest corners of the Indian subcontinent, empowering rural and semi-urban communities with access to digital financial and e-retail services. We will dissect the potential in uncharted territories, like the MSME lending market, BBPS EMI collections, AePS segment, and service diversification, while also considering the scope of technological innovation and customer reach expansion.

Each of these sectors holds a unique promise, a chance for us to redefine rural finance, and further its mission of creating a financially inclusive India.



### Credit gap in MSME market

Spice Money's established presence in rural and semi-urban areas through its Adhikari network opens a substantial opportunity in the Micro, Small, and Medium Enterprises (MSME) lending market. MSMEs often struggle with access to credit, creating a high-potential market for financial institutions like Spice Money. By developing tailored, accessible lending solutions for these businesses, we can further penetrate this underserved sector, contributing significantly to our growth.



### Growth in bill payment and collections

Spice Money's increasing traction in the Bharat Bill Payment System (BBPS) sector, particularly in EMI collections, represents another promising growth avenue. As the company continues to offer convenient, reliable payment solutions to customers in rural and semi-urban areas, it can anticipate growing adoption rates. The focus on digital payments further aligns with the Indian government's push towards a digital economy, creating a favourable growth environment for Spice Money.



### Capitalising on AePS segment

The Aadhaar-enabled Payment System (AePS) segment holds vast potential for Spice Money. The company has already begun to tap into this opportunity, as indicated by its growing market share in this sector. With the increasing adoption of digital payment systems, especially in remote areas, Spice Money's continued focus on AePS is a key growth driver.



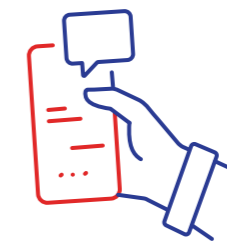
### Diversification of services

Spice Money has the opportunity to diversify its service offerings further. Given the vast customer base in rural and semi-urban areas, the company can explore offering insurance products, investment options, or even educational services. This diversification is helping in creating additional revenue streams and reducing dependence on any single service.



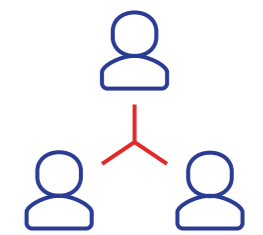
### Technological innovation

In the digital age, continuous technological innovation is key to staying relevant and competitive. Spice Money periodically invests in enhancing its digital infrastructure, improving user interfaces, and ensuring high levels of security for its customers. These improvements can enhance customer experience and trust, leading to increased usage and loyalty.



### Enhancing customer reach

Spice Money has developed a strong Adhikari network that provides essential financial services to rural and semi-urban India. Expanding this network into even more remote areas offers the potential to reach underserved regions, growing the customer base and boosting revenue. These opportunities are based on the current business model and market trends, though they may evolve with market conditions, regulatory changes, and strategic decisions.



## Opportunity landscape

### India stack: Enabling a cashless India

As we step into FY 2024-25, India's digital landscape continues to evolve, driven by the India stack - a set of APIs enabling cashless and paperless technology products. With over 1.4 billion Aadhaar enrolments, 100 million+ UPI transactions daily, and 500 million+ e-KYC authentications, India Stack is transforming the way we live, work, and interact.

#### Four major layers of India stack

##### Consent

A modern privacy data-sharing framework with an open personal data store, owned by the Reserve Bank of India. This layer enables secure and consent-based data sharing between organisations and individuals.

##### Cashless

An electronic interoperable payment network, including IMPS, AePS, APB, and UPI, owned by the National Payments Corporation of India (NPCI). This layer facilitates seamless digital transactions, reducing cash dependency and promoting financial inclusion.

##### Paperless

Enables digital storage and retrieval of information, including Aadhaar e-KYC, e-Sign, and Digital Locker, owned by the Department of Electronics and Information Technology. This layer reduces paperwork, enhances efficiency, and promotes digital documentation.

##### Digital/Phygital

A unique digital biometric identity with open API access, including an Aadhaar card and Mobile Aadhaar, owned by the Unique Identification Authority of India. This layer enables secure authentication, reducing identity theft and fraud.

### Key components of India Stack

**Unique Identification Number (UID):** Linked to biometric readings, enabling secure authentication and identity verification.

**e-KYC:** Instant verification of customers, providing details like residence, date of birth, and biometric data.

**AePS:** Aadhaar Enabled Payments Systems, improving financial inclusion, enabling cashless transactions, and promoting digital payments.

**UPI:** Unified Payment Interface, facilitating digital transactions, and requests, and enabling seamless fund transfers.

**eSign:** Electronic signing of documents, authenticated through biometric readings and OTP, reducing paperwork and enhancing efficiency.

**DigiLocker:** A Government of India repository for documents, enabling users to upload, e-Sign, and share documents securely.



#### The Way Forward

As we move forward, India Stack will continue to play a pivotal role in driving digital adoption, financial inclusion, and economic growth. With a focus on innovation, security, and scalability, we envision:

- Enhanced digital infrastructure, supporting 1 billion+ transactions daily
- Expanded financial inclusion, reaching 500 million+ underbanked citizens
- Increased adoption of e-governance services, reducing paperwork and enhancing efficiency
- Strengthened cybersecurity measures, protecting individual data and promoting trust



## Strategic priorities

# Aligning for future success

We are well-positioned to drive growth, enhance financial inclusion, and solidify our leadership in the digital and financial services landscape. Our commitment to innovation and operational excellence will continue to guide us as we navigate new opportunities and challenges. These priorities align closely with our vision to empower rural and semi-urban communities through innovative financial solutions.



### NBFC acquisition

By acquiring a strategic NBFC, we aim to develop tailored credit products for our extensive Adhikari base and adjacent merchant segments, empowering us to address specific financing needs and unlock new growth avenues. This move into the lending business is a critical component of our growth strategy, designed to tap into the significant demand for business-friendly loan products and leverage our unique market position to create value.

### The opportunity

**Access to a large captive and adjacent demand pool:** By entering the lending market, we can serve the unmet needs of our existing Adhikari base and adjacent merchant segments. This captive demand presents a substantial opportunity for growth.

**Innovative loan products:** We plan to develop loan products that are business-friendly in terms of amount, tenure, interest rates, and repayment terms. Our goal is to offer solutions that align with the specific needs of small businesses in emerging markets.

**Under-served market:** The market for small business loans in Emerging India is largely untapped, with few NBFCs providing tailored solutions. Our physical and digital model positions us to fill this gap effectively, creating a viable business in this space.

**Ecosystem enablers:** The maturity and adoption of ecosystem enablers like Account Aggregators and Udyam Aadhaar enhance our ability to provide small business loans. These developments support our strategy by facilitating better access to financial data and streamlined processes.

## Our differentiators



### Product innovation

Insights gained from our existing credit marketplace operations will guide us in creating loan products that fit the specific needs of our merchant segment. This approach ensures we offer relevant and effective financial solutions.



### Proximity to borrowers

Our dense geographic presence and hyper-local connections with merchants through an extensive partner network give us a unique advantage in sourcing and appraising loan applications. This proximity enables us to understand and meet borrower needs more accurately.



### Enhanced risk management

By employing novel credit scorecards, leveraging local intelligence, implementing low-friction repayment modes, and developing our collection mechanisms, we enhance our risk management capabilities. These measures ensure that we can manage credit risk effectively while offering accessible financial products.

## Strategic vision

### Strengthen leadership in assisted payments

We aim to strengthen our market position and maintain leadership by leveraging our strong operating model. By enhancing operational efficiencies in our core business, we plan to achieve greater operating leverage and drive growth.

### Enhance offerings with strategic alliance

Utilising our extensive network, distributor channels, and advanced tech platform, we intend to introduce savings and investment products. Partnering with the right institutions will enable us to bring these strategic products to market, enhancing value for our customers.

### Utilise PPI licence for UPI solution

With our PPI license, we will create innovative UPI-based propositions tailored for merchants and consumers. This initiative aims to tackle the challenge of numerous inoperative bank accounts in our target markets, fostering financial inclusion and ease of transactions.

## Corporate social responsibility

# Uplifting lives for a better society

Our business is built on a foundation of inclusivity, transformation, and a deep commitment to creating positive social impact. Our Corporate Social Responsibility initiatives are not just a series of activities, but a reflection of our core philosophy – to empower the underbanked, uplift the underserved, and enrich the lives of millions. For us, CSR is not just a peripheral aspect of our business, but the very essence of our existence. Our vision is to create a financially inclusive ecosystem that bridges the gap between rural and urban India, and our CSR initiatives are the manifestation of this vision. Through our efforts, we aim to make a meaningful difference in the lives of our customers, communities, and the environment.

### Ek Soch Foundation: Empowering grassroots entrepreneurs

In 2011, the Ek Soch Foundation was born with a vision to unlock the potential of grassroots entrepreneurs, driving positive change in agriculture, micro-entrepreneurship, sanitation, health, and education.

With a strong focus on community development, the Foundation has successfully supported numerous initiatives and programmes in Varanasi

and its surrounding districts. Shifting its focus to the culturally rich and fertile region of Mathura-Vrindavan in Uttar Pradesh, the Foundation aims to harness the state's vast resources and talent pool to empower local entrepreneurs. Home to over 200 million people, India's most populous state offers immense opportunities for growth, innovation, and impact.



## Board of Directors

# Responsible governance

### Dilip Modi Chairman

Mr. Dilip Modi was appointed to the Board on 21<sup>st</sup> August, 2006 as the Director of the Company and has been its Chairman since 18<sup>th</sup> February, 2014 and was re-designated as Non-executive Chairman w.e.f. 1<sup>st</sup> October, 2019. Mr. Modi is one of India's most successful second-generation entrepreneurs and has pioneered several new technologies in the mobility and technology sector in India. Mr. Modi is passionate about creating usable and affordable technologies that can help improve the lives of people. In the last two decades, he created a strong portfolio of businesses within the mobility and technology sector, starting from successfully launching India's first mobile service – Modi Telstra in 1995 that also hosted the very first mobile phone call made in India. After a successful divestment of Modi Telstra in the year 2000, he launched Spice Communications in Punjab and Karnataka, which soon became one of the most valuable and enduring brands in the two highly profitable mobile markets of the country. Mr. Modi has also been closely involved in industry forums and has held the position of Chairman of the Cellular Operators Association of India (COAI) and has had the honour of being the youngest President of ASSOCHAM (Associated Chambers of Commerce). He has worked on key industry programmes, which includes 'Making Inclusive Transformation Happen.' His efforts in the industry were duly recognised as he was conferred the 'Youth Icon Award' by the Gujarat Chamber of Commerce and Industry. Driven by the firm belief that technology can become a key enabler for achieving inclusive growth in the country, his group's current business interests in the fintech space exemplify this vision by furthering the digital and financial inclusion goals. An alumnus of the prestigious Imperial College, London, Mr. Modi completed his Master's in Business Administration with a specialisation in Finance. He also holds a First Class in Bachelor's of Science in Management Technology from Brunel University, London.

### Rohit Ahuja Executive Director

Mr. Rohit Ahuja was appointed on the Board on 5<sup>th</sup> May, 2020 as an Executive Director. Mr. Ahuja has been an entrepreneur, strategic advisor and perpetual investor helping technology – first companies grow and scale. During his entrepreneurial journey of 25+ years, he has been the founder of many successful businesses and carries hands-on experience in setting up and managing all aspects of the business (operations, sales, finance and people management), acquiring, turning around and managing/ running multiple companies across various sectors. Mr. Ahuja became the Founder and Managing Director of a manufacturing facility, Menthol India, for mint-based products and aromatic chemicals, and had set up a state-of-the-art manufacturing facility for mint products with Sulzer, Germany. He also represented Indian Menthol Exporters in prestigious IFEAT conferences. Mr. Ahuja also served as a Managing Director of a non-banking finance company, Trozen Finance and Securities Pvt. Ltd., which specialised in real estate finance and investments. He has been the Founder and CEO of an IATA-accredited travel and tourism firm, Odyssey World, which became the leading hospitality business in India serving judiciary, Government officials and diplomats. He was also the Founder and Managing Director of super specialty medical centre, Empathy Medcare Pvt. Ltd., which had OPD, IPD by full time doctors from FORTIS Healthcare and pathology lab by Dr. Lal Path Labs, providing full medical treatment. Mr. Ahuja has been associated with the Company since 2015 and has been instrumental in defining strategy, growth and operational plans for strategic projects of the Group. He plays a key role in business development in new geographies for the group and also heads key strategic projects undertaken by Chairman Office. Mr. Ahuja completed his Bachelor's of Science in Accounting and Finance from USA in the year 1997.



## Board of Directors

### Mrutyunjay Mahapatra Independent Director

Mr. Mrutyunjay Mahapatra has over three decades of experience in senior leadership positions in general management and diverse areas of IT, innovation, strategy, decision support systems, corporate banking, international banking, syndications, private equity, investments, credit appraisal and administration, retail banking and branch management, forex operations, client relationship management, and personnel management in the banking sector. He spent most of his career with State Bank of India, the largest public sector bank in the country and retired, as the Deputy Managing Director – Digital, Strategy and Technology, from there. He has nearly eight years of overseas experience in senior and country head positions in USA and UK, multifarious international exposure through loan, investment, and M&A deals, working in global boards, wide travels, and advisory roles. He was a former CEO of Syndicate Bank and worked on the boards of Canara Bank, C-edge (an IT company which is a JV of TCS), National Payment Corporation of India (NPCI), DSCI, SBI California and SBI Canada. He has also worked on the board of IIFCL, UK (an overseas infra-funding company) as GOI nominee. He was in the customer advisory boards of CISCO, HP, Red hat-Linux, and Infosys-Finacle. He worked as the Chairman of the fintech group of All India Mobile and Fintech Association of India (AIMFAI) and chairman of Indian Bank's CIO council of IDRBT. Mr. Mahapatra is a well-known speaker in industry and a regular columnist in leading economic newspapers and magazines. He is also visiting professor of banking and finance in Manipal University teaching MBA classes on technology, leadership, and finance. On the academic front, Mr. Mahapatra holds Masters of Science (Physics), Advanced Diploma in Management, and Diploma in Industrial Finance. He is a Certified Financial Planner, Honorary Fellow of Indian Institute of Bankers, and a distinguished alumnus of Berhampur University.

### Mr. Ram Nirankar Rastogi Independent Director

Mr. Ram Nirankar Rastogi is a seasoned Career Banker and a proficient Digital Payments Strategist with a deep understanding of cutting-edge digital technologies employed in payments, real-time decision-making, risk management, predictive analysis, and Regtech.

Currently serving as the Chairman of the Fintech Association for Consumer Empowerment (FACE), a non-profit organisation dedicated to articulating the common concerns of Consumer Lending FinTech companies to regulators, media, distribution platforms (such as Google Play Store), and other external stakeholders.

With an extensive banking career spanning three decades, Mr. Rastogi held key roles at the State Bank of India, where he functioned as a senior executive overseeing Strategy, Business Development, ATMs, Debit Cards, and Emerging Payment Systems. During his tenure as the Head of Product Development at the National Payments Corporation of India (2011-2017), he played a pivotal role in mentoring the development of real-time payment systems in India, including the Immediate Payments Service (IMPS), Unified Payments Interface (UPI), AePS, Cross-Border Payments, Bharat Bill Payments System (BBPS), and other offline payment systems, ensuring their adherence to regulatory compliance.

Mr. Rastogi's engagement extends to close collaboration with regulatory bodies such as the RBI and TRAI, various government departments, non-governmental organisations (NGOs), public policy committees, and stakeholders in the FinTech industry, fostering the creation of comprehensive ecosystems.

### Mayank Jain Independent Director

Mr. Mayank Jain was appointed to the Board on 1<sup>st</sup> October, 2019 as an Independent Director. Mr. Jain started his career with Tata Motors and worked for two years in both Jamshedpur and Pune. Mr. Jain then worked at one of the Big Four consulting firms (Deloitte Consulting) in Toronto. Here, he helped several clients in the mining industry in Northern Ontario to streamline and improve their business processes. He also assisted Bell Canada establish its new billing system for Broadband services. After his stint at Deloitte, Mr. Jain went on to join Siebel Systems in the United States, the largest Customer Relationship Management (CRM) Company in the world. Siebel also became the fastest-growing company globally during the early 2000s. Mr. Jain held the position of Senior Director of Products for Automotive and Manufacturing Industries for several years with Siebel. In 2006, Mr. Jain moved back to India to pursue business opportunities. Over the last few years, he has built an internet and cyber security business spanning across five states in India and growing at a very fast pace. His company also partners with Facebook Express WiFi Project providing these services to many offices, hospitals, malls, and outdoor customers. Mr. Jain has done Bachelor in Engineering. He also holds the degree of MBA from Richard Ivey School of Business at the University of Western Ontario in London, Ontario. Mr. Jain holds the distinction of being named to the Dean's Honour List in his MBA class.

### Dr. (Ms.) Rashmi Aggarwal Independent Director

Dr. (Ms.) Rashmi Aggarwal was appointed to the Board on 2<sup>nd</sup> November, 2018 as an Independent Director. Dr. Aggarwal is currently Director, Online Center, Professor- Strategy and International Business, at the Shiv Nadar University, Institution of Eminence (IoE), and Chairperson-International Accreditation. Before joining the university, she was a faculty of law at IMT Ghaziabad in economics, environment, and policy for 15 years. She is a visiting faculty with IIMs in India and various management Institutes in France and Dubai. Dr. Aggarwal's research domains are predominately in the area of corporate laws, corporate governance, cybercrimes, labour laws, and intellectual property rights, with more than 80 reputed publications to her credit, including books, international research publications, book chapters, book reviews, and case studies. Dr. Aggarwal has presented her research work at national and international conferences in India and abroad. She has designed and delivered numerous executive programmes as a facilitator and Program Director for In-company and Open Company and conducts workshops and training programmes for higher education accreditation. Before joining academics, she started her career as an advocate in the Punjab and Haryana High Court and the Supreme Court of India. Dr. Aggarwal is a Bachelor of Science and Law Graduate and Masters in Law and Ph.D. (Patents Law) from the Law Department, Punjab University, Chandigarh. She was mentored at FICCI for the 'Women on Board Mentorship Program' by the Former Director, the Department of Economic Affairs, Ministry of Finance. She is certified in finance from the National University of Singapore (NUS) and business cases from China European International Business School, Shanghai, China.

### Mr. Venkatramu Jayanthi

President and Executive Director

Mr. Venkatramu Jayanthi is a distinguished banking professional with an impressive 25-year career spanning across key functional domains of banking. Specialised in the areas of business strategy, rural & inclusive banking and the digital banking domain. With a track record that demonstrates a proven ability to successfully lead and manage new businesses focused on digital financial services and innovative business models resulting in substantial business growth. Enthusiastic about harnessing technology to reshape the landscape of financial products. Known for creating collaborative work environments fostering creativity.

As the MD & CEO of India Post Payment Bank, he orchestrated a transformative journey by strategically leveraging the extensive legacy Postal Network. Through innovative initiatives, that not only guided the bank towards profitability but also positioned it as a unique player in the competitive financial sector, particularly in underserved rural markets.

With over 25 years of hands-on experience in banking, His expertise lies in rural & inclusive banking and digital Banking, successfully launching new businesses and gliding them along a profitable path. His leadership journey is marked by a demonstrated ability to navigate the dynamic landscape of the banking industry, create winning teams, and successfully bring out the best in each team member ensuring adaptability and success in an ever-evolving sector.

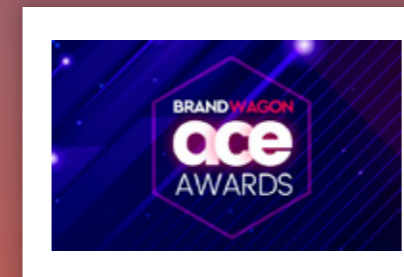
### Subramanian Murali

Non-executive Director

Mr. Subramanian Murali was appointed on the Board on 7<sup>th</sup> May, 2015 as Non-executive Director. He was associated with leading organisations such as A.F. Ferguson and HCL Group of companies in several senior positions. Over more than 37 years of experience in industries like IT, office automation, telecom and mobility, he has gained extensive knowledge and expertise in the areas of fundraising, M&As, business restructuring, process re-engineering, business turnarounds, corporate finance and management. Presently, Mr. Murali is Executive Director-Finance of Spice Connect Private Limited, Company's holding company and oversees the entire group's finance function. He has been associated with the group for 15 years and is actively involved in Shareholders value creation, Business planning, Corporate finance, Capital allocation, Treasury management, Management review and overall productivity of all resources within the Spice Connect Group. His association with the group helped in managing different business cycles ranging from startups, steady state growth, rapid and exponential growth, slowdowns, and closures. Mr. Murali is a Fellow Member of the Institute of Chartered Accountants of India (ICAI).

## Awards and accolades

# Achievements that inspire us





## Board's report

### Dear Shareholders,

Your Directors have pleasure in presenting the 36<sup>th</sup> (Thirty Sixth) Annual Report together with the Audited Financial Statements of your Company ('the Company' or 'DiGiSPICE') for FY 2023-24.

### Financial Highlights

The consolidated and standalone financial performance of the Company for the financial year ended 31<sup>st</sup> March, 2024 is summarised below:-

(Amount in ₹ Lakhs)

Particulars	For the Financial Year ended 31.03.2024		For the Financial Year ended 31.03.2023	
	Consolidated	Standalone	Consolidated	Standalone
<b>Continuing Operations</b>				
Total revenue from continuing operations	43,942.56	-	43,153.84	-
Other Income	2,687.91	805.15	1,960.63	744.91
Earnings before finance costs, tax, depreciation & amortisation and exceptional items from continuing operation	4,041.53	175.28	2,219.33	149.16
Share of (profit)/loss of associates	0.62	-	1.30	-
Depreciation and amortisation expense	712.63	107.95	2,172.19	99.46
Finance costs	202.06	0.62	71.44	-
Exceptional items	(2,874.59)	91.94	624.07	-
Profit/(Loss) before tax from continuing operations	6,002.05	(25.23)	(647.07)	49.70
Tax expenses				
- Current Income Tax	556.29	-	23.74	-
- Income Tax adjustment for earlier years	19.95	-	2.30	-
- Deferred tax charge/(credit)	434.86	-	(160.23)	-
<b>Profit/(Loss) after tax from continuing operations</b>	<b>4,990.95</b>	<b>(25.23)</b>	<b>(512.88)</b>	<b>49.70</b>
<b>Profit/(Loss) after tax from discontinuing operations</b>	<b>(3,810.79)</b>	<b>917.59</b>	<b>(1,650.78)</b>	<b>(1,147.64)</b>
<b>Profit/(Loss) after tax (Continuing operations + Discontinuing operations)</b>	<b>1,180.16</b>	<b>892.36</b>	<b>(2,163.66)</b>	<b>(1,097.94)</b>
Other comprehensive income for the year	22.38	54.66	215.05	(32.38)
Total comprehensive income for the year	1,202.54	947.02	(1,948.61)	(1,130.32)
Share of Minority in profits/(losses)	28.93	-	(102.39)	-
<b>Profit/(Loss) for the year attributable to equity shareholders</b>	<b>1,173.61</b>	<b>947.02</b>	<b>(1,846.22)</b>	<b>(1,130.32)</b>

### Performance Review and State of the Company Affairs

During FY 2023-24, the Company was primarily engaged in the Information and Communication Technology business ('Digital Technology Services') providing Technology solutions and communication platform to domestic/international Telecom Operators and Enterprises.

Spice Money Limited ('Spice Money'), material subsidiary of the Company is engaged in providing Financial Technologies Services ('Fintech Service'), through tech-enabled hyper local payments network platform accessed by its authorised agents/merchants, including cash deposit, cash withdrawal, balance enquiry, bill payment services, AePS, Mini

ATM services, Air time recharge, POS services, railway ticketing services, enterprise cash drop services and other related services.

The Company, at the consolidated level, achieved a total income of ₹ 50,654.5 Lakhs during FY 2023-24 as against ₹ 52,611.66 Lakhs for FY 2022-23. The profit after tax at the consolidated level for FY 2023-24 is ₹ 1,180.16 Lakhs as against (loss) after tax of ₹ (2,163.66) Lakhs in FY 2022-23.

The Company, at the standalone level, has earned a total income of ₹ 4,644.64 Lakhs during FY 2023-24 as against ₹ 6,467.20 Lakhs for FY 2022-23. The Company has a profit of ₹ 892.36 Lakhs during FY 2023-24 as against a loss of ₹ (1,097.94) Lakhs in the previous year FY 2022-23.

The Board of Directors of the Company, in its meeting held on 7<sup>th</sup> April, 2023 approved, in principle, to exit DTS Segment. This is in keeping with the repositioning of the overall group strategy to focus on Financial Technology Services opportunities, mainly through its subsidiary Spice Money and other group entities. Consequently, DTS Segment has been classified as discontinued operations and the discontinued operations results are being shown separately in the financial results being published to Stock Exchanges. Further, the Company's business operations of DTS Segment got completely discontinued effective 1<sup>st</sup> July, 2024 consequently.

The status of continued operations and matters related thereto have been provided in detail under the Management Discussion and Analysis Report forming part of this Report.

### Subsidiary Companies, Joint Ventures or Associate Companies

During FY 2023-24:

- Entire investment of the Company in Hindustan Retail Private Limited ('HRPL') was sold by the Company. Consequently, HRPL along with its two subsidiaries viz. New Spice Sales and Solutions Limited and Cellucom Retail India Private Limited, all being inoperative, ceased to be subsidiary(ies) of DiGiSPICE with effect from 1<sup>st</sup> June, 2023.
- S Mobility (HK) Limited, a wholly owned subsidiary of the Company, registered in Hong Kong was dissolved by deregistration and hence, ceased to exist with effect from 28<sup>th</sup> April, 2023.
- Beoworld Sdn. Bhd., a step down subsidiary of the Company, registered under the law of Malaysia, was struck off and hence, ceased to exist with effect from 12<sup>th</sup> November, 2023.
- Spice VAS Africa Limited ('SVA'), a wholly owned step down subsidiary of the Company transferred its entire shareholding in its wholly owned subsidiary, Spice VAS RDC SARLU ('RDC'), a company incorporated in Democratic Republic of Congo, whereby RDC ceased to be a subsidiary of the Company with effect from 16<sup>th</sup> February, 2024.

None of the above was a material subsidiary of the Company.

The Company had total 18 subsidiaries (6 direct subsidiaries including 1 material subsidiary and 12 step down subsidiaries) and 2 associates as on 31<sup>st</sup> March, 2024.

Subsequent to FY 2023-24, SVA has acquired 30% additional stake in DIGISPICE GHANA LTD. ('DiGiGhana'), an existing subsidiary of SVA. Pursuant to above acquisition, DiGiGhana has become a wholly owned subsidiary of SVA and a wholly owned step down subsidiary of the Company.

Pursuant to provisions of Section 129(3) of the Companies Act, 2013 (the 'Act') and Indian Accounting Standard - 110 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the Financial Statements of its Subsidiaries and Associate Companies.

### Holding Company

As on 31<sup>st</sup> March, 2024, Spice Connect Private Limited, the holding company, held 72.97% of the issued, subscribed and paid up share capital of the Company.

### Highlights of Performance of Subsidiaries, Associates and Joint Ventures

Spice Money, material subsidiary of the Company, achieved a total income of ₹ 45,977.51 Lakhs during FY 2023-24 (FY 2022-23: ₹ 44,404.22 Lakhs). It reported a net profit of ₹ 1,306.19 Lakhs during FY 2023-24 (FY 2022-23: Loss of ₹ 617.65 Lakhs).

The salient features of the performance and financial position of each of the subsidiaries and associate companies are given in Form AOC-1 attached to the Consolidated Financial Statements for FY 2023-24 and forms an integral part of the Annual Report.

Further, pursuant to the provisions of Section 136 of the Act and Regulation 46 of the 'Listing Regulations', financial statements of subsidiary Companies are available on the Company's website at [www.digispice.com](http://www.digispice.com).

### Restructuring through Scheme of Amalgamation by way of Merger

The Board of Directors of the Company (the 'Board') at its meeting held on 8<sup>th</sup> August, 2024 approved a scheme for the amalgamation by way of merger (the 'Proposed Scheme') between DiGiSPICE Technologies Limited ('Transferee Company') and Spice Money Limited ('Transferor Company 1' or 'Spice Money'), E-Arth Travel Solutions Private Limited ('Transferor Company 2' or 'E-Arth'), and Vikasni Fintech Private Limited ('Transferor Company 3' or 'Vikasni') and their respective Shareholders and Creditors. This Proposed Scheme is subject to approval of Shareholders, sanction by the National Company Law Tribunal ('NCLT'), and no-objection from regulatory authorities

## Board's report

including but not limited to BSE, NSE, Reserve Bank of India and Insurance Regulatory and Development Authority of India.

The Company has taken/will now be taking necessary steps to obtain requisite approvals/no-objections/consents and the matter will be placed for the approval of Shareholders at the appropriate time upon receiving necessary instructions from NCLT.

Consequent to the above approval of the Scheme by Board, the Memorandum of Associations of the Company is required to be amended with a view to align the object clause with business activities proposed to be carried on, upon the Proposed Scheme becoming effective. The resolution for alteration of object clause is accordingly placed before the shareholders for their approval at the ensuing AGM. The Board recommends passing of the resolution proposed for amendment of the object clause.

### Cash Flow Statement

In conformity with the provisions of the Act and Regulation 34 of the Listing Regulations, the Cash Flow Statement for FY 2023-24 as prepared under the provisions of Indian Accounting Standard - 7 as notified under provisions of Section 133 of the Act is attached as a part of the Financial Statements of the Company.

### Share Capital

As on 31<sup>st</sup> March, 2024, the authorised capital of the Company stood at ₹ 12,405 Lakhs divided into 41,35,00,000 equity shares of ₹ 3/- each.

During FY 2023-24, the Company issued and allotted 6,81,700 equity shares of ₹ 3/- each under DTL Employees Stock Option Plan-2018 (Erstwhile 'SML Employees Stock Option Plan-2018'). As on 31<sup>st</sup> March, 2024, paid-up equity share capital of the Company was ₹ 6,966.69 Lakhs (divided into 23,22,23,106 fully paid-up equity shares of ₹ 3/- each).

After the close of FY 2023-24, the Company allotted 7,40,000 equity shares of ₹ 3/- each under DTL Employees Stock Option Plan-2018, till the date of this report. Consequently, the paid-up equity share capital of the Company has increased to ₹ 6,988.89 Lakhs (divided into 23,29,63,106 fully paid-up equity shares of ₹ 3/- each) as on date of this report. The said equity shares rank pari-passu with the existing equity shares of the Company.

### Listing of Securities

The Equity Shares of the Company are presently listed on BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE'). The Annual Listing Fee for FY 2024-25 has been paid to both the Stock Exchanges.

### Transfer of amount to Reserves

The Company has not transferred any amount to the Reserves during FY 2023-24.

### Dividend

In view of the losses during the year, your directors do not recommend any dividend to the shareholders.

The 'Dividend Distribution Policy' in terms of the Regulation 43A of the Listing Regulations is available on the Company's website at [https://investorrelations.digispice.com/articles/845005173\\_Dividend%20Distribution%20Policy.pdf](https://investorrelations.digispice.com/articles/845005173_Dividend%20Distribution%20Policy.pdf)

### Transfer of unclaimed dividend and equity shares to Investor Education and Protection Fund

Pursuant to provisions of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), dividend which remains unpaid/unclaimed for a period of seven years from the date of its transfer to the unpaid dividend account are liable to be transferred to the IEPF Authority established by the Central Government of India. Further, all shares in respect of which dividend has not been encashed or claimed by the shareholders for seven consecutive years or more from the date of declaration are also liable to be transferred to the IEPF Authority. As on 31<sup>st</sup> March, 2024, 8,95,545 (Eight Lakh Ninety Five Thousand Five Hundred Forty Five) shares of the Company were lying in demat A/c of IEPF.

During FY 2023-24, the Company was not liable to transfer any unclaimed/unpaid dividend/shares to IEPF Authority.

The shareholders whose dividends/shares which have been transferred to IEPF Authority during any previous years, may claim such dividends/shares from IEPF Authority by submitting an online application in the prescribed 'Web Form IEPF 5' available on the website, [www.iepf.gov.in](http://www.iepf.gov.in) and also send duly signed physical copy, to the Company, along with requisite documents as prescribed in the 'Web Form IEPF 5' and the IEPF Rules.

### Auditors

Pursuant to the provisions of Section 139 of the Act read with rules made thereunder, S.R. Batliboi & Co. LLP (ICAI Firm Registration No. 301003E/E300005), have been appointed as the Statutory Auditors of the Company to hold office for a period of five consecutive years from the conclusion of the 35<sup>th</sup> Annual General Meeting ('AGM') till the conclusion of 40<sup>th</sup> AGM of the Company to be held in the calendar year 2028.

### Auditors' Report

The Auditors' Reports for FY 2023-24 does not contain any qualification, reservation, adverse remark or disclaimer requiring Board to comment thereon in their report. This Report is enclosed with the Financial Statements forming part of this Annual Report.

### Secretarial Audit

As required under provisions of Section 204(1) of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended and Regulation 24A of the Listing Regulations, the Company has appointed M/s. Sanjay Grover & Associates, Company Secretaries, to conduct the Secretarial Audit for FY 2023-24. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer. The Report forms part of this Annual Report.

Pursuant to Regulation 24A of the Listing Regulations, every listed company is required to annex with its annual report the Secretarial Audit Report of its material subsidiaries incorporated in India. In compliance with the said requirement, the Secretarial Audit Report for FY 2023-24 of Spice Money, a material subsidiary of the Company, forms part of the Annual Report.

### Reporting of frauds by auditors

During FY 2023-24, no incidence of fraud as defined under provisions of Section 143(12) of the Act, which is required to be disclosed under Section 134(3)(ca) of the Act, has been reported by the Statutory Auditors and Secretarial Auditors to the Audit Committee or Board.

### Internal Auditors

The Board, on the recommendation of Audit Committee, in its meeting held on 16<sup>th</sup> May, 2024, re-appointed T R Chadha & Co LLP, Chartered Accountants, as Internal Auditors of the Company for FY 2024-25.

The Internal Auditors directly report to the Audit Committee.

### Number of Board Meetings

During FY 2023-24, nine (9) meetings of the Board of Directors were held on 5<sup>th</sup> April, 2023, 7<sup>th</sup> April, 2023, 1<sup>st</sup> May, 2023, 19<sup>th</sup> May, 2023, 27<sup>th</sup> July, 2023, 7<sup>th</sup> November, 2023, 31<sup>st</sup> January, 2024, 7<sup>th</sup> March, 2024 and 27<sup>th</sup> March, 2024. Meeting held on 7<sup>th</sup> November, 2023 was adjourned and the adjourned meeting was also commenced and concluded the same day i.e. on 7<sup>th</sup> November, 2023. The details of attendance of

the Directors in said meetings are given in CGR, which forms part of the Annual Report.

### Directors and Key Managerial Personnel ('KMP')

At present Mr. Rohit Ahuja, Executive Director, Mr. Venkatramu Jayanthi, Whole-time Director, Mr. Vineet Mahajan, Chief Financial Officer and Ms. Ruchi Mehta, Company Secretary and Compliance Officer are designated as the KMP of the Company in compliance with provisions of Section 203 of the Act.

The changes in Directors and KMP during FY 2023-24, were as under:

- Mr. Venkatramu Jayanthi (DIN: 08918442) was appointed as an Additional Director in the category of Non-Executive Director with effect from 31<sup>st</sup> January, 2024. The Shareholders of the Company approved through postal ballot, on 25<sup>th</sup> April, 2024, appointment of Mr. Venkatramu as a Director on the Board of the Company.
- Mr. Ram Nirankar Rastogi (DIN: 07063686) was appointed as an Additional Director in the category of Non-Executive Independent Director with effect from 31<sup>st</sup> January, 2024. The Shareholders of the Company approved through postal ballot, on 25<sup>th</sup> April, 2024, appointment of Mr. Rastogi as an Independent Director on the Board of the Company.

After the close of FY 2023-24,

- Mr. Vinit Kishore, CFO of the Company resigned with effect from 18<sup>th</sup> May, 2024.
- Mr. Vineet Mahajan was appointed as CFO of the Company with effect from 10<sup>th</sup> July, 2024.

Mr. Subramanian Murali (DIN: 00041261), Non-Executive Director of the Company, whose office is liable to retire by rotation at the ensuing AGM and, being eligible, offers himself for re- appointment.

Mr. Mayank Jain (DIN: 00251609) was appointed as a Non-Executive Independent Director of the Company for a term of five consecutive years w.e.f. 1<sup>st</sup> October, 2019. His first term as Non-Executive Independent Director of the Company will expire on 30<sup>th</sup> September, 2024.

The Nomination and Remuneration Committee ('NRC') and the Board at their respective meetings held on 8<sup>th</sup> August, 2024, after taking into account the performance evaluation of Mr. Mayank Jain during first term and considering his knowledge, acumen, experience including proficiency, skills and based on declaration of independence, eligibility etc. and



## Board's report

consent received from him, has recommended to the Shareholders his re-appointment for second term of five consecutive years. In opinion of the Board, he is a person of integrity and possesses the relevant expertise and experience (including the proficiency) and fulfills the conditions specified in the Act and Rules made thereunder and the Listing Regulations for reappointment as an Independent Director, he is independent of the management and his re-appointment as an Independent Director for the second term would be in the interest and benefit to the Company.

As required under Regulation 36 of the Listing Regulations, the relevant provisions of the Act and Secretarial Standard on General Meetings, a brief resume, nature of expertise/details of experience and other Directorships/Committee memberships/Chairmanships held by Mr. Murali and Mr. Jain in other Companies etc., forms part of the Notice convening the 36<sup>th</sup> AGM.

Pursuant to the Regulation 34 read with Schedule V of the Listing Regulations, the Company has obtained a certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/MCA or any such statutory authority, forms a part of this annual report.

### Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under provisions of Section 149(6) of the Act, as amended. In accordance with the requirements of Regulation 25 of the Listing Regulations, the Independent Directors have also confirmed that they meet the criteria of independence as provided in the Regulation 16(1)(b) of the Listing Regulations and are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Board is of the opinion that the Independent Directors possess requisite integrity, expertise, experience and proficiency and are independent of the Management of the Company.

In terms of provisions of Section 150 of the Act read with rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have confirmed that they have registered themselves with the Independent Director's Databank as maintained

by the Indian Institute of Corporate Affairs, Manesar ('IICA').

Mr. Mrutyunjay Mahapatra and Dr. (Ms.) Rashmi Aggarwal, Independent Directors of the Company are exempted from the requirement to undertake online proficiency self-assessment test, and Mr. Mayank Jain and Mr. Ram Nirankar Rastogi have successfully completed the test.

### Meeting of Independent Directors

A separate meeting of the Independent Directors was held on 28<sup>th</sup> March, 2024, without the presence of Non-independent Directors and the members of management. Independent Directors have discussed, inter-alia, the performance of Non-Executive Non-independent Directors including, the Chairman of the Company, Executive Director and the Board as a whole. The Independent Directors gave their detailed feedback on the Board evaluation and performance of the directors evaluated by them and made suggestions for further improvement.

### Committees of the Board of Directors

As on 31<sup>st</sup> March, 2024, there were Eight (8) Committees of the Board of Directors, viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee, Investment and Finance Committee, Committee (Growth) and Committee (Structure).

The details of the terms of reference, meetings held during the year under review, attendance of directors/members and other matters of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee are provided in CGR, which forms part of the Annual Report.

During FY 2023-24, the Board of Directors constituted a 'Committee (Structure). The said Committee was assigned the responsibility for reviewing and evaluating the corporate structure of the Company and its subsidiaries and evaluating the necessary steps to be taken to streamline the structure; and to discuss, review and negotiate with consulting firm(s) with appropriate expertise in order to create a suitable structure.

The Board also constituted a 'Committee (Growth)' during FY 2023-24. The said Committee was created to review and evaluate the acquisition of new businesses/entities from growth perspective and make recommendation to the Board; and to carry out such other functions as Committee may consider appropriate to achieve the said purpose.

During FY 2023-24, the Board reconstituted the earlier 'Investment Committee' and changed its name to 'Investment and Finance Committee'. The terms of reference of this revised Committee included, review of investment policy, review of portfolio investments, transfer of investment from one folio to another, to borrow from Banks and/or Financial Institutions and to carry out such other functions as may be assigned by the Board.

### Audit Committee ('AC')

In compliance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations, the Company has a duly constituted an AC. The AC comprised of the following Directors during FY 2023-24:

1	Mr. Mrutyunjay Mahapatra	- Chairman
2	Dr. (Ms.) Rashmi Aggarwal	- Member
3	Mr. Subramanian Murali	- Member

During FY 2023-24, the AC has made several recommendations including quarterly Financial Results and Financial Statements, appointment of Internal Auditors, Statutory Auditors, Secretarial Auditors and other statutory matters and the Board accepted all the recommendations made by the AC.

### Risk Management Committee ('RMC') and Risk Management Policy

The Board has a RMC which comprised of the following members during FY 2023-24:

1	Mr. Rohit Ahuja	- Chairman
2	Mr. Mayank Jain	- Member
3	Dr. (Ms.) Rashmi Aggarwal	- Member
4	Mr. Vinit Kishore (till 18 <sup>th</sup> May, 2024)	- Member
5	Ms. Ruchi Mehta	- Member

After the close of FY 2023-24, Mr. Vinit Kishore ceased to be a member of RMC.

The RMC has been entrusted with responsibility of monitoring and reviewing the Risk Management Policy and framework, ensuring that appropriate methodologies, processes and systems are in place and recommending to the Board any amendments or modifications thereof.

The Company has a Risk Management Policy in place, which establishes a structured and disciplined approach to risk management, in order to guide management on risk related issues. The policy lays down the principles and procedures to identify, evaluate, monitor and minimise the risk associated with the business of the Company. As a good practice, the management regularly identifies the risks associated with different businesses of the Company and implements the risk control system

and processes. The Board, on recommendation of the AC and RMC, reviews the major risks associated with the business of the Company and ensures that appropriate systems/frameworks for risk management are in place.

The AC also evaluates and oversees risk management framework relating to financial reporting process, disclosures of financial information, internal controls, compliance, financial and risk management policies.

A detailed disclosure on various Risk factors associated with businesses of the Company is given in Management Discussion and Analysis Report.

### Corporate Social Responsibility ('CSR')

As required under Section 135(1) of the Act, the Company had constituted a CSR Committee which had following constitution during FY 2023-24:

1	Mr. Dilip Modi	- Chairman
2	Mr. Subramanian Murali	- Member
3	Mr. Mayank Jain	- Member

Since the Company was not meeting the criteria provided under Section 135(1) during FY 2022-23, the provisions of Act and CSR Rules were not applicable to the Company during FY 2023-24.

### Performance Evaluation of the Board, its Committees and Individual Directors

As per the relevant regulations of the Listing Regulations and provisions of the Act, the Nomination and Remuneration Committee ('NRC') formulate the criteria and the manner for effective evaluation of performance of the entire Board and its Committee and individual Directors and decided that it will be done by the Board itself internally.

The Committee reviews its implementation and ensures the compliances thereof.

Pursuant to applicable provisions of the Act and relevant regulations of the Listing Regulations, the Board, in consultation with NRC, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors. During the year, the said criteria were reviewed by the NRC and the Committee decided to continue with the same criteria for evaluation purpose.

A structured questionnaire has been prepared, covering various aspects of the functioning of the Board and its committees, such as, adequacy of the constitution and composition of the Board and its committees, discharge of role and responsibilities by the Board and its committees, succession plan for

## Board's report

Board Members and Senior Management, frequency of the meetings, regulatory compliances and Corporate Governance, etc. Similarly, for evaluation of individual director's performance including for Independent Directors, the questionnaire covers various aspects like his/her attendance at the meetings of Board and its committees, contribution in the Board and committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, adequate and timely disclosures, etc.

The Board has carried out formal annual evaluation of every Director's performance including the Executive Director. The performance evaluation of the Independent Directors have been done by the entire Board, excluding the Director being evaluated on the basis of performance and fulfillment of the independence criteria as specified under the Act and the Listing Regulations.

### Directors' Responsibility Statement

Pursuant to the provisions of Section 134(5) of the Act, the Directors hereby confirm that:

- (i) in the preparation of annual accounts for the FY 2023-24, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2024 and of the profit/loss of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down proper internal financial controls to be followed by the Company and such internal financial control are adequate and were operating effectively; and
- (vi) they have devised proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

The financial statements have been prepared in accordance with the Indian Accounting Standards

(Ind-AS) prescribed under provisions of Section 133 of the Act read with rules made thereunder.

These affirmations are based on the system of Company on internal control and compliance, the report of internal, statutory and secretarial auditors, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee.

### Management Discussion and Analysis Report

In terms of Regulation 34 of the Listing Regulations, Management Discussion and Analysis ('MDA') Report forms an integral part of this Report.

### Business Responsibility & Sustainability Report ('BRSR')

BRSR reporting is not applicable to the Company as it has not been part of the top 1000 Companies based on market capitalisation as on 31<sup>st</sup> March, 2023.

### Corporate Governance Report

A separate report on Corporate Governance ('CGR') is enclosed as part of this Annual Report.

### Details in respect of adequacy of Internal Financial Controls with reference to the Financial Statements

The Company has in place an established internal financial control ('IFC') system commensurate with its size and nature of its operations to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances. Self-certification exercise is also conducted by which senior management certifies effectiveness of the internal control system of the Company. Findings of the Internal Audit Report are reviewed by the top management and by the Audit Committee invariably and proper follow up actions are ensured, wherever required.

The Company had appointed an external agency to conduct review, testing and verify the prevalent internal financial control and risk management system. The Audit Committee ensures that the Company maintains effective risk management and internal control systems and processes. It provides its feedback and recommendation on the relevant matters to the Board.

The Statutory Auditors and Internal Auditors also evaluate the system of Internal Controls of the Company and report to the Audit Committee. Appropriate steps are taken to bridge the gaps

observed by them. In opinion of the Statutory Auditors, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March, 2024.

### Annual Return

In accordance with the provisions of Sections 92(3) and 134(3)(a) of the Act, the Annual Return (Form MGT-7) for FY 2023-24, is available on the Company's website at link [https://investorrelations.digispice.com/documents/118605907\\_annual-return-2023-2024.pdf](https://investorrelations.digispice.com/documents/118605907_annual-return-2023-2024.pdf)

### Particulars of Loans, Guarantees or Investments

The details of Loans, Guarantees or Investments made under provisions of Section 186 of the Act are provided in the Note 40 of the Standalone Financial Statements.

### Maintenance of cost records

Business activities of the Company are not covered under the ambit of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, hence, the Company is not required to maintain cost records as specified by the Central Government under above said provisions.

### Public Deposits

During FY 2023-24, the Company has neither accepted nor renewed any deposits in terms of Chapter V of the Act and no amount of interest or principal was outstanding as on 31<sup>st</sup> March, 2024.

### Particular of Contracts or Arrangements with Related Parties

All related party transactions, undertaken during FY 2023-24, are in compliance with the applicable provisions of the Act and the Listing Regulations. Further, no contracts, arrangements or transactions entered into during the reporting year required approval from Shareholders.

As required under the Regulation 23 of Listing Regulations, all related party transactions are placed before the AC for its approval. The AC has granted Omnibus approval for related party transactions which are repetitive in nature and fall within the criteria laid down for the purpose. The details of transactions with related parties are placed at the Audit Committee quarterly for its review.

The 'Policy on Related Party Transactions' dealing with such transactions and 'Policy for determining Material Subsidiaries' are uploaded on the website of the Company viz. [www.digispice.com](http://www.digispice.com).

There were no related party transactions entered into by the Company with Directors, KMPs or other related parties which may have a potential conflict with the interest of the Company.

During FY 2023-24:

- ♦ All contracts/arrangements/transactions with related parties were at arm's length basis and all contracts/arrangements with related parties were in the ordinary course of business;
- ♦ No material contracts/arrangements/transactions were entered into with any of the related parties exceeding 10% of the annual consolidated turnover as per the last audited financial statements of the Company.

The disclosure of related party transactions as required under provisions of Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2023-24 and hence does not form part of this report. The details of the transactions with related parties are provided in Note 33 of standalone financial statements and Note 39 of the consolidated financial statements. Disclosures of transactions with Spice Connect Private Limited ('Promoter') who hold 10% or more shareholding in the Company, are provided in the Note 33 of the Standalone Financial Statements.

### Vigil Mechanism

Pursuant to provisions of Section 177 of the Act, Regulation 22 of the Listing Regulations and Regulation 9A(6) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has established 'Vigil Mechanism/Whistle Blower Policy' for Directors and Employees and other stakeholders.

This Policy has been established with a view to provide a tool to directors and employees of the Company and other stakeholders to report, to the management, genuine concerns including unethical behaviour, actual or suspected fraud or violation of the Code of Conduct of the Company. This Policy outlines the procedures for reporting, handling, investigating and deciding on the course of action to be taken in case inappropriate conduct is noticed or suspected.

This Policy also provides for adequate safeguards against victimisation of director(s) or employee(s) or any other person who avails of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The Audit Committee is authorised to oversee the Vigil Mechanism/Whistle Blower Policy in the Company. The Company has not received any concerns/grievances under the said policy during the year under review.



## Board's report

The Vigil mechanism/Whistle Blower Policy is available on the Company's website at the link <https://investorrelations.digispice.com/files/SML-WBP-01-04-2019.pdf>

### Company's policy on Directors' appointment and Remuneration

The Board of Directors, on the recommendation of the NRC of the Company, had framed a Policy for nomination and appointment of Directors. As required under provisions of Section 178(3) of the Act and Regulation 19 read with Schedule II of the Listing Regulations, the NRC also recommended to the Board the policy on remuneration, including stock options to Directors (excluding Independent Directors), KMP, SMP and other employees of the Company, which was duly approved by the Board. The policy in terms of Section 178(3) of the Act is available at <https://investorrelations.digispice.com/information.php?page=policies>.

The Board on the recommendation of the NRC appoints the Senior Management Personnel from time to time.

During FY 2023-24, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees to Independent Directors, allotment of shares against options allotted under ESOP scheme and reimbursement of expenses, wherever required.

### Employees Stock Option Plan

The NRC in its meetings held on 18<sup>th</sup> September, 2018, 5<sup>th</sup> February, 2019, 1<sup>st</sup> August, 2022 and 8<sup>th</sup> August, 2024 had granted Options under DTL Employees Stock Option Scheme - 2018 ('ESOP Scheme') to eligible employees.

The Certificate issued by the Secretarial Auditors of the Company as required under Regulation 13 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, confirming that the ESOP Scheme has been implemented in accordance with the said Regulations and the resolutions passed by the members, would be made available at the AGM for inspection by members.

The applicable disclosures as on 31<sup>st</sup> March, 2024, as stipulated under the aforesaid Regulations, with regard to the ESOP Scheme of the Company are available on the website of the Company at [https://investorrelations.digispice.com/files/ESOP\\_Disclosure\\_2024.pdf](https://investorrelations.digispice.com/files/ESOP_Disclosure_2024.pdf)

### Particulars of Employees

In terms of the provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the details of remuneration and other details of the Directors, KMP and employees covered as mentioned under the said rule is annexed as Annexure - A which forms part of this report.

### Policy on Prevention of Sexual Harassment

The Company has consistently been putting its effort to create a safe working environment for every employee particularly women employees. Towards this effort and as per requirement under the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013, as amended, the Company has put in place a Policy on 'Prevention of Sexual Harassment at Workplace'. The Company has complied with the provisions relating to the constitution of Internal Committee.

The statement of complaints filed, disposed of and pending as on 31<sup>st</sup> March, 2024 is provided in the Corporate Governance Report.

### Significant and Material Orders passed by the Regulators, Courts or Tribunal

No significant and material orders were passed by the Regulators, Courts or Tribunals impacting the going concern status and Company's operations in future.

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information pursuant to provisions of Section 134 of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended, related to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is given as Annexure - B.

### Compliance with Secretarial Standards

The Company has complied with the provisions of Secretarial Standard - 1 (Secretarial Standard on meetings of the Board of Directors) and Secretarial Standard - 2 (Secretarial Standard on General Meetings) issued by the Institute of Company Secretaries of India.

### Material changes and commitments, if any, affecting the financial position of the Company

There were no material changes and commitments affecting the financial position of the Company during FY 2023-24. The details of discontinued operations are already provided in this report under the head 'Performance Review and State of Company Affairs'. Subsequent to close of FY 2023-24, the Board has approved a Scheme of Amalgamation by way of merger, the brief whereof is provided earlier in this report, under the head 'Restructuring through Scheme of Amalgamation by way of Merger'.

### Proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016)

There is no proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016.

### Acknowledgements

Your Directors would like to express their grateful appreciation for continued support received from the Banks, Government Authorities, Customers, Vendors and Members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of the employees of the Company at all levels.

For and on behalf of the Board of Directors of  
**DiGiSPICE Technologies Limited**

Date: 5<sup>th</sup> September, 2024  
Place: Noida

**Dilip Modi**  
Chairman

## Management discussion and analysis

The Indian economy stands resilient in the global landscape, demonstrating robust growth while the world is facing challenges such as global economic uncertainty and geopolitical tensions, among others. This resilience is largely driven by favourable government policies, a burgeoning manufacturing sector, favourable demographics and rapid digitalisation, which has become a key catalyst for economic expansion. India's digital revolution, spearheaded by initiatives like Digital India which includes mass scale investments in building public digital infrastructure, has transformed diverse sectors, fostering innovation and efficiency. Further, the deep penetration of mobile telecom, has played a pivotal role in driving financial inclusion, empowering millions with access to banking services, and enabling seamless transactions, thereby contributing to the overall growth and stability of the economy.

**Spice Money Limited**, a key subsidiary of Digispice Technologies Limited, has emerged as India's leading rural fintech innovator. Leveraging a technology-driven assisted model, Spice Money empowers underserved rural and semi-urban populations by providing them with critical digital financial and e-retail services. This initiative ensures banking access for individuals who were previously excluded from the financial system.

In a strategic pivot, the Board of Directors of DiGiSpice Technologies Limited, during its meeting on April 7, 2023, approved, in principle, the decision to exit the digital technology services sector. This shift underscores the group's renewed focus on expanding its footprint in financial technology services, primarily through Spice Money and its related entities.

### Critical licences and regulatory approvals received by Spice Money

- ◆ Prepaid Instrument (PPI) licence
- ◆ Bharat Bill Payment System licence
- ◆ IRCTC Principal Agency licence
- ◆ IRDAI Corporate Agency licence
- ◆ AUA/KUA licence by UIDAI

**1.4 million**  
Adhikaris

### Covering

**2.44 lakh**  
Villages

### Generating

**₹ 108,000 crore**

Customer gross transaction value  
in FY 2023-24

### Overview

Rural and semi-urban regions are essential to advancing India's economy. At present, they contribute 47% to the nation's GDP. By 2030, their economic output is expected to rival the current GDP of India. Furthermore, the income per capita in these areas is projected to grow 3.5 times, demonstrating their potential to make a significant global impact. (Source: BCG-RBIH Report 2023).

### Emerging rural India: A new era of growth

India's sustainable progress hinges on empowering its vast rural and semi-urban population, which makes up over 65% of the country's demographic. In recent years, transformative strides have been made in these areas, driven by rising literacy rates, expanding internet access, and widespread smartphone adoption. Today, more than half of India's internet users hail from rural regions, reflecting a digital revolution that is reshaping the landscape. These technologies play a crucial role in efficiently delivering government schemes and bridging systemic gaps. Rural and semi-urban India now mirrors the developmental stage of urban India from a decade ago, unveiling immense growth potential. One of the key drivers of rural India's has been the government's continuous focus on bringing the large section of the population under the purview of formal financial services. Today, more than 530 million people in the country have Jan Dhan accounts, facilitating financial inclusion.

**73.5%**  
Literacy rate in rural India

Source: NSO

**442 million**  
Rural internet subscribers

Source: Kantar IAMA 2023 Report

Over the last five decades, the MSME sector has emerged as a vital pillar of the Indian economy, fostering entrepreneurship and generating substantial employment opportunities at relatively low capital costs. Serving as a complement to large industries, MSMEs play a crucial role in driving inclusive industrial development, spanning diverse sectors and catering to both domestic and global markets. With approximately 63.88 million MSMEs, these enterprises are instrumental in advancing rural industrialization, contributing 30.9% to the national gross value added in 2023-24, and employing around 155 million workers by December 2023. MSME products accounted for approximately 46% of exports during this period.

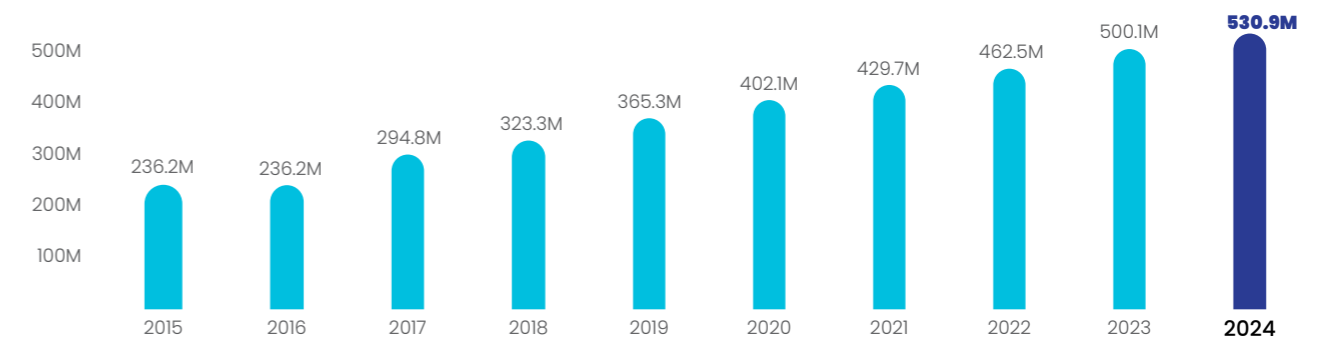
The government's ambitious goals include boosting their gross value contribution to 50% and increasing their export share to 75%, aiming to create jobs for an additional 150 million workers. To achieve these targets, substantial investments in infrastructure, technology, financial support, and vocational training are essential. This will not only enable MSMEs to thrive but also foster innovation, job creation, and a more resilient, inclusive economy.

India's 13 million kirana stores represent another significant opportunity. Spice Money has onboarded ~2% of these MSMEs as Spice Money Adhikaris (SMAs), and research shows that increasing SMA density in a region enhances transaction value, Adhikari income, and our revenue, signalling vast untapped potential.

Source: MSME Annual Report FY23, Government of India

(<https://msme.gov.in/sites/default/files/MSMEANNUALREPORT2022-23ENGLISH.pdf>)

### Over 530 million people have Jan Dhan accounts



[Source: PMJDY]

Over the last decade, the National Payments Corporation of India (NPCI) has revolutionised the payment landscape with innovations like UPI, National Electronic Toll Collection (NETC), Bharat Bill Pay Service (BBPS), Aadhaar-enabled Payment System (AePS), and IMPS. These platforms have transformed payment methods, offering seamless digital alternatives to traditional cash and paper transactions. The widespread availability of mobile broadband has further accelerated this shift. Non-bank fintechs have also played a crucial role, leveraging Prepaid Payment Instruments (PPIs), Bharat Bill Payment Operating Units (BBPOUs), and UPI-based applications to drive the adoption of digital payments across the country.

### Financial services sector

In the past three years, India has witnessed remarkable progress in financial inclusion. This growth is largely attributed to the government's visionary JAM Trinity initiative—Jan Dhan, Aadhaar, and Mobile—which seamlessly integrated identity systems and mobile infrastructure with banking and payment ecosystems. These efforts have not only made banking more accessible but also catalysed the growth of digital transactions, particularly in rural and semi-urban areas. JAM has laid the foundation for a robust financial inclusion infrastructure, enabling millions to participate in the formal economy and facilitating the efficient transfer of benefits through the Direct Benefit Transfer (DBT) system. The number of Jan Dhan Accounts has almost doubled from 236.2 million in 2015 to 530.9 million in 2024.

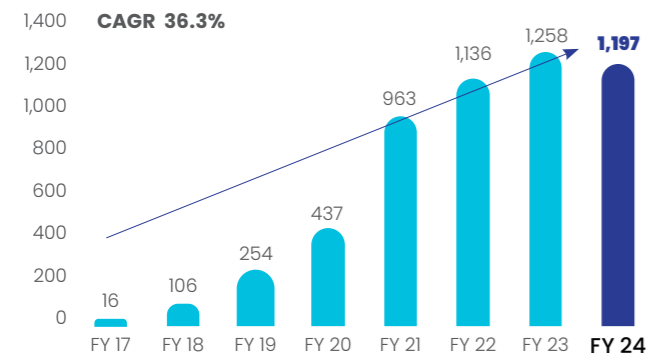
The Aadhaar-enabled Payment System (AePS) has been a key catalyst for digital payments in rural India, experiencing significant growth in transaction volume and value. The COVID-19 pandemic further accelerated its adoption, underscoring the system's convenience and its alignment with evolving consumer behaviours.

**140 crore**  
Aadhaar generated  
by the end of Aug 2024

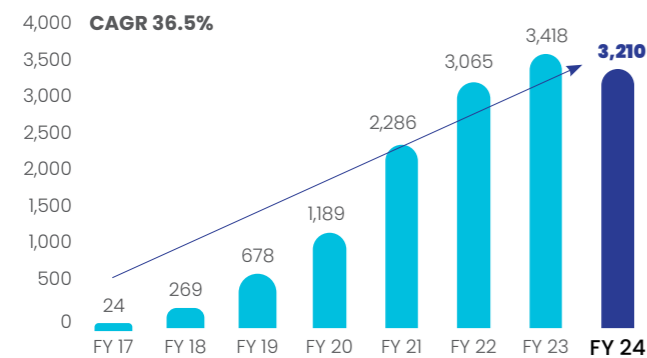


## Management discussion and analysis

### AePS transaction volume (in million)



### AePS transaction value (₹ in billion)



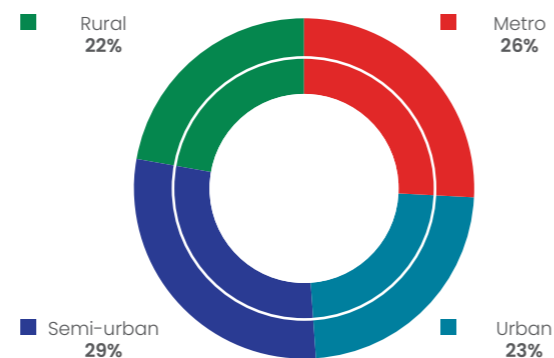
Source: NPCI

Payment banks and fintech companies have expanded their reach significantly by increasing touchpoints through retail outlets, which are prevalent in rural and semi-urban India. For many, especially those from lower-income groups and rural areas, small local stores are the main venues for retail transactions. The substantial gap between the supply and demand for financial services in these regions reveals a vast, untapped fintech market. These small stores can function as 'pseudo bank branches' or ATMs, thereby enhancing financial inclusion and extending banking services into underserved communities. This development presents substantial, yet largely unexplored, opportunities for payment banks and fintechs.

As India advances towards improved digital infrastructure and better banking services, there is significant potential to enhance last-mile banking solutions. Creating a strong platform for banks and financial service providers to reach rural and

semi-urban customers through a network of digital Nanopreneurs represents a major opportunity. Spice Money has leveraged this potential by developing one of the largest and most extensively embedded networks of digital Nanopreneurs in emerging India. This positions Spice Money as the most lucrative last-mile channel for financial and other service providers aiming to acquire and serve consumers in these underserved regions.

### Region-wise deployment of ATMs



Source: RBI (<https://rbi.org.in/Scripts/StateRegionATMView.aspx>)

**39.49**  
Available no. of ATMs average across the world per 1 lakh adult population (2021)

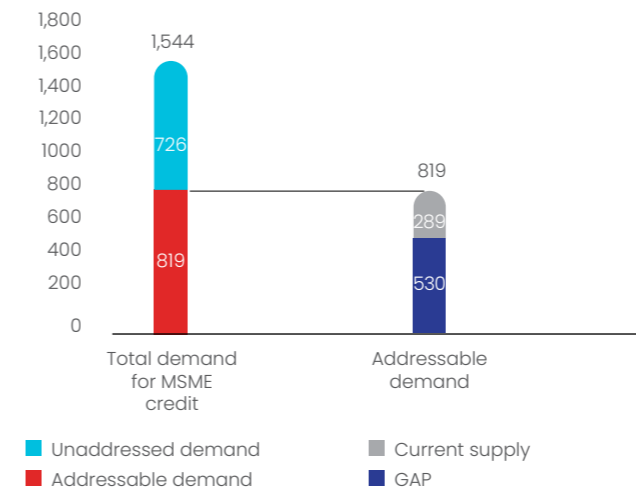
**21.44**  
Available no. of ATMs average in India per 1 lakh adult population (2021)

**9**  
Available no. of ATMs average in rural India per 1 lakh adult population (2021)

### Credit gap

Despite the expansion of the MSME financing market, a substantial unmet credit demand persists among MSMEs and Nanopreneurs. This gap presents a considerable opportunity in MSME lending. Much of this unfulfilled demand comes from smaller segments that correspond closely with Spice Money's SMA network.

### High unmet credit demand in MSME financing (in \$ billion)



Source: Aventus Capital, CRISIL, CRIF

Approximately 3 crore B2C MSME merchants utilise QR codes, yet only around ~3.16 crore MSMEs are registered on the Udyam registration portal. This discrepancy highlights a significant gap in credit availability despite the presence of digital data, presenting a substantial opportunity for addressing unmet credit needs.

## \$ 530 billion

Credit gap in India's MSME sector out of an addressable demand of \$ 819 billion

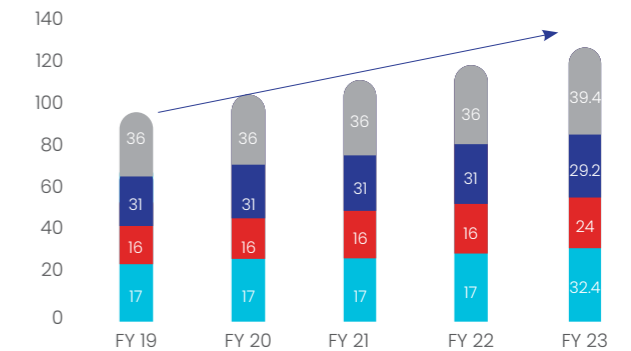
### Banking opportunity

#### Current account and savings accounts (CASA)

Current and savings accounts (CASA) have shown steady growth, with rural and semi-urban regions contributing to two-thirds of all accounts nationwide. This trend highlights the increasing financial inclusion in these areas. Spice Money, leveraging its vast rural network, is strategically poised to capitalise on this expanding market. By utilising e-KYC technology, Spice Money facilitates instant bank account openings, making banking services more accessible

and efficient for underserved populations. This approach not only enhances the Company's market reach but also plays a crucial role in driving financial empowerment across India's rural landscape.

### Distribution of open current and savings accounts across regions (%)

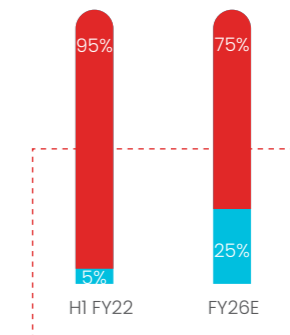


CAGR 30%

Legend: Rural 6.9%, Semi-urban 7.2%, Urban 6.9%, Metropolitan 6.1%

Source: Database on Indian Economy, RBI

### Savings accounts opened digitally (Volume %)



Legend: % on third-party digital platform, % on banks' digital platform

Source: Database on Indian Economy, RBI

## Management discussion and analysis

### Spice Money: Bridging gaps, empowering communities

Spice Money stands as India's leading rural fintech, revolutionising banking across Bharat through a vast network of over 1.4 million Adhikaris (Nanopreneurs). These Adhikaris offer an extensive array of services, including cash deposits and withdrawals, mini-ATM operations, instant bank account openings via e-KYC, domestic money transfers, credit and loans, bill payments, cash collection for NBFCs and banks, mobile recharges, travel bookings, online shopping, PAN card services, G2C services, and mPoS solutions, bringing comprehensive financial inclusion to the heart of rural India.

### Nanopreneur opportunity landscape

Spice Money is a phygital infrastructure platform designed to deliver a wide range of e-services to emerging India, with the Nanopreneur at its core.

1.4 million  
SMAs onboarded on  
Spice Money today

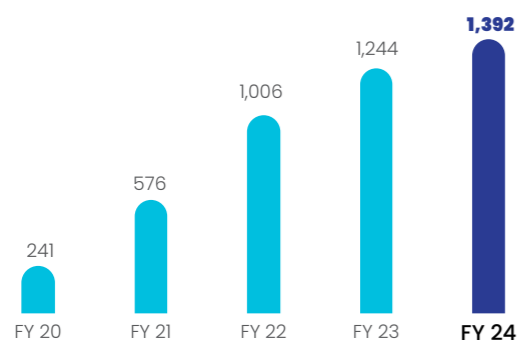
- ◆ ~95% SMAs present in rural (74%), semi-urban (21%) areas today; 5% in urban areas
- ◆ Rural and semi-urban SMAs account for ~96% of GTV

2% of total MSMEs

In FY 2023-24, Spice Money achieved a Gross Transaction Value (GTV) of ₹ 1.63 lakh crore, reflecting a compound annual growth rate (CAGR) of 46% since FY 2020-21.

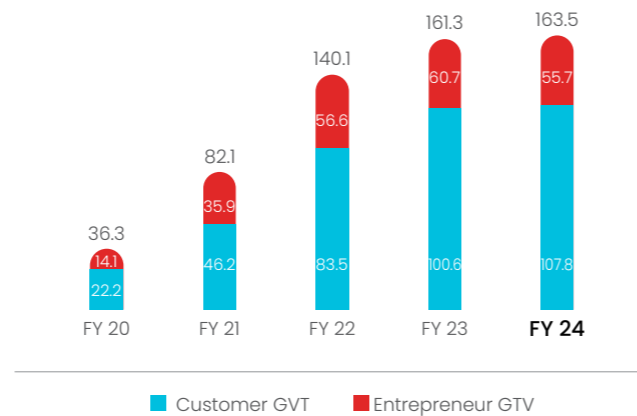
- ◆ Registered customer service points have clocked a CAGR of 55% in the last five years.

### Spice Money Adhikaris '000 (Entrepreneurs/Kirana stores)



- ◆ Our expanding SMA network exemplifies customers' trust in Spice Money, as demonstrated by a 46% CAGR in GTV over the past five years. In FY 2023-24, the growth of non-GTV products, such as CASA and subscription packs, has made a significant contribution to our business.

### Gross transaction value (₹ '000 crore)



Spice Money's services are accessible via the Spice Money app (Adhikari app) and web portal. The app's user-friendly interface and advanced technology have earned it a 4.4-star rating on Google Play, the highest in the industry. By harnessing state-of-the-art technology and its broad network of Adhikaris, Spice Money effectively bridges gaps in access to a range of financial services across India.

**2.4 lakh**  
Villages under  
Spice Money network

**20 lakh**  
Customers served  
every month

**4.4 star**  
Rating on Google Play for  
Spice Money Adhikari App

### Growth pillars

To propel the Company forward in India's dynamic economic environment, our strategic focus is on enhancing our existing business, exploring new opportunities, fostering innovation, and achieving operational excellence. We aim for sustainable growth through the following strategies:

- ◆ Consolidate our share of the core assisted payments industry and maintain market leadership.
- ◆ Double down on operating leverage in core business.
- ◆ Use our network, distributor channels and tech platform to bring strategic products like savings and investment products to the market with suitable partners.
- ◆ Enter the lending business through strategic NBFC acquisition to create own credit products for captive Adhikari base and adjacent merchant base.

- ◆ Leverage our prepaid payment instrument (PPI) licence to develop unified payments interface (UPI)-based propositions for merchants and consumers addressing numerous inoperative bank accounts in our target markets.

By swiftly rolling out and scaling new products, and leveraging data alongside on-ground insights, the Company is diversifying its product portfolio and transitioning from a cash-out-intensive model to a multi-product business.

### Portfolio diversification: Cash-out to multi-product business

Nature of Business	Product line	Strategic Driver	FY 2023-24 Margins (in ₹ crore)	Contribution to GM FY 2023-24	Contribution to GM FY 2020-21
Transaction Business	AEPS + Micro ATM	Key business attracting customer footfall	109.8	65.8%	73.0%
	Remittance	Footfall Driver	6.3	3.8%	5.4%
	Collections	Significant Growth headroom	24.5	14.7%	1.7%
	Subscription Pack	Long term Merchant Loyalty	10.6	6.4%	-
Distribution Business	Banking	Creation of Banking Service Points for servicing Banks & Customers	2.0	1.2%	-
	Credit	Next growth engine	3.0	1.8%	0.4%
	Digital Services & Others	Value added services improving overall margin	10.7	6.4%	39.4%

### Diversification of our product portfolio leads to a reduced reliance on AEPS and micro-ATM business:

The contribution of our Cash-In/Out segment has decreased from 73% to 66% between FY 2020-21 and FY 2023-24, while the share of collections and credit has grown steadily. New offerings such as banking and subscription packs have significantly contributed to gross margin, demonstrating their successful integration into our operations. **Spice Money is shifting its focus to encompass all seven segments mentioned, aiming to build a well-diversified business that addresses the diverse needs of consumers in rural and semi-urban India.**

### Transaction business

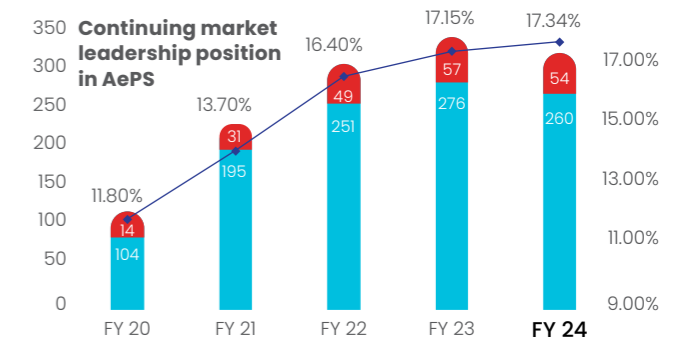
#### 1) AEPS + micro-ATM

- ◆ The Gross Margin from Cash-Out services, including Aadhaar Enabled Payment System (AePS) and micro-ATM (m-ATM), constitutes ~ 66% of the Company's total Gross Margin.
- ◆ Our AePS services have seen substantial growth in recent years. By facilitating smooth transactions in remote and underserved

regions, we effectively serve a large customer base seeking accessible banking solutions. Strategic partnerships with agents have further boosted engagement, solidifying our role as a key player in the industry.

- ◆ Our market share in AePS has grown from 11.8% in FY 2019-20 to 17.34% in FY 2023-24.

### AePS market share\* (%)



Rest of the industry GTV (₹ crore) | Spice Money GTV (₹ crore) | Market share (%)

\* Off-Us market share



## Management discussion and analysis

Other focus areas include enhancing financial services such as collections, banking, credit, and insurance.

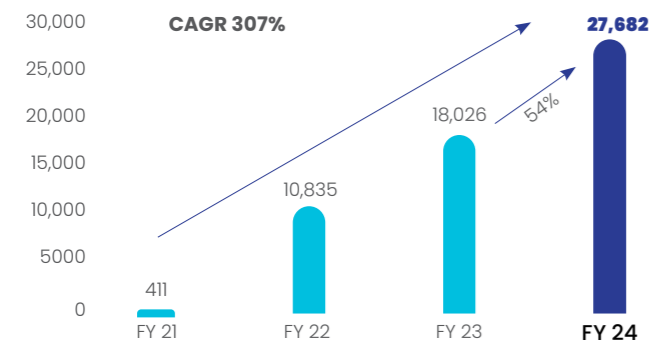
### 2) Remittances

- ♦ **DMT:** DMT (Domestic Money Transfer) is a cash-to-bank account remittance service provided through our SMAs and agents. Located throughout India, our SMAs use the Spice Money DMT platform to transfer funds on behalf of their customers.

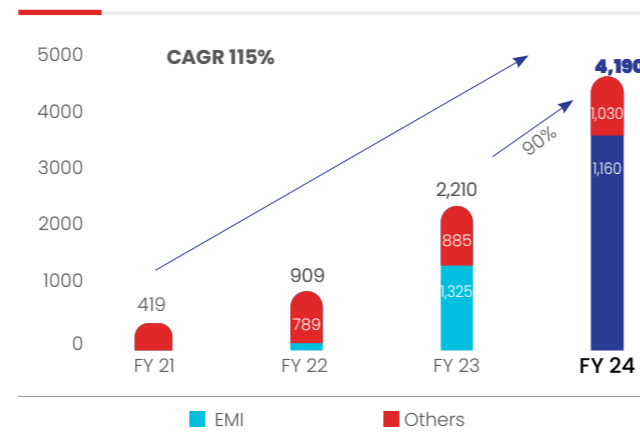
### 3) Collections

- ♦ **CMS:** Representatives from enterprises such as microfinance NBFCs and logistics companies operating in semi-urban and rural areas can now deposit cash collected from rural citizens at a nearby Spice Money Adhikari in the village. This arrangement allows enterprises to receive near real-time credit, while Adhikaris can use the deposited cash to provide cash withdrawal services to customers. CMS Gross Transaction Value (GTV) reached ₹ 27,682 crore in FY 2023-24 (54% ↑ YoY growth).

#### CMS GTV (₹ in crore)



- ♦ **BBPS EMI collections:** Customers of enterprises, such as microfinance NBFCs and logistics companies operating in semi-urban and rural areas, can now directly pay their EMIs to a Spice Money Adhikari in their village.



The notable growth in collections indicates that these new initiatives are gaining substantial traction and have considerable potential for future growth.

### 4) Subscription packs

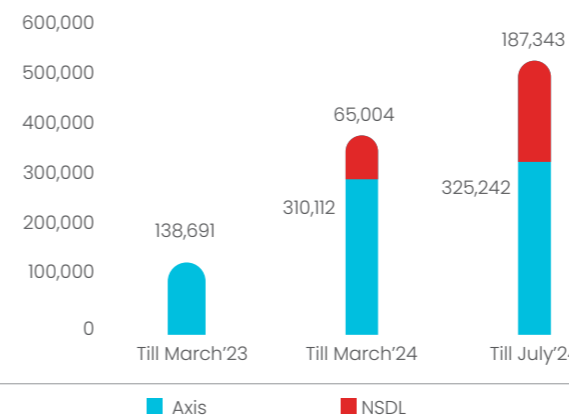
- ♦ We have developed a scalable business model for basic banking and payments, with a current focus on enhancing customer retention through subscription packs to expand and solidify our market share.
- ♦ We have introduced multiple subscription packs for SMAs to grow transactions on the Spice Money platform, creating a competitive edge. These packs foster long-term loyalty by providing consistent value and support, ensuring SMAs remain with our platform and benefit from continuous improvements.
- ♦ In FY 2023-24, we sold ~53,000 subscription packs.
- ♦ As of July 2024, we have sold new subscription packs to ~34,000 SMAs in FY 2024-25.

## DISTRIBUTION BUSINESS

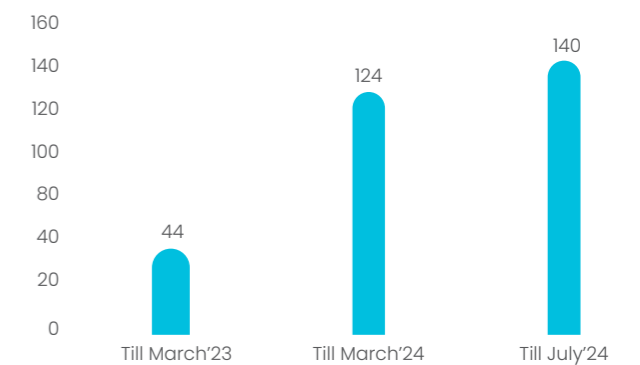
### 5) Banking

Current and savings accounts are experiencing steady growth, with rural and semi-urban areas accounting for two-thirds of all accounts nationwide. **Spice Money opened 3.75 lakh accounts with partner banks until March 2024.**

#### Accounts opened



#### Total float (₹ crore)



### 6) Credit

Our credit division provides a broad spectrum of products, including secured, unsecured, and gold loans. Over the past year, we have expanded our offerings to include gold loans, recognising significant potential in the credit sector. Notably, our credit business experienced a 3x increase in FY 2023-24 compared to the previous year.

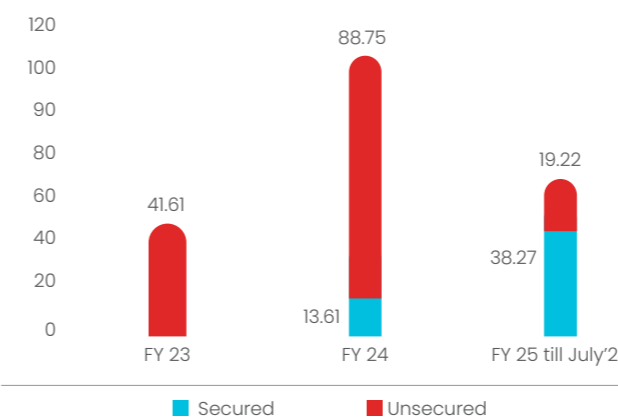
The Company is now facilitating SMA loans and has also entered the secured loan market.

#### Horizon for upcoming years

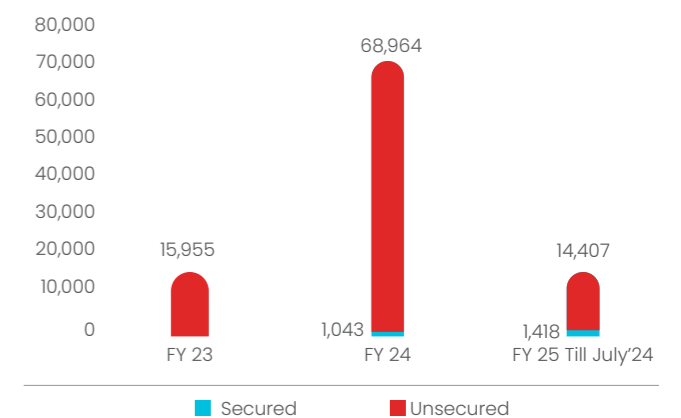
- Achieve an optimal balance in the lending portfolio across both unsecured and secured loans.
- Establish own book lending (unsecured loans)

## Growth in higher ticket size in secured lending to end customers

#### Amount of loans disbursed (₹ crore)



#### Count of loans disbursed



## Management discussion and analysis

### 7) Digital services

**TRAVEL:** In August 2021, Spice Money introduced India's first rural travel super aggregator, Travel Union. This platform facilitates bookings for trains, flights, buses, and hotels through a multilingual interface with direct supplier integration. Travel Union provides competitive fares with no upfront investment, customer support, and instant refunds.

### INNOVATION

Spice Money is now exploring innovative business models for enabling digital consumer payments, and services.

**Spice Money:** A prepaid payment instrument (PPI) wallet, akin to a bank account but without interest income, has been developed with features such as UPI, card payments, and bill payments. While digital payment adoption via UPI has surged in urban India, rural areas still lag behind. This gap is largely due to limited access to bank accounts, difficulties in enabling UPI on cooperative or rural bank accounts, and concerns about exposing complete bank balances to fraud risks.

Spice Money is introducing PPI-UPI, a PPI-based UPI product designed specifically for rural customers to address this gap. Spice Money enables users to perform UPI transactions through a secure wallet, eliminating the need to disclose their bank accounts. Customers can conveniently deposit and withdraw cash from their wallet using our extensive network of Spice Money Adhikaris, ensuring widespread accessibility across rural areas.

In addition to UPI transactions, Spice Money provides an optional RuPay debit card, allowing customers to make e-commerce and point-of-sale (PoS) transactions seamlessly. The app also supports utility payments, EMI payments, and mobile recharges, offering a comprehensive digital payment solution.

Beyond payments, Spice Money empowers users with small savings options, enabling investments in fixed deposits and other financial products. Users can also open secured credit cards through the platform, offering a pathway to building credit.

**Spice Money is designed for underserved banking customers,** helping them advance in digital payments, savings, and investments.

### Business performance

Over the past three years, we have substantially expanded our Nanopreneur base. The growth in Spice Money Adhikaris (SMAs), total Gross Transaction Value (GTV), average GTV per SMA, and other key metrics is illustrated below:

### Financial highlights

Particulars (₹ crore)	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY24	FY20-FY23 CAGR	Growth YoY
<b>Customer GTV (A)</b>	22,155	46,178	83,513	1,00,602	1,07,818	49%	1.07x
<b>Revenue</b>	116	221	366	432	439		
- Service Fees(B)	100	194	349	410	427	44%	1.04x
- Acquisition and Devices	15	27	17	22	12		
<b>Gross Margin</b>	44	79	127	165	169		
- Service Fees (C)	30	70	122	154	169	54%	1.10x
- Acquisition and Devices	14	10	5	11	0.3		
<b>Indirect Cost</b>	35	59	105	155	148		
<b>EBITDA</b>	8.7	20.6	22.5	10.2	21.7	25%	2.13x
Depreciation	8.2	10.3	11.6	20.1	5.5		
<b>EBIT (incl. interest income)</b>	1.8	15.6	20.3	2.0	35.9	111%	18.14x
PAT	1.9	10.7	11.9	-5.7	13.1	61%	3.29x
Service Fee GM on Service Fee (C/B)	30%	36%	35%	38%	40%	7%	1.05x

### Financial performance: Digispice consolidated financials

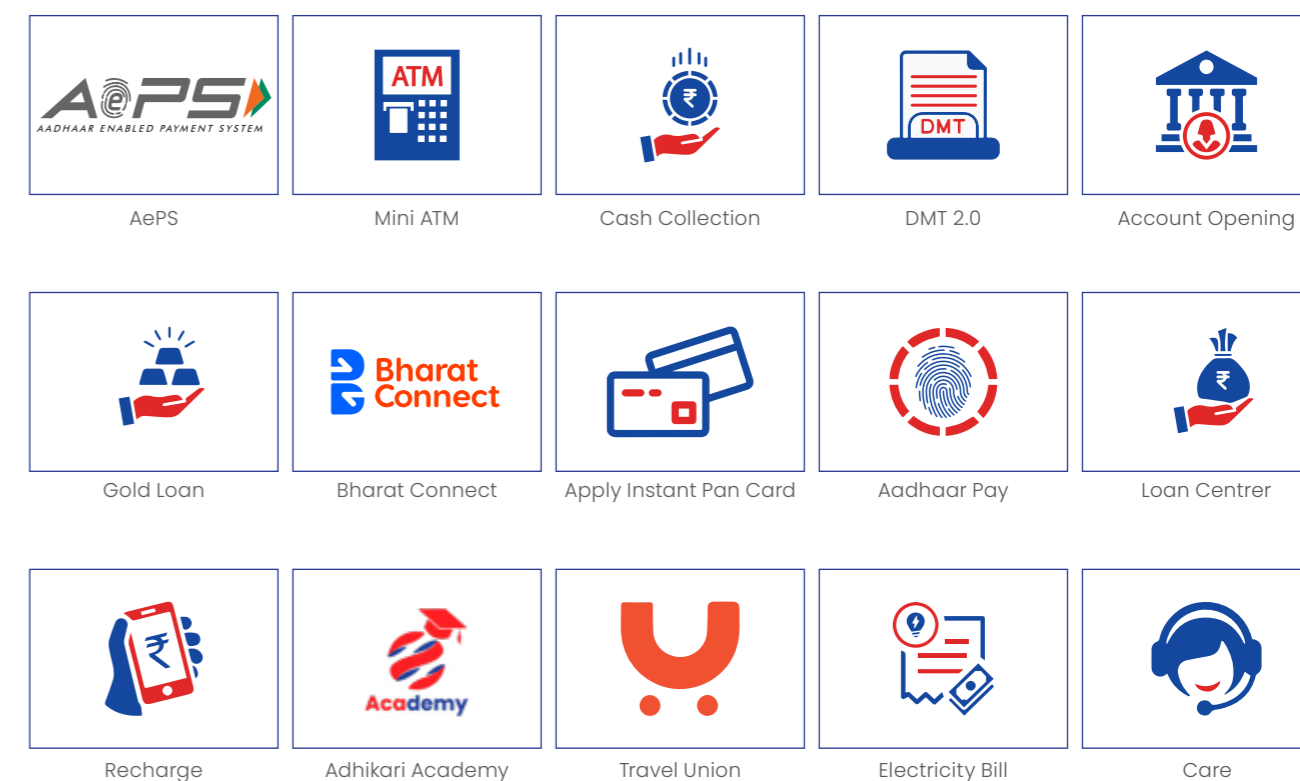
Consolidated revenues from continuing operations reached ₹ 439.43 crore for FY 2023-24, compared to ₹ 431.53 crore in FY 2022-23. The Company reported a net profit of ₹ 12.11 crore for the financial year ending March 31, 2024 a significant turnaround from the loss of ₹ 5.13 crore recorded in FY 2022-23.

### Financial ratios

#### Consolidated

Key ratios	Units	FY 2024	FY 2023	YOY change %
Debtor* turnover (1)	Times	15.83	8.21	93%
Interest coverage ratio* (2)	Times	16.47	0.66	25x
Current ratio	Times	1.20	1.06	13%
Debt equity ratio (3)	Times			
Operating profit margin (%)* (4)	%	7.58%	0.11%	69x
Net profit margin (%)* (5)	%	4.30%	-0.25%	17x
Return on net worth* (6)	%	-7.79%	-7.54%	-3%

- Debtors includes billed and unbilled amounts.
- Interest coverage ratio: Earnings before interest, tax and exceptional items (from continuing operations)/Finance cost
- The Company is debt-free, only cash credit facilities are taken to manage treasury funds**
- Operating profit margin: EBIT (from continuing operations)/Revenue
- Net profit margin: Net profit from continuing operations after tax but before exceptional items/Revenue
- Return on net worth: Net profits (continuing & discontinued operations) after tax but before exceptional items/(equity including minority interest)
- YoY change in ratios is primarily due to the discontinuation of the digital technology services business in FY 2023-24 and investment in the expansion of the Spice Money business





## Management discussion and analysis

### Internal control systems and their adequacy

Our internal control systems are strong and efficient and aligned with our size and operational scale, ensuring efficient, reliable, and complete accounting records as well as accurate financial and management information. These systems also ensure compliance with all relevant laws and regulations while safeguarding the Company's assets. We are continually leveraging technology to enhance our internal control systems.

The Company has established detailed procedures for planning, review, risk management, and investment. Internal auditors are appointed to evaluate adherence to control processes, reporting directly to the Audit Committee with management responses. This includes focusing on critical controls identified through the IFC process to ensure their ongoing relevance and effectiveness.

Independent Directors have full visibility into operational details and participate in an annual meeting to review Board performance and provide feedback. Additionally, we conduct periodic audits by third-party consultants for specific compliance needs, such as system audits, IT audits, and client audits as required by regulatory authorities.

Our commitment to governance is strong, with ongoing efforts to elevate governance standards both within the Company and at the Board level.

### Material developments in human resources

The Company remains dedicated to prudent investment in human capital and the recruitment of top talent. Building and nurturing a promising workforce is a core priority and will continue to be so. We consistently invest in developing future leaders through a robust learning and development programme and a clear succession plan for senior roles.

To support rapid growth and efficient decision-making, the Company has implemented a flat reporting structure. Emerging leaders are given significant roles and responsibilities, with a strong emphasis on continuous training and development. Our 'people first' philosophy drives us to invest in our team to ensure they are future-ready and to foster an exceptional workplace.

In line with our focus on innovation, we have established a dedicated space for pioneering and transformative work, further enhancing our commitment to creating a great place to work.

### Customer service

**Spice Money** provides customer care services across its entire business network. Partners can access support through voice (available in eight languages), email, and WhatsApp chat. Our customer service ecosystem is seamlessly integrated with the business database and partner web and mobile applications to ensure real-time assistance.

Focusing on automation and self-care, our partners can easily access help options through their web and mobile platforms and raise complaints directly. Our CRM system supports adherence to time-bound escalation metrics and offers real-time monitoring of customer care activities. Additionally, customer service plays a key role in enhancing service propositions for end customers and Adhikaris.

### Health and safety measures

The Company is committed to ensuring the health and safety of its staff by adhering to comprehensive safety measures to prevent any incidents and prioritising overall well-being. We conduct regular awareness workshops on safety, both in and out of the workplace.

To further safeguard our employees, we have invested in group mediclaim, term insurance, and accidental insurance policies. Recognising the importance of holistic health, we address physical, mental, and emotional well-being. Our 'We Care for You' team focuses on mental health and wellness, while yoga and meditation are integral components of our training programmes, promoting a balanced and healthy work environment.

### Risk factors

The Company's operations are exposed to a range of both general and industry-specific risks, including the following:

Spice Money's business relies heavily on its technology platform, which our agents use remotely to execute numerous financial transactions. This platform is susceptible to IT and financial risks commonly associated with banking systems, as well as specific risks related to its use.

- ♦ **Regulatory:** The business operates under licences from RBI, UIDAI, IRCTC, and banks as part of banking correspondence arrangements. Any changes to existing regulations, new compliance requirements, or modifications in KYC norms and interchange fees could impact operations.

- ♦ **Technological:** The implementation of technology introduces risks related to software and network issues, such as data security breaches, unauthorised data access, and firewall vulnerabilities.
- ♦ **Financial:** The high volume of financial transactions is susceptible to risks like cyber fraud, though safeguards such as insurance, KYC norms, and standardised processes are in place.
- ♦ **Competition:** The entry of new, well-capitalised players into the fintech sector is driving up acquisition costs and squeezing profit margins.
- ♦ **Partners:** Collaborations with banks as BC partners involve non-real-time settlement processes, which can expose the business to risks associated with bank sustainability and impact our services.

### Cautionary statement

Statements in this report on management discussion and analysis describing the Company's objectives, outlook, estimates, expectations, predictions, beliefs and management perceptions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions in the market in which the Company operates, changes in government regulations, tax laws and other statutory and incidental factors. The Company assumes no responsibility regarding the forward-looking statements herein, which may undergo changes in future based on subsequent developments, information or events.

## Corporate governance report

### 1. Company's Philosophy on Corporate Governance

Corporate Governance is an integral element of value system, management ethos and business practices of DiGiSPICE Technologies Limited (the 'Company'). The Company has adopted well-defined policies and processes with respect to Corporate Governance which are reviewed continuously to ensure strategic and operational excellence in the overall interest of its all stakeholders.

The Corporate Governance framework of your Company is based on an effective Board with Independent Directors, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees for various functions including those as required under law. We believe that an active and well informed Board is necessary to ensure the highest standards of Corporate Governance.

The Company is in compliance with the Corporate Governance norms and disclosure requirements specified under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') during FY 2023-24. To achieve the objectives of the principles including the protection of the rights of shareholders, timely disclosures have been made by the Company on all material matters. The Company believes that Corporate Governance is a tool to generate long term wealth and create values for all its stakeholders. The Company follows Corporate Governance Practices which are driven by timely disclosures and transparent corporate policies.

### 2. Board of Directors

#### a) Board Composition and category of Directors

During the year, the composition of the Board of Directors of the Company (the 'Board') has been in conformity with the requirements of Regulation 17 of the Listing Regulations. As on 31<sup>st</sup> March, 2024 the Company had total eight (8) Directors. During the year, strength of the Board has been increased from 6 to 8.

The Chairman of the Board is a Non-Executive Director and related to Promoter. As at 31<sup>st</sup> March 2024, the Board consisted of one (1) Executive Director and seven (7) Non-Executive Directors (including four (4) Independent Directors), out of which one Director is Woman. None of the Non-Executive Directors of the Company has attained the age of seventy five years. The independence of a Director is determined by the criteria stipulated under Regulation 16(b) of

the Listing Regulations and also provisions of Section 149(6) of the Companies Act, 2013 (the 'Act'). The Executive Director, Non-Executive Directors and Independent Directors are eminent professionals, with expertise in business, finance, law, technology and other key functional areas and play a critical role in maintaining balance to the Board processes. The Board represents an optimal mix of professionalism, knowledge and experience.

#### b) Board Meetings, Other Directorship and Attendance of Directors

During the year under review, the Board of Directors of the Company met nine (9) times on 5<sup>th</sup> April, 2023, 7<sup>th</sup> April, 2023, 1<sup>st</sup> May, 2023, 19<sup>th</sup> May, 2023, 27<sup>th</sup> July, 2023, 7<sup>th</sup> November, 2023, 31<sup>st</sup> January, 2024, 7<sup>th</sup> March, 2024 and 27<sup>th</sup> March, 2024. Meeting held on 7<sup>th</sup> November, 2023 was adjourned and the adjourned meeting was also commenced and concluded the same day i.e. on 7<sup>th</sup> November, 2023. The intervening period between the Board Meetings were within the maximum time gap of 120 days as prescribed under the Act and Regulation 17 of the Listing Regulations. The Board approved certain matters by circulation, from time to time, as permitted.

The necessary disclosures regarding Directorship and Committee positions in other companies as on 31<sup>st</sup> March, 2024 have been made by the Directors. As per the disclosures received from them, none of the directors of the Company:

- ♦ is holding directorship or serves as an independent director in more than seven listed Companies;
- ♦ is a whole-time director/managing director in any listed entity and serving as an independent director in more than three listed entities;
- ♦ is a member of more than ten Committees (Audit committee and Stakeholders' Relationship Committee) across all public limited companies; or
- ♦ is a chairperson of more than five Committees (Audit Committee and Stakeholders' Relationship Committee) across all listed Companies in which he/she is a Director.

Mr. Dilip Modi, Non-Executive Chairman of the Company, does not serve as an Independent Director in any listed entity. As on 31<sup>st</sup> March, 2024, Mr. Mrutyunjay Mahapatra held Directorship as an Independent Director in two (2) listed companies, Netweb Technologies India Limited and Suraj Estate Developers Limited.

Given below is the composition of the Board during the year under review and position held by Directors on the Board/Committees of public limited companies as on 31<sup>st</sup> March, 2024 along with their attendance at Board Meetings and AGM of the Company convened during FY 2023-24:

Name of Director(s)	Category of Director(s) as at 31 <sup>st</sup> March, 2024	No. of positions held as on 31 <sup>st</sup> March, 2024 <sup>3</sup>			No. of equity shares held as on 31 <sup>st</sup> March, 2024	Number of Board Meetings during the year <sup>5</sup>		Attendance at last AGM (28 <sup>th</sup> September, 2023)
		No. of other Directorship	Committee <sup>4</sup> (including the Company)			Attended	Held	
			Membership	Chairmanship				
Mr. Dilip Modi	Non-Executive Chairman	1	Nil	Nil	10,12,395	9	9	Yes
Mr. Rohit Ahuja	Executive	Nil	1	Nil	Nil	9	9	Yes
Mr. Venkatramu Jayanthi	Non-Executive Non-independent <sup>1</sup>	Nil	1	Nil	Nil	1	3	NA
Mr. Subramanian Murali	Non-Executive Non-independent	Nil	2	1	7,80,049	9	9	Yes
Mr. Mayank Jain	Non-Executive - Independent	Nil	Nil	Nil	Nil	9	9	Yes
Dr. (Ms.) Rashmi Aggarwal	Non-Executive - Independent	2	4	1	Nil	9	9	Yes
Mr. Mrutyunjay Mahapatra	Non-Executive - Independent	6	6	4	Nil	9	9	Yes
Mr. Ram Nirankar Rastogi <sup>2</sup>	Non-Executive - Independent	2	Nil	Nil	Nil	3	3	NA

1 Mr. Venkatramu Jayanthi (DIN: 08918442) was appointed by the Board, in the category of Non-Executive Non-independent Director, effective from 31<sup>st</sup> January, 2024. Mr. Jayanthi was appointed as a Whole-time director, designated as President and Executive Director of the Company for a period of three (3) years with effect from 1<sup>st</sup> April, 2024.

2 Mr. Ram Nirankar Rastogi (DIN: 07063686) was appointed by the Board, in the category of Non-Executive Independent Director, effective from 31<sup>st</sup> January, 2024.

3 Excluding Directorship in the Company, private limited companies which are not subsidiaries of public limited companies, foreign companies, and companies incorporated under Section 8 of the Act.

4 For the purpose of determination of the limits of the Board committees, Chairmanship and Membership of the Audit Committee and Stakeholders Relationship Committee alone has been considered as per Regulation 26(i)(b) of the Listing Regulations.

5 One of the meetings held on 7<sup>th</sup> November 2023 was adjourned for a few hours as per decision of the Board. All the directors, except Mr. Dilip Modi, were present in the adjourned meeting.

There is no inter-se relationship between the Board members of the Company.

#### c) Familiarisation Programme for Independent Directors

The familiarisation programme comprises of combination of written communication, presentation made in various meetings and interactions with the management team to provide the directors an opportunity to familiarise with the Company, its management, operation, policies and practices.

All the Independent Directors are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment which also includes the terms and conditions of their appointment. The Directors are explained in detail about the Company's vision, strategic direction, core values including ethics, corporate governance practices, financial matters, business operations of the Material

Subsidiary Company and are made aware of the industry in which it operates and also about the compliance required from them under the Companies Act, 2013, Listing Regulations and other various statutes.

Periodic presentations are made at the Board/Committee meetings on performance updates of the Company and its subsidiaries, business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. Updates on relevant statutory changes encompassing important laws and other related developments are regularly intimated to the Independent Directors to keep them well informed about the recent developments.

The detail of familiarisation programme, as required under Listing Regulations is available at [https://investorrelations.digispice.com/articles/586069069\\_DTL-Familiarisation-Programme-2024.pdf](https://investorrelations.digispice.com/articles/586069069_DTL-Familiarisation-Programme-2024.pdf).



## Corporate governance report

### d) Information supplied to the Board

During the year, all the relevant information as applicable to the Company to be placed before the Board as per Regulation 17(7) read with Part A of Schedule II of the Listing Regulations and as prescribed under other applicable laws were placed before the Board or communicated to the Members of the Board and considered and taken on record/approved by the Board. Further, the Board periodically reviews compliance reports in respect of all Laws and Regulations applicable to the Company.

### f) Skill matrix of the Board

In context of Business of the Company and its subsidiaries during the year, the Board of Directors has identified the following core skills/expertise/competencies to function effectively and those available with the Board:

Core Skills/Expertise/Competencies	Mr. Dilip Modi	Mr. Rohit Ahuja	Mr. Venkatramu Jayanthi	Mr. Subramanian Murali	Mr. MayankJain	Dr. (Ms.) Rashmi Aggarwal	Mr. Mrutyunjay Mahapatra	Mr. Ram Nirankar Rastogi
<b>Strategic Skills</b> Guiding the Executive Management in formulation and implementation of the vision, mission and strategic initiatives of the Company.	✓	✓	✓	✓	✓	✓	✓	✓
<b>Leadership Skills</b> Appreciation of long-term trends, identifying future leaders, developing a robust succession plan and experience in guiding and leading management teams to make decisions in all environments.	✓	✓	✓	✓	✓	✓	✓	✓
<b>Knowledge of Industry and Sector</b> Significant background or expertise in technology, anticipation of technological trends, emerging business ideas, economics, regulatory or compliance in the sector in which the Company or its subsidiaries operate.	✓	✓	✓		✓		✓	✓
<b>Financial and Risk Management</b> Skills in assessing quality of financial controls, financial reporting, identify the key risks to the Company, including cyber security, business continuity and monitor the effectiveness of the risk management framework and practices.	✓	✓	✓	✓	✓	✓	✓	✓

### e) Information about the Directors seeking Appointment/Re-appointment

As required under Regulation 36(3) of the Listing Regulations, the relevant provisions of the Act and relevant provisions of SS 2 (Secretarial Standard on General Meetings), the required information of Mr. Subramanian Murali, Non-Executive Non-independent Director and Mr. Mayank Jain, Non-Executive Independent Director, is set out in the Annexure to the Notice of AGM.

Core Skills/Expertise/Competencies	Mr. Dilip Modi	Mr. Rohit Ahuja	Mr. Venkatramu Jayanthi	Mr. Subramanian Murali	Mr. MayankJain	Dr. (Ms.) Rashmi Aggarwal	Mr. Mrutyunjay Mahapatra	Mr. Ram Nirankar Rastogi
<b>Governance including Legal Compliance, Environment, Social and Governance</b> Experience in developing governance practices, serving the best interest of all stakeholders, maintaining board and management accountability, effective stakeholder engagements and commitment to highest standards of corporate ethics and values and to support the Company's legal compliance systems and governance policies/practices. Experience in leading the sustainability and ESG visions of organization, to be able to integrate these into the strategy of the Company.				✓		✓	✓	

### g) Confirmation from Independent Directors

During the year under review, all Independent Directors have confirmed and submitted declarations to the effect that they meet the criteria of independence as laid down under Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations.

Independent Directors have also submitted declarations for FY 2024-25 confirming that they continue to meet the criteria of independence as laid down under relevant provisions of Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties, with an objective of independent judgement and without any external influence. The Board has taken on record the declarations and confirmations submitted by the Independent Directors. After due assessment of the veracity of the same, in the opinion of the Board, the Independent Directors fulfill the conditions specified under the Act and the Listing Regulations, as amended, and they are independent of the management.

### h) Detailed reasons for resignation of Independent Directors

There were no resignations of Independent Director during the Year.

### 3. Audit Committee ('AC')

As required under the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations and as a measure to good Corporate Governance practices and to provide assistance to the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company, an Audit Committee has been constituted. The terms of reference of AC includes all the matters prescribed under the applicable provisions of the Act and the relevant regulations/schedule of the Listing Regulations. The AC considers and reviews other matters, which are referred to it from time to time by the Board or it considers appropriate for discharge of its various functions. The AC acts as a link between the Management, the Statutory and Internal Auditors and the Board. The AC is responsible for effective supervision of the financial reporting process, the appointment, independence, performance and remuneration of Statutory Auditors and Internal Auditors, ensuring financial and accounting controls and compliance with the financial and accounting policies of the Company. The AC reviews the financial statements and quarterly and annual results with special emphasis on accounting policies and practices, ensuring compliance with Indian Accounting Standards and other legal requirements concerning financial statements before they are submitted to the Board. The Internal Audit Reports on various matters covered by the Internal Auditors are periodically discussed

## Corporate governance report

in detail in the AC meetings. The AC scrutinizes the inter-corporate loans and investments made by the Company and by its subsidiary companies. The AC approves the related party transactions and also grants its omnibus approval to related party transactions, wherever applicable. It also oversees the compliance under Vigil Mechanism/ Whistle Blower Policy of the Company. The AC also considers and comments on rationale, cost-benefits and impacts of schemes involving merger, demerger, amalgamation etc. of the Company and its shareholders.

The Board has also authorised the AC to review compliance with the provisions of PIT Regulations, as amended and to verify the systems for internal control adopted by the Company are adequate and are operating efficiently.

The composition of the AC and attendance at the meetings held during FY 2023-24 was as follows:

Name of Directors	Designation	Category	Number of meetings during FY 2023-24	
			Attended	Held
Mr. Mrutyunjay Mahapatra	Chairman	Non-Executive Independent	6	6
Dr. (Ms.) Rashmi Aggarwal	Member	Non-Executive Independent	6	6
Mr. Subramanian Murali	Member	Non-Executive Non-independent	6	6

The Company Secretary acts as the Secretary to the AC.

The Chairman of the AC was present at the last AGM of the Company held on 28<sup>th</sup> September, 2023.

The CFO of the Company and its material subsidiary and representatives of the Statutory and Internal Auditors, normally attend the meetings of the Committee by invitation. As and when deemed necessary, other executives of the Company and those of subsidiary companies are also invited and attended meetings of the AC. The Minutes of the AC meetings are circulated to the members of the Committee and are noted by the Board at the subsequent Board Meetings.

#### 4. Nomination and Remuneration Committee ('NRC')

The Board has constituted a NRC, which comprises three (3) Non-Executive Directors out of which two (2) are Non-Executive Independent Directors. The Chairman of the NRC is an Independent Director. The terms of reference and role of the NRC, inter alia, are :

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating

As on 31<sup>st</sup> March, 2024, the AC comprised of three (3) Directors out of which two (2) are Non-Executive Independent Directors and one (1) is Non-Executive Non-independent Director. The Chairman of the AC is an Independent Director. All members of AC are financially literate and majority members have accounting and/or financial management expertise.

During the year, the Members of the AC met six (6) times on 19<sup>th</sup> May, 2023, 18<sup>th</sup> July, 2023, 27<sup>th</sup> July, 2023, 11<sup>th</sup> October, 2023, 6<sup>th</sup> November, 2023 and 30<sup>th</sup> January, 2024. The intervening period between AC Meetings was within the maximum time gap of one hundred and twenty (120) days as prescribed under Regulation 18 of Listing Regulations.

to, the remuneration of the directors, key managerial personnel and other employees.

- Preparation of a description of the role and capabilities required of an independent director.
- Formulation of criteria for evaluation of performance of individual directors and the board of directors, its Committee.
- Devising a policy on diversity of board of directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- To decide on whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommendation to the board, all remuneration, in whatever form, payable to senior management.
- Administration and superintendence of the 'DTL Employees Stock Option Scheme-2018'.

- Formulation of the detailed terms and conditions of the schemes under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- Allotment of securities upon exercise of Options.
- Carrying out any other function as is mentioned in the terms of reference/roles and responsibilities of the NRC in compliance of the provisions of the Companies Act, 2013 and relevant rules framed thereunder, Listing Regulations and other applicable rules, regulations, circulars, notifications and Laws etc.

As required under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Board also designated the existing NRC as 'Compensation Committee' for ensuring the

The composition of NRC and attendance at the meetings held during the FY 2023-24 was as follows:

Name of Directors	Designation	Category	Number of meetings during FY 2023-24	
			Attended	Held
Dr. (Ms.) Rashmi Aggarwal	Chairperson	Non-Executive Independent	5	5
Mr. Mayank Jain	Member	Non-Executive Independent	5	5
Mr. Subramanian Murali	Member	Non-Executive Non-independent	5	5

The Company Secretary acts as Secretary to the NRC.

The Chairperson of the NRC was present at the last AGM of the Company held on 28<sup>th</sup> September, 2023.

Pursuant to applicable provisions of the Act and relevant regulations of the Listing Regulations, the Board, in consultation with NRC, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors. During the year, the said criteria were reviewed by the NRC and the Committee decided to continue with the same criteria for evaluation purpose.

A structured questionnaire has been prepared, covering various aspects of the functioning of the Board and its committees, such as, adequacy of the constitution and composition of the Board and its committees, discharge of role and responsibilities by the Board and its committees, succession plan for Board Members and Senior Management, frequency of the meetings, regulatory compliances and Corporate Governance, etc. Similarly, for evaluation of individual director's performance including for Independent Directors, the questionnaire

compliance and to perform all functions and responsibilities stated under the said Regulations. The NRC has considered the applications made by the employees from time to time under the ESOP Plan of the Company and made allotment of equity shares.

The NRC has recommended to the Board a Remuneration Policy relating to the remuneration of the Directors including Non-Executive Directors, Key Managerial Personnel(s) and other employees. The same is available at web-link [https://investorrelations.digispice.com/Rem\\_Policy.pdf](https://investorrelations.digispice.com/Rem_Policy.pdf).

During the year, NRC met Five (5) times on 27<sup>th</sup> July, 2023, 4<sup>th</sup> December, 2023, 31<sup>st</sup> January, 2024, 7<sup>th</sup> March, 2024 and 27<sup>th</sup> March, 2024. The NRC has also approved from time to time various proposals by circulation, as permitted.

covers various aspects like his/her attendance at the meetings of Board and its committees, contribution in the Board and committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, adequate and timely disclosures, etc.

The NRC has specified the manner for effective evaluation of performance of the Board, its committees and individual Directors including Independent Directors. The Board has carried out evaluation of performance of each of them. The evaluation of Independent Directors has been done on the basis of performance and fulfillment of the independence criteria as specified under the Listing Regulations. The NRC reviews its implementation and ensures the compliances thereof.

The Board members had submitted their response on a scale of 1 (poor) – 5 (outstanding) for evaluating the entire Board, committees of the Board and of their peer Board Members, including Chairman of the Board.

#### 5. Remuneration of Directors

The remuneration payable to the Executive Directors, subject to the approval of the



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shareholders, is decided by the Board on recommendations of the NRC and is determined on the basis of experience and expertise of the candidate concerned, prevailing market and industry trend.

Non-Executive Non-independent Directors are not paid any remuneration for attending the Meetings of the Board and its various committees and performing their duties, as director. The Independent Directors are paid a sitting fee for attending the Board and its various committee meetings, within the monetary limit prescribed under the Act, as determined by the Board from time to time.

Remuneration/sitting fee paid to Director(s) for FY 2023-24 is given below.

### a) Executive Director

Mr. Rohit Ahuja, Executive Director of the Company has been granted 5,00,000 Options on 18<sup>th</sup> September, 2018 and 2,00,000 Options on 1<sup>st</sup> August, 2022 by the NRC in pursuance to 'DTL Employees Stock Option Plan – 2018' (the 'ESOP Plan') at an Exercise Price of ₹ 13.25 per option and ₹ 29 per option respectively, or such other price as may be approved by the NRC from time to time and exercisable as per the ESOP Plan over a period of five years from the date of respective vesting in the ratio of 40:30:30 at the end of 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> year of date of respective grant. Appointment of Mr. Rohit Ahuja is contractual. There is no provision for payment of any severance fee to him. The notice period from either side is one month or salary in lieu thereof.

The details of the remuneration paid to the Executive Director of the Company during FY 2023-24 was as under:

(₹ in Lakhs)	
Particulars	Mr. Rohit Ahuja
Salary and Allowances (Fixed Components)	124.78
Perquisites/Bonus	-
Provident Fund	0.22
<b>Total</b>	<b>125.00</b>

There were no variable components in the remuneration of Mr. Rohit Ahuja.

### b) Non-Executive Non-independent Directors

During FY 2023-24, Mr. Subramanian Murali, Non-Executive Non-independent Director on the Board of the Company was allotted

5,00,000 equity shares of the Company, pursuant to exercise of Options granted to him, the details of which are appearing in Note 33 of the standalone financial statements of the Company. Other than this, no remuneration was paid to any Non-Executive Non-independent Director of the Company during FY 2023-24. These ESOPs were allotted to him in capacity of employee of the Holding Company i.e. Executive Director of Spice Connect Private Limited.

There were no pecuniary relationships or transactions of the Non-Executive Non-independent Directors vis-a-vis the Company except payment of exercise price of ESOPs and allotment of shares pursuant to ESOP Plan.

### c) Independent Directors

The Independent Directors were paid a sitting fee of ₹ 50,000/- per meeting for attending each meeting of the Board and a sitting fee of ₹ 25,000/- per meeting for attending each meeting of the committees of the Board.

The details of sitting fee paid to the independent directors during FY 2023-24 is as under:

(₹ in Lakhs)	
Name of Directors	Sitting Fees
Mr. Mayank Jain	7.00
Dr. (Ms.) Rashmi Aggarwal	8.00
Mr. Mrutyunjay Mahapatra	7.00
Mr. Ram Nirankar Rastogi	1.50

There were no other pecuniary relationships or transactions of Non-Executive Independent Directors vis-à-vis the Company.

## 6. Stakeholders' Relationship Committee ('SRC')

The Board has constituted a SRC, which is headed by Mr. Subramanian Murali, Non-Executive Non-Independent Director of the Company.

SRC has been formed by the Board to look into matters relating to investors service requests and the redressal of shareholders/investors complaints and also matters relating to shareholders value enhancement. The roles and terms of reference of SRC covers the areas as contemplated under Regulation 20 of the Listing Regulations and provisions of Section 178 of the Act.

The terms of reference and role of SRC includes:

- 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 duplicate certificates, etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

- Review of the 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.

SRC inter-alia approves transmission of shares issued by the Company, issue of letter of confirmation in lieu of duplicate certificates and certificates after split/consolidation/re-materialisation. The Board is updated periodically about the investor service requests approved by the SRC.

During the Year, SRC met one (1) time on 22<sup>nd</sup> December, 2023. The composition of SRC and attendance at the meetings of SRC held during FY 2023-24 was as follows:

Name of Directors	Designation	Category	Number of meetings during the financial year ended 31 <sup>st</sup> March, 2024	
			Attended	Held
Mr. Subramanian Murali	Chairman	Non-Executive Non-independent	Nil	1
Dr. (Ms.) Rashmi Aggarwal	Member	Non-Executive Independent	1	1
Mr. Rohit Ahuja	Member	Executive	1	1

Ms. Ruchi Mehta, Company Secretary and Compliance Officer, acts as secretary of the SRC.

The Chairman of SRC was present at the last AGM of the Company held on 28<sup>th</sup> September 2023.

During FY 2023-24, the Company received three (3) complaints from a single complainant. No complaints were pending as at 31<sup>st</sup> March, 2024.

## 7. Risk Management Committee ('RMC')

The Company has constituted the RMC in compliance with Regulation 21 of the Listing Regulations.

The terms of reference and role of the RMC, includes:

- To formulate a detailed risk management policy, which shall include:
  - A framework for identification of internal and external risks specifically faced by the Company, 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;
  - Measures for risk mitigation including systems and processes for internal control of identified risks;

- 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 periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
  - To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
  - To review the appointment, removal and terms of remuneration of the Chief Risk Officer, if any;
  - To review and recommend Risk Assessment Report and Risk Management Report for approval of the Board; and
  - To carry out such functions and responsibilities as may be assigned to it by the Board from time to time.

## Corporate governance report

During the year, RMC met two (2) times on 14<sup>th</sup> September, 2023 and 12<sup>th</sup> March, 2024. The composition of RMC and the attendance at the meetings held during the year under review was as follows:

Name of Members	Designation	Category	Number of meetings during the financial year ended 31 <sup>st</sup> March, 2024	
			Attended	Held
Mr. Rohit Ahuja	Chairman	Executive Director	2	2
Dr. (Ms.) Rashmi Aggarwal	Member	Independent Director	2	2
Mr. Mayank Jain	Member	Independent Director	2	2
Ms. Ruchi Mehta	Member	Company Secretary	2	2
Mr. Vinit Kishore*	Member	Chief Financial Officer	2	2

\*Ceased to be member of the Risk Management Committee w.e.f. 18<sup>th</sup> May, 2024.

Mr. Sunil Kapoor, CFO of the Material Subsidiary Company is permanent invitee to the meetings of RMC.

### 8. Senior management Personnel ('SMP')

As at 31<sup>st</sup> March, 2024, the Company had following SMP :

Sr. No.	Name(s)	Designation
1	Mr. Prashant Hansraj	Chief Operating Officer
2	Mr. Binu Varghese	Vice President – Legal
3	Mr. Vikas Bansal	Vice President – Taxation
4	Mr. Vinit Kishore	Chief Financial Officer
5	Ms. Ruchi Mehta	Company Secretary and Compliance Officer
6	Mr. Lakhvinder Singh	General Manager – HR and Admin
7	Mr. Ashwani Pandita	General Manager – IT

Changes in SMPs since close of previous financial year (i.e. FY 2022-23) till 31<sup>st</sup> March 2024 were as under :

- a) Mr. Prince Vashista, Senior Manager-Legal resigned effective end of business hours on 31<sup>st</sup> May, 2023;

- b) Mr. Ashwani Pandita appointed as SMP due to change in role from 1<sup>st</sup> June, 2023;
- c) Mr. Ram Prakash Goyal retired effective end of business hours on 31<sup>st</sup> July, 2023;
- d) Mr. Binu Verghese appointed as Vice President – Legal with effect from 13<sup>th</sup> September, 2023; and
- e) Mr. Prashant Hansraj, Chief Operating Officer resigned effective end of business hours on 31<sup>st</sup> March, 2024.

Changes in SMPs after the close of FY 2023-24 are as under:

- (i) Mr. Vinit Kishore, CFO resigned effective end of business hours on 18<sup>th</sup> May, 2024;
- (ii) Mr. Sanjeev Kumar appointed as SMP with effect from 8<sup>th</sup> August, 2024; and
- (iii) Mr. Vineet Mahajan has been appointed as CFO with effect from 10<sup>th</sup> July, 2024

### 9. General Body Meetings

#### I. Annual General Meeting(s) ('AGM')

Location and time where last three AGMs were held:

Year	Location	Day/Date	Time
2023	Through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM')	Thursday, 28 <sup>th</sup> September, 2023	11.00 A.M.
2022		Thursday, 29 <sup>th</sup> September, 2022	12:00 Noon
2021		Thursday, 30 <sup>th</sup> September, 2021	10:15 A.M.

The following Special Resolution(s) were passed by the members in the past three AGMs:

#### AGM held on 28<sup>th</sup> September, 2023:

- a) To consider and approve the re-appointment of Dr. (Ms.) Rashmi Aggarwal (DIN: 07181938) as a Non-Executive Independent Director of the Company.

#### AGM held on 29<sup>th</sup> September, 2022:

- a) To approve revision in remuneration of Mr. Rohit Ahuja (DIN: 00065417), Executive Director of the Company;
- b) To approve the re-appointment of Mr. Rohit Ahuja (DIN: 00065417) as an Executive Director of the Company.

#### AGM held on 30<sup>th</sup> September, 2021:

No Special Resolution was passed in the AGM held on 30<sup>th</sup> September, 2021.

#### II. Postal Ballot:

- (i) During FY 2023-24, special resolution for 'approval for sale/disposal of investment(s)/asset(s)/property(ies)/undertaking(s)' was passed through postal ballot on 25<sup>th</sup> May, 2023. Mr. Kapil Dev Taneja, Company Secretary in practice (Membership No. F4019), partner of M/s. Sanjay Grover & Associates, Company Secretaries, acted as Scrutinizer for the said postal ballot.

Details of the voting pattern with respect to the above mentioned postal ballot was as under:

Particulars	Number of valid votes				Percentage of Valid Votes
	No. of Shareholders	E-votes	Postal Ballot	Total	
Assent	157	19,55,75,461	N.A.	19,55,75,461	99.9855
Dissent	30	28,266		28,266	0.0145
<b>Total</b>	<b>187</b>	<b>19,56,03,727</b>		<b>19,56,03,727</b>	<b>100.00</b>

- (ii) After the close of FY 2023-24, a special resolution for 'Appointment of Mr. Ram Nirankar Rastogi (DIN: 07063686) as a Non-Executive Independent Director of the Company' was passed through postal ballot on 25<sup>th</sup> April, 2024.

Mr. Kapil Dev Taneja, Company Secretary in practice (Membership No. F4019), partner of M/s. Sanjay Grover & Associates, Company Secretaries, acted as Scrutinizer for the said postal ballot.

Details of the voting pattern with respect to the above mentioned postal ballot was as under:

Particulars	Number of valid votes				Percentage of Valid Votes
	No. of Shareholders	E-votes	Postal Ballot	Total	
Assent	193	18,54,14,701	N.A.	18,54,14,701	99.9955
Dissent	11	8,368		8,368	0.0045
<b>Total</b>	<b>204</b>	<b>18,54,23,069</b>		<b>18,54,23,069</b>	<b>100.00</b>

- (iii) After the close of FY 2023-24, following special resolution(s) were passed by postal ballot on 29<sup>th</sup> June, 2024. Mr. Kapil Dev Taneja, Company Secretary in practice (Membership No. F4019), partner of M/s. Sanjay Grover & Associates, Company Secretaries, acted as Scrutinizer.

- a) Approval for appointment of Mr. Venkatramu Jayanthi (DIN 08918442) as Whole-time Director of the Company and remuneration payable to him.

Details of the voting pattern with respect to the above mentioned resolution was as under:

Particulars	Number of valid votes				Percentage of Valid Votes
	No. of Shareholders	E-votes	Postal Ballot	Total	
Assent	192	16,95,94,422	N.A.	16,95,94,422	99.9958
Dissent	13	7,173		7,173	0.0042
<b>Total</b>	<b>205</b>	<b>16,96,01,595</b>		<b>16,96,01,595</b>	<b>100.00</b>



## Corporate governance report

- b) Approval for making investments, extending loans and giving guarantees or providing securities under Section 186 of the Companies Act, 2013.

Details of the voting pattern with respect to the above mentioned resolution was as under:

Particulars	Number of valid votes			Percentage of Valid Votes
	No. of Shareholders	E-votes	Postal Ballot	
Assent	187	16,95,94,015		99.9956
Dissent	17	7,480	N.A.	0.0044
<b>Total</b>	<b>204</b>	<b>16,96,01,495</b>		<b>100.00</b>

- c) Approval the authorisation to Board of Directors for extending loans and giving guarantees or providing securities in connection with loans to persons specified under section 185 of the Act.

Details of the voting pattern with respect to the above mentioned resolution was as under:

Particulars	Number of valid votes			Percentage of Valid Votes
	No. of Shareholders	E-votes	Postal Ballot	
Assent	187	16,95,94,015		99.9956
Dissent	17	7,480	N.A.	0.0044
<b>Total</b>	<b>204</b>	<b>16,96,01,495</b>		<b>100.00</b>

- d) Approval for revision in remuneration of Mr. Rohit Ahuja (DIN: 00065417), Executive Director of the Company.

Details of the voting pattern with respect to the above mentioned resolution was as under:

Particulars	Number of valid votes			Percentage of Valid Votes
	No. of Shareholders	E-votes	Postal Ballot	
Assent	187	16,95,76,922		99.9855
Dissent	17	24,573	N.A.	0.0145
<b>Total</b>	<b>204</b>	<b>16,96,01,495</b>		<b>100.00</b>

The above postal ballot(s) were carried out by voting only through electronic means in compliance of provisions of Sections 108 and 110 of the Act, read with the Companies (Management and Administration) Rules, 2014, Regulation 44 of Listing Regulations, Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), as amended and in accordance with the framework prescribed by the MCA for passing of ordinary and special resolutions by the Company under the provisions of the Act and General Circular(s) issued by MCA from time to time for voting through electronic means.

At the ensuing AGM, resolution for amendment of object clause of the Memorandum of Association is proposed to be passed, which is required to be passed mandatorily through Postal Ballot. The facility to vote through electronic means will be provided in relation to the ensuing AGM in accordance with framework prescribed by the MCA for passing of ordinary and special resolutions by the Company under the provisions of the Act and General Circular(s) issued by MCA from time to time.

### 10. Means of Communication

The quarterly and annual financial results of the Company were announced within the prescribed period and published in "Mint" (National daily - English) and "Hindustan" (Regional daily - Hindi). The Notices to shareholders were published in the newspaper Financial Express (National daily - English) and Jansatta (Regional daily - Hindi).

All applicable material information about the Company and its business and relating to subsidiary companies are promptly communicated to BSE and NSE, where the Equity Shares of the Company are listed so as to enable them to put the same on their website. The Company regularly updates the Stock Exchanges and investor community about its financial as well as other developments. In addition to the above, quarterly and annual results are displayed on the Company's website at [www.digispice.com](http://www.digispice.com) for the information of all stakeholders. All official news releases and disclosures made to the Stock Exchanges are also made available on the Company's website.

The Management of the Company, at regular intervals, shares the performance of the Company and its material subsidiary Company and satisfies the queries raised by the Stakeholders from time to time.

Presentations made during the quarterly Investors/Analyst calls, recording and transcript thereof: The schedule of Investors/analysts call and detailed presentations made to analysts are disseminated to stock exchanges and are also displayed on the Company's website at [www.digispice.com](http://www.digispice.com). The management participates in the Investors/Analyst call every quarter, after the announcement of results. The transcript of investors/analyst calls and video recording are posted on the website of the Company and respective Stock Exchange(s).

### 11. General Shareholder Information

#### a) Annual General Meeting

Date: 28<sup>th</sup> September, 2024

Time: 3.00 P.M.

Venue: Through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM')

#### b) Financial Year: April, 2023 – March, 2024

#### c) Dividend Pay-out Date: N.A.

#### d) Listing at Stock Exchanges

The Equity shares of the Company are listed at the following Stock Exchanges:

#### BSE Limited (BSE)

(Face Value ₹ 3/- per share)

Month	BSE Prices		S&P BSE SMALLCAP	
	High Price (₹)	Low Price (₹)	High	Low
April-2023	21.35	18.20	28,944.79	27,042.08
May-2023	20.20	15.70	30,554.15	28,985.46
June-2023	23.06	18.90	32,765.32	30,565.54
July-2023	22.05	19.64	35,039.71	32,693.70
August-2023	47.64	20.50	37,197.20	34,460.20
September-2023	39.50	32.65	38,769.33	36,549.37
October-2023	35.65	27.40	38,753.80	35,271.13
November-2023	35.21	26.16	40,407.85	36,856.54
December-2023	31.59	27.75	42,728.21	40,273.91
January-2024	41.48	27.65	45,763.05	42,476.90
February-2024	41.43	30.95	46,821.39	43,200.02
March-2024	33.06	23.18	46,000.31	40,097.13

(source: [www.bseindia.com](http://www.bseindia.com))

#### BSE Limited

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400 001

#### National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra(E), Mumbai-400 051

Annual listing fee to both the Stock Exchanges have been paid for the financial year 2023-24 and 2024-25.

#### e) Scrip Code/Scrip Symbol of the Company as on 31<sup>st</sup> March, 2024:

##### BSE Limited

Security ID DIGISPICE

Scrip code 517214

##### National Stock Exchange of India Limited

Scrip Symbol DIGISPICE

#### f) Market price data and performance of share price of the Company

The details of monthly high and low of the price of equity shares of the Company during each calendar month at the Stock Exchanges where the equity shares of the Company are listed and the relevant Index of the respective Stock Exchanges during the financial year ended 31<sup>st</sup> March, 2024 are as under:

## Corporate governance report

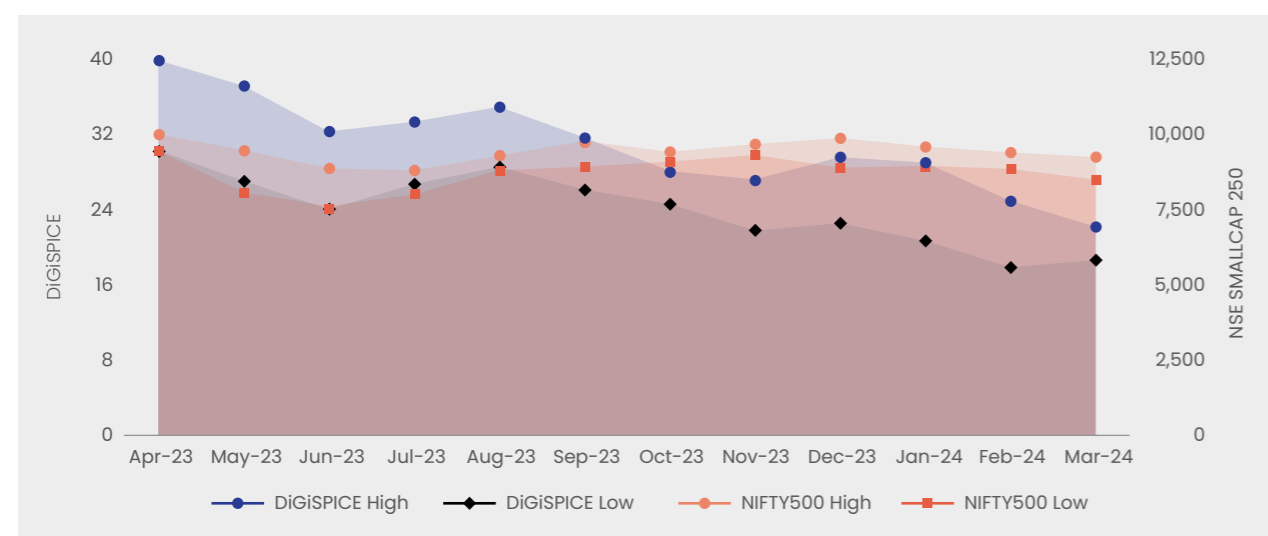
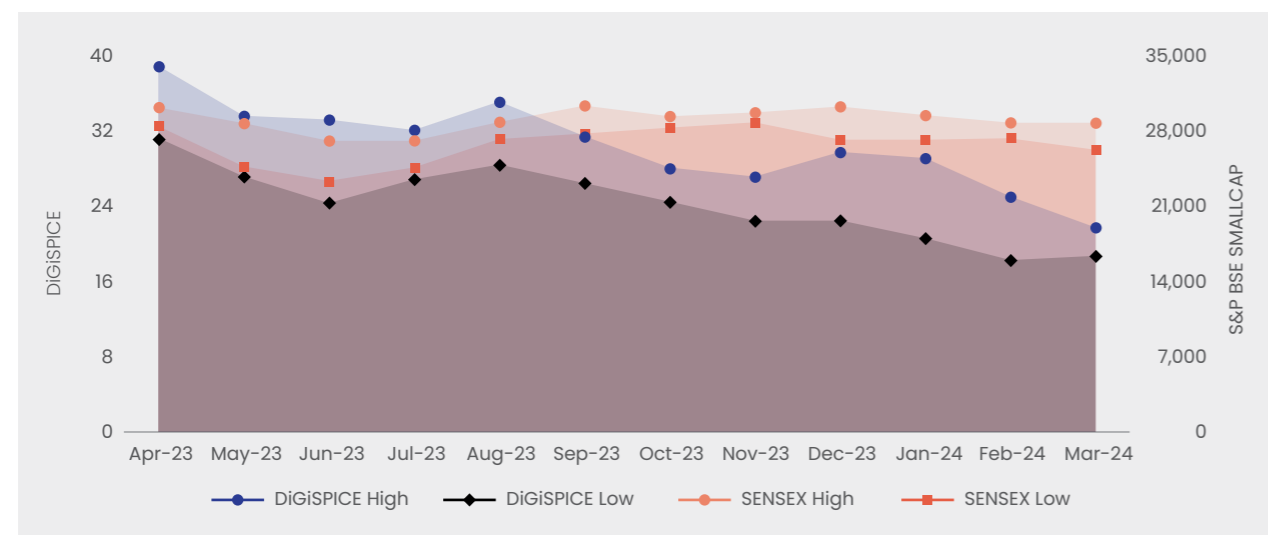
## National Stock Exchange of India Limited (NSE)

(Face Value ₹ 3/- per share)

Month	NSE Prices		NIFTY SMALLCAP 250	
	High Price (₹)	Low Price (₹)	High	Low
April-2023	21.00	18.55	9,403.00	8,821.00
May-2023	20.70	18.20	9,929.80	9,437.10
June-2023	23.10	18.95	10,598.60	9,940.30
July-2023	22.10	19.70	11,367.70	10,604.00
August-2023	47.50	20.50	11,948.80	11,137.30
September-2023	39.00	32.60	12,573.30	11,870.40
October-2023	35.70	27.00	12,590.45	11,493.75
November-2023	34.90	26.00	13,274.30	11,988.70
December-2023	30.45	27.45	14,059.05	13,176.20
January-2024	41.30	27.80	15,076.15	13,960.30
February-2024	41.30	30.80	15,489.50	14,253.00
March-2024	33.05	23.25	15,235.05	13,284.30

(source: www.nseindia.com)

## Performance of the share price of the Company in comparison to broad-based indices



## g) Suspension of Trading

There was no suspension of trading in shares of the Company during FY 2023-24.

## h) Registrar and Transfer Agent ('RTA')

## MAS Services Limited

T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area, Phase-II, New Delhi-110020

Tel: (011) 26387281/82/83; Fax: (011) 26387384

Email: [investor@masserv.com](mailto:investor@masserv.com)

Contact person - Mr. Sharwan Mangla, General Manager

All Investors Service requests and dematerialisation requests and other communications regarding change of address, dividend and other queries related to investor services may be sent at the above address.

## i) Share Transfer System

The SRC looks into the issues relating to investors service requests.

Pursuant to Regulation 39 of the Listing Regulations read with Circular dated 25<sup>th</sup> January, 2022, superseded by Master Circular dated 17<sup>th</sup> May, 2023, issued by SEBI, listed companies shall issue the securities in dematerialised form only, for processing any service requests from shareholders viz., issue of duplicate share

j) Distribution of Shareholding as on 31<sup>st</sup> March, 2024

Shareholding of Nominal Value of ₹ 3/- each	Number of Shareholders	% to Total No. of Shareholders	No. of Shares Held	Amount in Rupees	% to Total Paid-up Capital
1 to 5,000	32,126	94.322	61,87,780	1,85,63,340	2.665
5,001 to 10,000	975	2.863	22,91,210	68,73,630	0.987
10,001 to 20,000	485	1.424	22,86,500	68,59,500	0.985
20,001 to 30,000	189	0.555	16,54,706	49,64,118	0.713
30,001 to 40,000	60	0.176	6,78,247	20,34,741	0.292
40,001 to 50,000	48	0.141	7,20,380	21,61,140	0.310
50,001 to 100,000	85	0.250	20,00,610	60,01,830	0.862
100,001 & above	92	0.270	21,64,03,673	64,92,11,019	93.188
<b>Total</b>	<b>34,060</b>	<b>100.000</b>	<b>23,22,23,106</b>	<b>69,66,69,318</b>	<b>100.000</b>

## k) Dematerialisation of shares and Liquidity

The trading in equity shares of the Company is permitted compulsorily in dematerialised mode. The International Securities Identification Number ('ISIN') of the Company is INE927C01020. As on 31<sup>st</sup> March, 2024, 99.60% of the Share Capital of the Company is held in dematerialised form with NSDL and CDSL. The Equity shares of the Company are regularly traded on the Stock Exchanges and any person interested in the

certificates (in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable), endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and which shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, the Company shall credit those shares in the Suspense Escrow Demat account held in the name of Company.

In accordance with Regulation 40 of the Listing Regulations, request for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with the depositories.

Further, with effect from 24<sup>th</sup> January, 2022, the SEBI has mandated that transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

In view of the aforesaid, all the shareholders holding shares in physical form are advised to convert their shareholding from Physical form to Demat form with a Depository Participants of their choice in order to continue the benefit of liquidity of their shareholding.

shares of the Company can deal in the same as per the applicable Rules and Regulations.

## l) Outstanding GDRs/ADRs/Warrants or Convertible Instruments

There are no outstanding GDRs/ADRs/Warrants or any Convertible Instruments as on 31<sup>st</sup> March, 2024, which are likely to have an impact on the equity of the Company.



## Corporate governance report

### m) Commodity price risk or foreign exchange risk and hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Master Circular dated 11<sup>th</sup> July, 2023 is not required to be given. The Company follows prudent risk management policies, the details of foreign currency risk exposure have been disclosed in the Note 38 to the standalone financial statements and Note 45(1)(b) of the consolidated financial statements. The Company's net exposure to foreign currency was not significant and mostly it was at receipt side, hence, there were no hedging activities.

### n) Plant Location: N.A.

### o) Address for correspondence

The correspondence, if any, can be sent to the Company Secretary, DiGiSPICE Technologies Limited, at any of the following two addresses:

Corporate Office:	Registered Office
Spice Global Knowledge Park, 19A & 19B, Sector-125, Noida (U.P.) – 201 301 Tel : (0120) 5029101	JA-122, 1 <sup>st</sup> Floor, DLF Tower A, Jasola Distt. Centre, New Delhi -110025 Tel : (011) 41251965

The designated e-mail id exclusively for the purpose of registering complaints by investors is [investors@digispice.com](mailto:investors@digispice.com).

### p) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad

Not applicable as the Company has not issued any debt instruments, any fixed deposit programme or any scheme or proposal involving mobilisation of funds whether in India or abroad.

## 12. Other Disclosures

### a) Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large

The Company has not entered into any transaction of material nature with the subsidiaries, Directors or the management or their relatives during the year under review that have potential conflict with the interest of the Company. Statements in summary form of the

transactions with related parties both under the Act and under Indian Accounting Standard – 24 are placed periodically before the AC. Further, the details of the related party transactions of the Company during FY 2023-24 are given in Note 33 of the standalone financial statements and Note 39 of the consolidated financial statements forming part of Annual Report.

All related party transactions entered are on arms' length basis and in the ordinary course of business unless specifically mentioned for which the necessary approvals were obtained by the Company and are intended to further in the interest of the Company.

The Company has adopted a 'Policy on Related Party Transactions' upon recommendation of the AC and the said Policy includes the materiality threshold and the manner of dealing with related party transactions. The AC has laid down the criteria for granting the omnibus approval in the said Policy and grants omnibus approvals from time to time for the transactions which are frequent/regular/repetitive and are in the normal course of business. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties. The said policy has been displayed on the website of the Company at the weblink [https://investorrelations.digispice.com/files/Policy\\_on\\_Related\\_Party\\_Transactions.pdf](https://investorrelations.digispice.com/files/Policy_on_Related_Party_Transactions.pdf)

### b) Details of non-compliance by the Company

The Company has duly complied with all the requirements of the Listing Regulations as well as other Regulations and Guidelines issued by SEBI from time to time. There have neither been any instance of non-compliance nor any imposition of penalty or stricture by Stock Exchanges or by SEBI or by any other statutory authorities on any matter related to the capital markets during the last three years.

### c) Vigil Mechanism/Whistle Blower Policy

In accordance with the provisions of Section 177 of the Act and the Rules made thereunder, Regulation 22 of Listing Regulations and Regulation 9A (6) of the PIT Regulations, as amended, the Company has formulated a 'Vigil Mechanism/Whistle Blower Policy' and further amended the said policy during the year under review, which provides a tool to the Directors and Employees of the Company to report genuine concerns including unethical behaviour, actual or suspected fraud or violation of the Code

of Conduct or Policy. The Policy also enables stakeholders to report any violations under the PIT Regulations and leak of Unpublished Price Sensitive Information ('UPSI'). A dedicated e-mail id i.e. [whistleblower@digispice.com](mailto:whistleblower@digispice.com) has been provided for the purpose. The Policy outlines the procedures for reporting, handling investigation and deciding the cause of action to be taken in case inappropriate conduct is noticed or suspected.

The Policy also provides for adequate safeguards against victimisation of directors and employees and other stakeholders who avail the mechanism and direct access to the Chairperson of the AC in exceptional cases. No personnel of the Company is denied access to the AC. The AC reviews the functioning of Whistle Blower Mechanism periodically. The policy is available on the website of the Company, [www.digispice.com](http://www.digispice.com).

### d) Details of Compliance with mandatory requirements

The Company has fully complied with all applicable mandatory requirements of Listing Regulations.

### e) Details of adoption of discretionary requirements

The Company has complied with the following discretionary requirements of Listing Regulations:

- The Chairman of the Company is a Non-Executive Director. A separate office is maintained for the Chairman at the Company's expenses and he is also allowed reimbursement of expenses, if any, incurred in performance of his duties.
- The Reports of auditors on the financial statements of the Company are unmodified audit opinion.
- The position of Chairman and Executive Director are separate. Mr. Dilip Modi is a Non-Executive Director designated as the Chairman of the Company and not related to Mr. Rohit Ahuja who is the Executive Director of the Company as per the definition of the term "relative" as provided under the Companies Act, 2013.
- The Internal Auditors directly report to the Audit Committee.

### f) Policy for Determining Material Subsidiaries of the Company

The Company, on recommendations of the AC, has formulated a 'Policy for determining

Material Subsidiaries' and it provides governance framework for Material Subsidiaries.

The said policy is disclosed on the website of the Company at [https://investorrelations.digispice.com/files/Policy\\_on\\_Material\\_Subsidiaries.pdf](https://investorrelations.digispice.com/files/Policy_on_Material_Subsidiaries.pdf)

Pursuant to the said policy, the Company monitors performance of material subsidiary companies by reviewing on quarterly basis, the Financial Statements, Minutes and Significant Transactions entered into by those companies. Further, one of the Independent Directors of the Company has been appointed on the Board of Spice Money Limited, the material subsidiary of the Company.

### g) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The Company has not raised any fund through preferential allotment or qualified institutions placement.

### h) Certificate of non-disqualification of Directors

A certificate from M/s. Sanjay Grover & Associates, Practising Company Secretaries (Registration No. P2001DE052900), confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority, is forming part of this report.

### i) Recommendation of the Board Committees

All recommendations of the various committees were accepted by the Board.

### j) Total fees paid to the Statutory Auditors

Details of total fees for all services paid by the Company and its subsidiaries during FY 2023-24, on a consolidated basis, to the Statutory Auditors of the Company and all entities in the network firm/network entity of which the Statutory Auditors is a part is as follows:

Particulars	₹ in Lakhs)	
	M/s. Singhi & Co.*	S.R. Battliboi & Co. LLP
Statutory Audit Fees	9.25	27.00
Limited Review Fees	6.00	17.00
Tax Audit Fees	2.50	1.00
Other Services (Certification and Special Audit)	0.55	-
Reimbursements	1.32	4.39
<b>Total</b>	<b>19.62</b>	<b>49.39</b>

## Corporate governance report

\* M/s Singhi & Co. were statutory auditors of the Company till the last AGM held on 28<sup>th</sup> September 2023. However, data of fee provided is in relation to complete FY 2023-24.

### k) Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has zero tolerance towards Sexual Harassment of Women at Workplace and values the dignity of individuals and is committed to provide an environment, which is free of discrimination, intimidation and abuse.

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, the Company has placed adequate mechanism to provide safe and congenial working environment to all the employees including visitors and employees of the group companies and also constituted Internal Committee which is responsible for redressal of complaints related to sexual harassment.

During the year under review, the Company has not received any complaint pertaining to sexual harassment and no complaint was pending as on end of the Financial Year.

### l) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'

The details of Loans and Advances in the nature of Loans to firms/companies in which Directors are interested are specifically provided in the Note 40 of the standalone financial statements.

### m) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

During FY 2023-24, the Company had one material Subsidiary viz. Spice Money Limited ('SML'). SML was incorporated on 4<sup>th</sup> April, 2000 and has its registered office at JA-122, 1<sup>st</sup> floor, DLF Tower A, Jasola District Centre, New Delhi - 110025 and corporate office at S Global Knowledge Park, 19A & 19B, Sector-125, Noida - 201301. M/s. Singhi & Co., Chartered Accountants, were appointed as the Statutory Auditors of SML for a period of five consecutive years at its AGM held on 30<sup>th</sup> September, 2019 and their terms will be expired at the ensuing AGM.

S. R. Batliboi & Co. LLP, Chartered Accountants has been appointed as the Statutory Auditors of SML at its AGM held on 26<sup>th</sup> September, 2023 for a period of five consecutive years. During FY 2023-24, S. R. Batliboi & Co. LLP and M/s Singhi & Co. were joint Auditors of SML.

### n) Disclosures with respect to demat suspense account/unclaimed Suspense Account

There are no instances with respect to Demat suspense account/unclaimed suspense account during FY 2023-24.

13. The Company has complied with the requirement of the Corporate Governance report of sub-para (2) to (10) of Schedule V of the Listing Regulations.

### 14. Detail of Compliance with the Corporate Governance requirements specified in Regulations 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of Listing Regulations and Compliance Certificate

The Company is in compliance with the corporate governance requirements specified in Listing Regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) of Listing Regulations. The Company has appointed M/s. Sanjay Grover & Associates, Company Secretaries, to conduct the Corporate Governance Audit of the Company in compliance with the Listing Regulations. The certificate issued by them is annexed to the Report.

### 15. Disclosure of Agreement referred in clause 5A of paragraph A of Part A of Schedule III of Listing Regulations.

No such agreement is entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employee of the Company or of its holding, subsidiary or associate Company, among themselves or with the Company or with a third party, solely or jointly, which either directly or indirectly or potentially or whole purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

### 16. Code of Conduct

With a view to promote good Corporate Governance, the Company has a Code of Conduct for all Board Members and SMPs of the Company including therein the duties of

Independent Directors as laid down in the Companies Act, 2013. A copy of the said Code of Conduct is available on the Company's website ([www.digispice.com](http://www.digispice.com)).

In compliance with Regulation 26(3) of Listing Regulations, all Board Members and SMP have affirmed compliance with the Code of Conduct as applicable to them for the year under review. A declaration to that effect, duly signed by the Executive Director of the Company, is attached at the end of this report.

### 17. Code of Conduct for Prevention of Insider Trading

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'), as amended from time to time, the Company has framed and adopted the 'Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons' (the 'Code') and 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information'. The Code is applicable to all Directors, Designated Persons and other Connected Persons as defined

thereunder who may have access to Unpublished Price Sensitive Information ('UPSI').

The Code prohibits dealing in securities of the Company by designated persons who are in possession of UPSI. The said Code lays down the procedures to be followed and disclosures to be made while dealing in the securities of the Company.

The Directors and Designated Persons are communicated in advance about the closure of trading windows from time to time when they are not permitted to trade in the securities of the Company.

The Company Secretary has been appointed as the Compliance Officer for monitoring adherence to the said Regulations.

### 18. Executive Director and Chief Financial Officer ('CFO') Certification

As required under Regulation 17(8) of the Listing Regulations, the Executive Director and CFO certification for FY 2023-24 is enclosed at the end of this Report.



## Corporate Governance Certificate

To  
The Members  
**Digispice Technologies Limited**  
(CIN: L72900DL1986PLC330369)  
JA-122, 1<sup>st</sup> Floor, DLF Tower - A Jasola,  
Jamia Nagar, New Delhi - 110025

We have examined the compliance of conditions of Corporate Governance by Digispice Technologies Limited ("the Company"), for the financial year ended March 31, 2024, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the LODR.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Sanjay Grover & Associates**  
Company Secretaries  
Firm Registration No.: P2001DE052900  
Peer Review Certificate No.: 4268/2023

**Ramit Rastogi**  
Partner  
FCS No. 6952  
CP No.: 18465  
UDIN: F006952F000932250

August 8, 2024  
New Delhi

Date: 16<sup>th</sup> May, 2024

The Board of Directors  
**DiGiSPICE Technologies Limited**  
JA-122, 1<sup>st</sup> Floor, DLF Tower A, Jasola,  
New Delhi - 110025

## Certification by Executive Director and Chief Financial Officer of DiGiSPICE Technologies Limited

We, Rohit Ahuja, Executive Director and Vinit Kishore, CFO, of DiGiSPICE Technologies Limited ("the Company"), to the best of our knowledge and belief certify that:

- A. We have reviewed financial statements and the cash flow statement for the financial year ended on 31<sup>st</sup> March, 2024 and that to the best of our knowledge and belief:
  - 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2) 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 violative 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 we have disclosed to the Company's Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Company's Auditors and the Audit Committee that:
  - (1) There is no significant changes in internal control over financial reporting during the year;
  - (2) There is no significant changes in accounting policies during the year; and
  - (3) There is no instances of significant fraud of which we have become aware.

**(Rohit Ahuja)**  
Executive Director

**(Vinit Kishore)**  
Chief Financial Officer

## Declaration regarding Compliance with the Code of Conduct

It is hereby declared that the Company has received affirmation from the Board Members and the Senior Management Personnel with regard to compliance of the Code of Conduct for Directors and Senior Management Personnel, in respect of the financial Year ended on 31<sup>st</sup> March, 2024.

For **DiGiSPICE Technologies Limited**

Place: Noida  
Date: 8<sup>th</sup> August, 2024

**(Rohit Ahuja)**  
Executive Director

## Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of  
**DIGISPICE TECHNOLOGIES LIMITED**  
(CIN: L72900DL1986PLC330369)  
JA-122, 1<sup>st</sup> Floor, DLF Tower - A Jasola,  
Jamia Nagar, New Delhi - 110025

- That the equity shares of Digispice Technologies Limited ("the Company") are listed on BSE Limited and National Stock Exchange of India Limited.
- We have examined the relevant disclosures received from the Directors, registers, records, forms, and returns maintained by the Company and produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- In our opinion and to the best of our information and according to the verifications and examination of the disclosures under Sections 184, 189, 170, 164, 149 of the Companies Act, 2013 ("the Act") and Director Identification Number ("DIN") status at MCA portal, [www.mca.gov.in](http://www.mca.gov.in), and explanations furnished to us by the Company and its officers, we certify that none of the below named Directors on the Board of the Company as on March 31, 2024 have been debarred or disqualified from being appointed or continuing as directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority:

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment in Company
1.	Mr. Dilip Kumar Modi	00029062	21/08/2006
2.	Mr. Rohit Ahuja	00065417	05/05/2020
3.	Mr. Subramanian Murali	00041261	07/05/2015
4.	Mr. Mayank Jain	00251609	01/10/2019
5.	Dr. (Mrs.) Rashmi Aggarwal	07181938	02/11/2018
6.	Mr. Mrutyunjay Mahapatra	03168761	22/12/2022
7.	Mr. Venkatramu Jayanthi	08918442	31/01/2024
8.	Mr. Ram Nirankar Rastogi	07063686	31/01/2024

- Ensuring the eligibility of the appointment/continuity of every Director on the Board is the responsibility of the management of the Company and our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- This certificate is based on the information and records available as of March 31, 2024 and we have no responsibility to update this certificate for the events and circumstances occurring thereafter.

For **Sanjay Grover & Associates**  
Company Secretaries  
Firm Registration No.: P2001DE052900  
Peer Review Certificate No.: 4268/2023

**Ramit Rastogi**  
Partner  
FCS No. 6952  
CP No.: 18465  
UDIN: F006952F000932283

August 8, 2024  
New Delhi

## Secretarial audit report

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024

[Pursuant to section 204(i) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,  
**Digispice Technologies Limited**  
(CIN: L72900DL1986PLC330369)  
JA-122, 1<sup>st</sup> Floor, DLF Tower - A Jasola,  
Jamia Nagar, New Delhi - 110025

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Digispice Technologies Limited** (hereinafter called "the Company"). The 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.

### We report that-

- Maintenance of secretarial records are the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 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 the secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of the financial statements of the Company.
- Wherever required, we have obtained the Management Representation about the compliances of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of the Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- 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.

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 authorised 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 31<sup>st</sup> March, 2024 ("Audit Period") 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 31<sup>st</sup> March, 2024 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment except that Annual Performance Report of Spice Digital Bangladesh Limited, S Global Services Pte. Limited and Digispice Nepal Private Limited for FY 2022-23 were submitted with RBI with delay on 28<sup>th</sup> June, 2024;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 [Not applicable during the audit period];
  - The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;



- (h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 [Not applicable during the audit period];
- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 [Not applicable during the audit period]; and
- (j) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. [Not applicable during the audit period]

We have also examined the compliance of applicable clauses of the Secretarial Standards on Meetings of the Board of Directors (SS-1), General Meetings (SS-2) issued by the Institute of Company Secretaries of India which has been generally complied with.

During the audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines etc. to the extent applicable, as mentioned above.

- (vi) During the audit period, the Company is primarily engaged into the business of Information and Communication Technology providing Value Added Services and Mobile Content services to the domestic/international Telecom Operators and CPaaS platform services to enterprises and as confirmed by management of the Company, following(s) are the laws specifically applicable on the Company-
- Regulations issued by Telecom Regulatory Authority of India;
  - Telecom Commercial Communication Customer Preference Regulations, 2018; and
  - Guidelines issued by Department of Telecommunication.

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. On the basis of our check on test basis, recording in the minutes of Board of Directors and management representation, we are of the view that the Company has ensured the compliance of laws specifically applicable on it.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meetings and its committee

meetings, Agenda and detailed notes on agenda were sent in advance of the meeting and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

As per the minutes, the decisions at the Board meetings were taken unanimously.

**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 also report that** during the audit period:

- the Board of Directors of the Company at its meeting held on April 07, 2023 and members of the Company through postal ballot (resolution passed on May 25, 2023) approved the proposal for sale/disposal or otherwise dealing with investment(s)/asset(s)/property(ies)/undertaking(s) of the Company's or any of its subsidiaries, engaged/deployed in/related to Digital Technology Services Segment of the Company;
- the Board of Directors of the Company at its meeting held on July 27, 2023 and members of the Company in the 35<sup>th</sup> Annual General Meeting held on September 28, 2023 approved appointment of S.R. Batliboi & Co. LLP, Chartered Accountants as the Statutory Auditors of the Company to hold office for a term of five (5) consecutive years from the conclusion of 35<sup>th</sup> Annual General Meeting till the conclusion of 40<sup>th</sup> Annual General Meeting of the Company to be held in the year 2028;
- the Board of Directors of the Company at its meeting held on November 07, 2023, approved the proposal for shifting of the Registered Office of the Company from '622, 6<sup>th</sup> Floor, DLF Tower A, Jasola Distt. Centre, New Delhi-110025' to 'JA 122, 1<sup>st</sup> Floor DLF Tower A, Jasola, New Delhi-110025'; and
- the Board of Directors of the Company allotted 6,81,700 (Six Lakh Eighty One Thousand Seven Hundred) equity shares pursuant to the exercise of the stock option granted to the employees of the Company under DTL Employees Stock Option Plan-2018.

For **Sanjay Grover & Associates**

Company Secretaries  
Firm Registration No.: P2001DE052900  
Peer Review Certificate No.: 4268/2023

**Ramit Rastogi**

Partner

FCS No. 6952

CP No.: 18465

UDIN: F006952F000932118

August 8, 2024  
New Delhi

## Secretarial audit report

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024

[Pursuant to Section 204(i) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**SPICE MONEY LIMITED**  
(U72900DL2000PLC104989)  
JA-122, 1<sup>st</sup> Floor, DLF Tower A,  
Jasola District Centre,  
New Delhi - 110025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SPICE MONEY 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 authorised 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 31<sup>st</sup> 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 based on the management representation letter/confirmation, 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 only for the financial year ended on 31<sup>st</sup> March, 2024, according to the provisions of:

- The Companies Act, 2013 ('the Act') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

The Company is a tech-enabled Hyper Local Payments Network offering various services like Cash Deposit, Cash Withdrawal, Balance Enquiry, Bill Payments, Aadhaar Enabled Services, Airtime Recharge, PoS Services, Railway Ticketing Services etc. through its

authorised agents. As informed by the management, following are some of the laws/rules/orders which are specifically applicable to the Company viz.:

- Payment and Settlement Systems Act, 2007 and any regulations and directions issued thereunder;
- Prevention of Money Laundering Act 2002;
- All applicable regulations and laws stipulated by Reserve Bank of India in its' licensing conditions and circulars issued from time to time.

We further report that with respect to the compliance of the above mentioned laws, we have relied on the compliance system prevailing in the Company and on the basis of representation received from the management.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. mentioned above.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors 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 provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

Board decisions were carried with unanimous consent and therefore no dissenting views were captured and hence, no recording was needed in this regard as part of the minutes. As per the minutes, the decisions at the Board meetings were taken unanimously.

## Annexure 1

**We further report that** during the audit period the company has redeemed 5,00,000 Non-Convertible Redeemable Preference Shares of the Company having face value of ₹ 10 each, aggregating to Rupees Five Crores Only.

**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 further report,** to the best of our knowledge and understanding, that during the audit period apart from aforesaid events/actions, there were no

specific events/actions having a major bearing on the Company's Affairs in pursuance of the above referred laws, rules, regulations, guidelines.

This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this Report.

For **NSP & Associates**  
Company Secretaries

**(Proprietor)**

UDIN: F009028F000795935

FCS No.: 9028

C P No.: 10937

Place: Noida, UP

Date: 6<sup>th</sup> August, 2024

To,  
The Members,  
**SPICE MONEY LIMITED**  
(U72900DL2000PLC104989)  
JA-122, 1<sup>st</sup> Floor, DLF Tower A,  
Jasola District Centre,  
New Delhi - 110025

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The 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 and Financial Statement for the Financial Year ended 31<sup>st</sup> March, 2024.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are 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 future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **NSP & Associates**  
Company Secretaries

**(Proprietor)**

UDIN: F009028F000795935

FCS No.: 9028

C P No.: 10937

Place: Noida, UP

Date: 6<sup>th</sup> August, 2024



## Annexure A

**Information as required under Section 197(12) of the Companies Act, 2013  
read with Rule 5 of the Companies (Appointment and Remuneration of  
Managerial Personnel) Rules, 2014**

**1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:**

Name of Director	Ratio to Median Remuneration
Mr. Rohit Ahuja	12.63

The Company has not paid remuneration to any other director during the year 2023-24 except sitting fees to independent directors.

**2. The percentage increase in remuneration of each Director, Chief Financial Officer ('CFO'), Chief Executive Officer ('CEO'), Company Secretary ('CS') or Manager, if any, in the financial year:**

There was no increase in the remuneration of any Director, CFO, CEO or CS during the year 2023-24. The Independent Directors were paid sitting fees at the rate of ₹ 25,000 per Committee Meeting and ₹ 50,000 per Board Meeting. The sitting fee per meeting was not increased during the year.

**3. The percentage increase in the median remuneration of employees in the financial year:**

There was no change in the median remuneration of employees during the year 2023-24.

**4. The number of permanent employees on the rolls of Company:**

There were 44 permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2024.

**5. Average percentile increase already made in the salaries of employees other than the managerial personnel (i.e. Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary) 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 in the salaries of employees other than the managerial employees (i.e. Directors, CEO, CFO and CS) was 2.38%. There was no change in the remuneration of managerial personnel during FY 2023-24.

**6. Affirmation that the remuneration is as per the remuneration policy of the company:**

It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

**7. Statement showing the particulars of employees, for the financial year 2023-24, in accordance with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, as amended.**

Sr. No.	Name	Designation	Remuneration received (01.04.2023 - 31.03.2024) (Amount in ₹)	Nature of Employment (Contractual or otherwise)	Qualifications and experience of the employee	Date of commencement of employment	Age of employee (Completed year as on 31.03.2024)	Last employment held before joining the Company
1	Rohit Ahuja	Executive Director	1,25,00,000	Permanent	Bachelor of Science in Accounting and Finance, USA	14.12.2015	48 years	Self-Occupied Business
2	Prashant Hansraj	Chief Operating Officer	69,57,838	Permanent	MCA & BCA	23.01.2017	44 Years	Loyalty Solutions & Research Pvt Ltd
3	Vikas Bansal	Vice President - Taxation	55,90,560	Permanent	CA, LLB & B Com (Hons.)	03.10.2022	44 Years	Dhruva Advisors LLP
4	Binu Varghese*	Vice President - Legal	43,74,302	Permanent	Ph. D in International Law, M. Phil in International Law & LLB	13.09.2023	47 Years	One97 Communications Limited
5	Vinit Kishore	Chief Financial Officer	40,52,766	Permanent	CA & Bachelor of Science	06.01.2021	48 Years	Wipro Ltd
6	Ruchi Mehta	Vice President-Corp. Affairs & Company Secretary	35,38,125	Permanent	Company Secretary & LLB	01.04.2007	43 Years	Deki Electronics Ltd
7	Sandeep Kaushal	Associate Vice President	29,68,140	Permanent	MCA & B. Sc	08.11.2007	45 Years	Altruist Technologies Pvt Ltd
8	Lakhvinder Singh#	General Manager	24,37,844	Permanent	Post-Graduation Diploma in Human Resource Management & Bachelor of Arts	20.04.2011	41 Years	Videocon Telecommunications Ltd
9	Surendran S Nair	G M - Facility & Administration	23,90,216	Permanent	Bachelor of Arts	01.07.2008	57 Years	Cain Technologies India (P) Ltd
10	Sanjeev Kumar	Sr. General Manager	22,28,400	Permanent	CA & M. Com	22.01.2008	46 Years	Dishnet Wireless Ltd

\* Employee for a part of the year and accordingly remuneration shown is only for that part for which they were in the employment of the Company.

# Includes perquisite value of ESOP's exercised during the financial year under review.

Mr. Rohit Ahuja is an Executive Director on the Board of the Company. None of the other employees listed above is a relative of any director of the Company.

## Annexure B

## Details of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

### (A) Conservation of Energy

- (i) **The steps taken or impact on conservation of energy:** The Company having been engaged in service industry during FY 2023-24, the operations of the Company involved low energy consumption. Adequate measures have, however, been taken to conserve energy.
- (ii) **The steps taken by the Company for utilising alternate sources of energy:** Nil
- (iii) **The capital investment on energy conservation equipment :** Nil

### (B) Technology Absorption

- (i) **The effort made towards technology absorption:** in view of discontinuing operations, no technology absorption activities carried out during FY 2023-24.
- (ii) **The benefits derived like product improvement, cost reduction, product development or import substitution:** In view of discontinuing operations, no product development or substitution carried out during FY 2023-24.
- (iii) **In case of imported technology (import during the last three years reckoned from the beginning of the financial year)-**
- a) **the details of the technology imported** : Nil
- b) **the year of import** : N.A.
- c) **whether the technology been fully absorbed** : N.A.
- d) **if not fully absorbed, areas where absorption has not taken place, and the reason thereof** : N.A.
- (iv) **the expenditure incurred on Research and Development** : N.A.

### (C) Foreign exchange earnings and outgo during the year

- i) **Foreign Exchange earned in terms of actual inflows :** ₹ 129.37 Lakhs
- ii) **Foreign Exchange outgo in terms of actual outflows:** ₹ 31.30 Lakhs

## Glossary of terms

The Board's report and Corporate Governance Report, contained in this Annual Report uses certain terms and abbreviations which, unless the context requires otherwise or unless otherwise specified, shall have the meaning, as provided below :

AC	Audit Committee
Act	The Companies Act, 2013
AePS	Aadhar enabled Payment Services
AGM	Annual General Meeting
Board	Board of Directors of the Company
BSE	BSE Limited
CFO	Chief Financial Officer
CGR	Corporate Governance Report
Company/the Company/ DiGiSPICE/DiGiSpice	DiGiSPICE Technologies Limited
CSR	Corporate Social Responsibility
CSR Rules	Companies (Corporate Social Responsibility Policy) Rules, 2014
Directors	Directors on the Board of the Company
DTL ESOP Scheme/DTL ESOP Plan	DTL Employees Stock Option Plan-2018 (Erstwhile 'SML Employees Stock Option Plan-2018')
FY	Financial Year
FY 2022-23	Financial Year ended 31 <sup>st</sup> March, 2023
FY 2023-24	Financial year ended 31 <sup>st</sup> March, 2024
FY 2024-25	Financial year ending 31 <sup>st</sup> March, 2025
IEPF Authority	Investor Education and Protection Fund Authority
IEPF Rules	Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016
KMP	Key Managerial Personnel
Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
MCA	Ministry of Corporate Affairs
NRC	Nomination and Remuneration Committee
NSE	National Stock Exchange of India Limited
PIT Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015
RMC	Risk Management Committee
RPT	Related Party Transaction(s)
SEBI	Securities and Exchange Board of India
SMP	Senior Management Personnel
Spice Money	Spice Money Limited, material subsidiary of the Company
SRC	Stakeholders Relationship Committee
SS	Secretarial Standard(s)
WTD	Whole-time Director



## Independent Auditor's Report

To the Members of Digispice Technologies Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Digispice Technologies Limited ("the Company"), which comprise the Balance sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the

Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 for the financial year ended 31<sup>st</sup> March, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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 standalone 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 standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matter	How our audit addressed the key audit matter
<p><b>Impairment assessment of its investment in subsidiaries and associates</b> (as described in Note 7 of the standalone financial statements)</p> <p>The Company's investments in various subsidiaries and associates are accounted at cost (subject to impairment assessment). Where an indication of impairment/reversal of previously recorded impairment exists, the carrying value of investments is assessed.</p> <p>The Company's investments in subsidiaries and associates represent a substantial portion of its total assets. Any change in the recoverable amount of these investments could have a significant impact on the Company's standalone financial statements.</p> <p>Considering the significance and magnitude of these investments to the standalone financial statements, assessment of carrying amount of these investments is considered as a key audit matter.</p>	<p>Our procedures to include the following:</p> <ul style="list-style-type: none"> <li>We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the impairment assessment of its investments.</li> <li>We evaluated the Company's process for identifying indicators of impairment/reversal of previously impairment for its investments in subsidiaries and associates.</li> <li>We checked the mathematical accuracy of the impairment and agreed relevant data back to the latest budgets, actual past results and other supporting documents.</li> <li>We performed sensitivity analysis to assess change in assumptions that could lead to impairment or material change on the estimated recoverable amounts.</li> <li>We assessed the adequacy of relevant disclosures as per applicable accounting requirements.</li> </ul>

#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the director's report in the Annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged with Governance.

#### Responsibilities of Management for the Standalone Financial Statements

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- ♦ Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended 31<sup>st</sup> March, 2024, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matter

The standalone financial statements of the Company for the year ended 31<sup>st</sup> March, 2023, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on 19<sup>th</sup> May, 2023.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11)

of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except (i) that the back-up of certain books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on a daily basis as referred in note 46 to the standalone financial statements and (ii) for the matter stated in the paragraph 2(i)(vi) on reporting under Rule 11(g);
  - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024, taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);
  - g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

- h) In our opinion, the managerial remuneration for the year ended 31<sup>st</sup> March, 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;
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 31B 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, as disclosed in the note 48 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, 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, as disclosed in the note 48 to the standalone financial statements, no funds have been received by the Company from any persons or entities,

including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. No dividend has been declared or paid during the year by the Company.

- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility for all relevant transactions recorded in the software used by the Company except that audit trail feature was not enabled for direct changes to database when using certain access rights as referred in note 46 to the standalone financial statements. Further, we are unable to comment on whether audit trail feature of software operated throughout the year for all relevant transactions recorded in such software or whether there were any instances of the audit trail feature being tampered with as explained in the above note.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Anil Gupta**

Partner

Place of Signature: Noida Membership Number: 087921

Date: 16<sup>th</sup> May, 2024 UDIN: 24087921BKAQDF4787



## Annexure '1' referred to in paragraph 1 of "Report on other legal and regulatory requirements" of our report of even date

### Re: Digispice Technologies Limited ('the Company')

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with their planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deed of the immovable properties included in Immovable Property are held in the name of the Company except Building having gross carrying value of ₹ 589.10 lakhs and leasehold land having gross carrying value of ₹ 264.63 lakhs as on 31<sup>st</sup> March, 2024, are not held in the name of the Company instead title deed is held in the name of Spice Digital Limited (now known as Spice Money Limited) (refer note 4B of the Standalone Financial Statements).
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31<sup>st</sup> March, 2024; accordingly, the provisions of clause 3(i) (d) of the Order are not applicable to the Company.
- (e) 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.
- (ii) (a) The Company's business does not involve inventory; accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company.

- (b) The Company has been sanctioned working capital limit in excess of ₹ five crores in aggregate from the banks during the year on the basis of security of fixed deposits held by the Company with the banks. Based on the records examined by us and sanction letter issued by the banks, the Company is not required to submit any quarterly returns/statements. The Company does not have sanctioned working capital limits in excess of ₹ five crores in aggregate from any financial institution during the year on the basis of security of current assets of the Company.

- (iii) (a) During the year, the Company has provided a loan to its employee as follows:

	Loans
<b>Aggregate amount granted/ provided during the year:</b>	
- Employee	10.00
<b>Balance outstanding as at balance sheet date in respect of above cases</b>	
- Employee	9.85

During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to Limited Liability Partnerships or any other parties.

- (b) During the year, the terms and conditions of the grant of all loans to employees are not prejudicial to the Company's interest.
- (c) The Company has granted a loan during the year to its employee where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- Further, the Company had granted loans to its subsidiaries company in earlier years for which repayment of principal and payment of interest thereon was not regular and therefore, the Company considered those loans and interest thereon to the extent as doubtful and the same has been fully provided in books of account in earlier years out of which ₹ 1,103.25 lakhs have been written off during the current year.
- (d) There are no amounts of loan granted to employee which are overdue for more than ninety days.
- (e) There was no loan granted to employee which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013, and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/ services of the Company.

- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to sales tax, service tax, duty of customers, value added taxes and employees' state insurance are not applicable to the Company.

- (b) The dues of goods and services tax, provident fund, income-tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ In lakhs)	Period to which the amount relates	Forum where the dispute is pending
Goods and services tax	Disallowance of Input tax credit	7.72	FY 2017-18	Appellate Authority

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

- (c) The Company did not have any term loans outstanding during the year. Hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) On an overall examination of the standalone 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 and associates. The Company has no joint ventures.

- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. The Company has no joint ventures. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

- (x) (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments). Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the provisions of Clause 3(x) (b) of the Order are not applicable to the Company.

- (xi) (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

- (b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) The Group does not have more than one CIC as part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses of ₹ 900.59 lakhs in the current financial year (after considering reversal of provision against investments) and amounting to ₹ 353.26 lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 32 to the standalone financial statements, the ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of

one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) The provisions of Section 135 to the Companies Act, 2013, in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) The provisions of Section 135 to the Companies Act, 2013, in relation to Corporate Social Responsibility is not applicable to the

Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Anil Gupta**

Partner

Place of Signature: Noida Membership Number: 087921

Date: 16<sup>th</sup> May, 2024 UDIN: 24087921BKAQDF4787



## Annexure 2 referred to in paragraph 2(g) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of Digispice Technologies Limited (“the Company”) as of 31<sup>st</sup> March, 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

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“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 the 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 Companies Act, 2013.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these standalone 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”) and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls

with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to these standalone financial statements.

### Meaning of Internal Financial Controls with Reference to these Standalone Financial Statements

A Company’s internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the standalone financial statements.

### Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with

reference to financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31<sup>st</sup> March, 2024, based on the internal

control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Anil Gupta**

Partner

Place of Signature: Noida Membership Number: 087921

Date: 16<sup>th</sup> May, 2024

UDIN: 24087921BKAQDF4787

## Standalone Balance Sheet

As at 31<sup>st</sup> March, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Notes	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	38.96	341.13
Investment properties	4A	1,192.79	1,292.56
Other intangible assets	5	-	375.59
Right of use assets	6	12.05	110.01
Financial assets			
Investments	7	10,125.67	11,611.86
Loans	8	7.94	0.65
Other financial assets	9	860.87	2,328.01
Deferred tax assets (net)	10	-	1,343.22
Non current tax assets (net)		1,485.26	2,465.87
<b>Total non-current assets</b>		<b>13,723.54</b>	<b>19,868.90</b>
<b>Current assets</b>			
Financial assets			
Trade receivables	11	-	1,915.39
Cash and cash equivalents	12	523.97	413.00
Bank balances other than above	13	3,787.02	2,690.17
Loans	8	1.80	0.96
Other financial assets	9	69.65	382.65
Current tax assets (net)		163.78	-
Other current assets	14	-	56.51
<b>Total current assets</b>		<b>4,546.22</b>	<b>5,458.68</b>
<b>Assets classified as held for sale (discontinuing operations)</b>	21	<b>5,974.89</b>	<b>-</b>
<b>Total assets</b>		<b>24,244.65</b>	<b>25,327.58</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	15	6,184.65	6,164.20
Other equity	15A	15,739.14	14,709.62
<b>Total equity</b>		<b>21,923.79</b>	<b>20,873.82</b>
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	6	7.85	-
Provisions	16	77.02	243.57
<b>Total non-current liabilities</b>		<b>84.87</b>	<b>243.57</b>
<b>Current liabilities</b>			
Financial liabilities			
Lease liabilities	6	4.35	-
Borrowings	17	-	1,216.08
Trade payables	18	-	-
- total outstanding dues of micro enterprises & small enterprises; and		0.48	3.72
- total outstanding dues of other than micro enterprises & small enterprises		71.96	2,632.26
Other financial liabilities	19	74.09	68.04
Provisions	16	5.03	39.10
Other current liabilities	20	9.33	250.99
<b>Total current liabilities</b>		<b>165.24</b>	<b>4,210.19</b>
<b>Liabilities directly associated with assets classified as held for sale (discontinuing operations)</b>	21	<b>2,070.75</b>	<b>-</b>
<b>Total equity and liabilities</b>		<b>24,244.65</b>	<b>25,327.58</b>
Summary of material accounting policies	2		

The accompanying notes form an internal part of the standalone financial statements.

As per our report of even date.  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.: 301003E/E300005

per **Anil Gupta**  
Partner  
Membership No.: 087921

Place: Noida  
Date: 16<sup>th</sup> May, 2024

For and on behalf of the board of directors of  
**DiGiSPICE Technologies Limited**

**Rohit Ahuja**  
Executive Director  
DIN: 0065417

**Vinit Kishore**  
Chief Financial Officer

Place: Noida  
Date: 16<sup>th</sup> May, 2024

**Subramanian Murali**  
Director  
DIN: 00041261

**Ruchi Mehta**  
Company Secretary  
M. No.: A16707

## Standalone Statement of Profit and Loss

For the year ended 31<sup>st</sup> March, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Notes	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Continuing operations</b>			
<b>Income</b>			
Other income	22	805.15	744.91
<b>Total income</b>		<b>805.15</b>	<b>744.91</b>
<b>Expenses</b>			
Employee benefits expense	23	276.88	340.74
Finance costs	24	0.62	-
Depreciation and amortisation expense	25	107.95	99.46
Other expenses	26	352.99	255.01
<b>Total expenses</b>		<b>738.44</b>	<b>695.21</b>
<b>Profit before exceptional items and tax from continuing operations</b>		<b>66.71</b>	<b>49.70</b>
Exceptional items	27	91.94	-
<b>(Loss)/profit before tax from continuing operations</b>		<b>(25.23)</b>	<b>49.70</b>
Income tax expense		-	-
<b>(Loss)/profit from continuing operations</b>		<b>(25.23)</b>	<b>49.70</b>
<b>Discontinuing operations</b>	21		
Profit/(loss) before tax from discontinuing operations		2,304.56	(847.64)
Tax income/(expense) of discontinuing operations		(1,386.97)	(300.00)
<b>Profit/(loss) before tax from discontinuing operations</b>		<b>917.59</b>	<b>(1,147.64)</b>
<b>Profit/(loss) for the year</b>		<b>892.36</b>	<b>(1,097.94)</b>
<b>Other comprehensive income</b>			
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>			
Remeasurement gain/(loss) on defined benefit plans		54.66	(32.38)
Income tax effect		-	-
<b>Other comprehensive income/ (loss) for the year, net of tax</b>		<b>54.66</b>	<b>(32.38)</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>947.02</b>	<b>(1,130.32)</b>
<b>Earnings per share for continuing operations</b>	28		
Basic (₹ 3 per share), computed on the basis of profit from continuing operations (In ₹)		(0.01)	0.02
Diluted (₹ 3 per share), computed on the basis of profit from continuing operations (In ₹)		(0.01)	0.02
<b>Earnings per share for discontinuing operations</b>			
Basic (₹ 3 per share), computed on the basis of profit from discontinuing operations (In ₹)		0.40	(0.50)
Diluted (₹ 3 per share), computed on the basis of profit from discontinuing operations (In ₹)		0.40	(0.50)
<b>Earnings per share</b>			
Basic (₹ 3 per share), computed on the basis of profit for the year (In ₹)		0.39	(0.48)
Diluted (₹ 3 per share), computed on the basis of profit for the year (In ₹)		0.39	(0.48)
Summary of material accounting policies	2		

The accompanying notes form an internal part of the standalone financial statements.

As per our report of even date.  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.: 301003E/E300005

per **Anil Gupta**  
Partner  
Membership No.: 087921

Place: Noida  
Date: 16<sup>th</sup> May, 2024

For and on behalf of the board of directors of  
**DiGiSPICE Technologies Limited**

**Rohit Ahuja**  
Executive Director  
DIN: 0065417

**Vinit Kishore**  
Chief Financial Officer

Place: Noida  
Date: 16<sup>th</sup> May, 2024

**Subramanian Murali**  
Director  
DIN: 00041261

**Ruchi Mehta**  
Company Secretary  
M. No.: A16707



## Standalone Statement of Cash Flows

For the year ended 31<sup>st</sup> March, 2024  
(₹ in Lakhs unless otherwise stated)

Particulars	Notes	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Operating activities</b>			
Profit/(loss) before tax from continuing operations		(25.23)	49.70
Profit/(loss) before tax from discontinuing operations		2,304.56	(847.64)
<b>Adjustments to reconcile profit before tax to net cash flows:</b>			
<b>Exceptional items:</b>			
Provision for diminution in the value of non current investments	21, 27	(3,698.22)	-
Expenses on transfer of property plant and equipment and right of use assets	27	41.82	-
Depreciation and amortisation expense	21, 25	518.30	402.75
(Profit)/loss on disposal of property, plant and equipment, ROU assets and intangible assets (net)	21, 22	(95.17)	(1.06)
Share-based payment expense	21, 23	34.83	40.70
Interest income on financial and non financial assets	21, 22	(394.75)	(484.96)
Dividend income	22	(165.00)	(165.00)
Unclaimed balances written back (net)	22	(33.58)	(75.13)
Rental income (including on investment properties)	22	(84.83)	(94.82)
Finance cost	21, 24	66.38	58.32
Provision for doubtful on receivables/written off	21	434.38	103.99
Bad debts written off recovered	21	(40.00)	(62.07)
<b>Operating loss before working capital changes</b>		<b>(1,136.51)</b>	<b>(1,075.22)</b>
<b>Movements in working capital:</b>			
Decrease in trade receivables	21	406.58	1,024.86
(Increase) in other receivables		(3.47)	(511.26)
(Decrease) in trade payables		(1,028.62)	(1,597.39)
(Decrease) in provisions		(72.65)	(13.88)
(Decrease) in other liabilities		(146.16)	(199.72)
<b>Cash used in operating activities</b>		<b>(1,980.83)</b>	<b>(2,372.61)</b>
Direct taxes received/(paid) (net of refunds)		773.07	250.60
<b>Net cash used in operating activities</b>	<b>(A)</b>	<b>(1,207.76)</b>	<b>(2,122.01)</b>
<b>Investing activities</b>			
Proceeds from disposal of property, plant and equipment and right of use assets (including capital work in progress and capital advances)		414.50	1.06
Acquisition of property, plant & equipment		(2.11)	-
Purchase of intangible assets (Including intangible assets under development)		-	(18.69)
Investment in subsidiaries		-	(31.30)
Expenses on transfer of property plant and equipment and right of use assets		(41.82)	-
Proceeds from redemption of non convertible redeemable preference shares	7	500.00	-
Dividend received on compulsory convertible preference shares		165.00	165.00
Rental income (including on investment properties)		84.83	94.82
Interest received		665.65	430.63
Change in deposits		323.06	(670.75)
<b>Net cash from (used in) investing activities</b>	<b>(B)</b>	<b>2,109.11</b>	<b>(29.23)</b>
<b>Financing activities</b>			
Proceeds from share capital issued		17.57	18.20
(Repayment)/proceeds from borrowings (net)	17	(809.48)	1,216.08
Securities premium received on share capital issued	15A	69.87	62.23
Interest paid		(65.76)	(58.32)
Principal payment of lease liabilities (including interest)		(2.58)	-
Share application money received		-	2.88
<b>Net cash (used in) from financing activities</b>	<b>(C)</b>	<b>(790.38)</b>	<b>1,241.07</b>

Particulars	Notes	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Net increase/(decrease) in cash and cash equivalents (A + B + C)		110.97	(910.17)
Cash and cash equivalents at the beginning of the year		413.00	1,323.17
<b>Cash and cash equivalents at the end of the year</b>		<b>523.97</b>	<b>413.00</b>
<b>Components of cash and cash equivalents:</b>			
Cash on hand	12	1.14	0.94
With banks			
- on current accounts	12	422.94	268.06
- Deposits with original maturity of less than three months	12	99.89	144.00
<b>Total cash and cash equivalents</b>		<b>523.97</b>	<b>413.00</b>

### Notes:

#### a) Changes in liabilities arising from financing activities and non-cash financing and investing activities:

Particulars	Current borrowings	Interest expense on financial liabilities	Lease liabilities	Total
<b>As at 1<sup>st</sup> April, 2023</b>	1,216.08	-	-	1,216.08
<b>Cash flows movement:</b>				
Net proceeds/(repayments) of liabilities	(809.48)	-	(2.58)	(812.06)
Interest paid	-	(65.76)	-	(65.76)
<b>Non-cash flows movement:</b>				
Additions	-	-	14.16	14.16
Interest expenses	-	-	0.62	0.62
<b>As at 31<sup>st</sup> March, 2024</b>	<b>406.60</b>	<b>(65.76)</b>	<b>12.20</b>	<b>353.04</b>
<b>As at 1<sup>st</sup> April, 2022</b>	-	-	-	-
<b>Cash flows movement:</b>				
Net proceeds/(repayments) of liabilities	1,216.08	-	-	1,216.08
Interest paid	-	(58.32)	-	(58.32)
<b>Non-cash flows movement:</b>				
Additions	-	-	-	-
Interest expenses	-	-	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>1,216.08</b>	<b>(58.32)</b>	<b>-</b>	<b>1,157.76</b>

b) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows".

c) Certain working capital adjustments and other adjustments included in the accompanying statement of cash flows reflect the change in balances between 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 including the 31<sup>st</sup> March, 2024 balances of the discontinuing operations grouped in line-items 'assets held for sale' and 'liabilities directly associated with the assets held for sale'.

The accompanying notes form an internal part of the standalone financial statements.

As per our report of even date.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per **Anil Gupta**

Partner

Membership No.: 087921

Place: Noida

Date: 16<sup>th</sup> May, 2024

For and on behalf of the board of directors of

**DiGiSPICE Technologies Limited**

**Rohit Ahuja**

Executive Director

DIN: 0065417

**Vinit Kishore**

Chief Financial Officer

Place: Noida

Date: 16<sup>th</sup> May, 2024

**Subramanian Murali**

Director

DIN: 00041261

**Ruchi Mehta**

Company Secretary

M. No.: A16707

## Standalone Statement of Changes in Equity

For the year ended 31<sup>st</sup> March, 2024  
(₹ in Lakhs unless otherwise stated)

### A : Equity share capital

#### For the year ended 31<sup>st</sup> March, 2024:

Particulars	No. of shares	Amount
Ordinary Equity shares of ₹ 10 each Issued, subscribed and fully paid		
<b>At 1<sup>st</sup> April, 2023</b>	<b>20,54,73,563</b>	<b>6,164.20</b>
Changes in equity share capital due to prior period errors	-	-
<b>Restated balance at the beginning of current reporting period</b>	<b>20,54,73,563</b>	<b>6,164.20</b>
Issue of share capital: Shares issued under ESOP Scheme	6,81,700	20.45
<b>At 31<sup>st</sup> March, 2024*</b>	<b>20,61,55,263</b>	<b>6,184.65</b>

#### For the year ended 31<sup>st</sup> March, 2023:

Particulars	No. of shares	Amount
Ordinary Equity shares of ₹ 10 each Issued, subscribed and fully paid		
<b>At 1<sup>st</sup> April, 2022</b>	<b>20,48,66,763</b>	<b>6,146.00</b>
Changes in equity share capital due to prior period errors	-	-
<b>Restated balance at the beginning of current reporting period</b>	<b>20,48,66,763</b>	<b>6,146.00</b>
Issue of share capital: Shares issued under ESOP Scheme	6,06,800	18.20
<b>At 31<sup>st</sup> March, 2023*</b>	<b>20,54,73,563</b>	<b>6,164.20</b>

\* Equity shares are net off 2,60,67,843 equity shares as on 31<sup>st</sup> March, 2024 (31<sup>st</sup> March, 2023: 2,60,67,843) held by Employee benefit Trust and Independent Non Promoter Trust (note 15A).

### B : Other equity

#### For the year ended 31<sup>st</sup> March, 2024

Particulars	Trust Shares (Refer note 15A)	Reserves and Surplus						Share Application Money (vii)	Total
		Capital reserve (i)	Share based payment reserve (ii)	Capital redemption reserve (iii)	General reserve (iv)	Securities premium (v)	Retained earnings (vi)		
<b>As at 1<sup>st</sup> April, 2023</b>	161.19	429.35	474.47	306.66	6,101.11	617.50	6,616.46	2.88	14,709.62
Profit for the year	-	-	-	-	-	-	892.36	-	892.36
Other comprehensive income	-	-	-	-	-	-	54.66	-	54.66
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	947.02	-	947.02
Transfer on issuance of shares under ESOP Scheme	-	-	(45.88)	-	-	45.88	-	-	-
Issuance of shares under ESOP Scheme	-	-	-	-	-	69.87	-	(2.88)	66.99
Transfer to retained earnings on cancellation of vested options	-	-	(51.62)	-	-	-	51.62	-	-
Upon cancellation of options granted to employees of subsidiary companies	-	-	(19.32)	-	-	-	-	-	(19.32)
Shares based payments expense for the year	-	-	34.83	-	-	-	-	-	34.83
<b>As at 31<sup>st</sup> March, 2024</b>	<b>161.19</b>	<b>429.35</b>	<b>392.48</b>	<b>306.66</b>	<b>6,101.11</b>	<b>733.25</b>	<b>7,615.10</b>	<b>-</b>	<b>15,739.14</b>

#### For the year ended 31<sup>st</sup> March, 2023

Particulars	Trust Shares (Refer note 15A)	Reserves and Surplus						Share Application Money (vii)	Total
		Capital reserve (i)	Share based payment reserve (ii)	Capital redemption reserve (iii)	General reserve (iv)	Securities premium (v)	Retained earnings (vi)		
<b>As at 1<sup>st</sup> April, 2022</b>	161.19	429.35	474.61	306.66	6,101.11	514.43	7,746.78	7.33	15,741.46
Loss for the year	-	-	-	-	-	-	(1,097.94)	-	(1,097.94)
Other comprehensive loss	-	-	-	-	-	-	(32.38)	-	(32.38)
<b>Total comprehensive loss for the year</b>	-	-	-	-	-	-	(1,130.32)	-	(1,130.32)
Transfer on issuance of shares under ESOP Scheme	-	-	(40.84)	-	-	40.84	-	-	-
Issuance of shares under ESOP Scheme	-	-	-	-	-	62.23	-	(7.33)	54.90
Shares based payments expense for the year	-	-	40.70	-	-	-	-	-	40.70
Share application money received pending allotment	-	-	-	-	-	-	-	2.88	2.88
<b>As at 31<sup>st</sup> March, 2023</b>	<b>161.19</b>	<b>429.35</b>	<b>474.47</b>	<b>306.66</b>	<b>6,101.11</b>	<b>617.50</b>	<b>6,616.46</b>	<b>2.88</b>	<b>14,709.62</b>

#### Notes:

- Capital reserve represent reserve created pursuant to scheme of arrangement and can be utilised in accordance with the provisions of the Companies Act, 2013.
- Share based payment reserve relates to stock options granted to employees (including employees of Holding Company and Subsidiary Companies) under "Employee Stock Option Plan 2018" and shall be transferred to securities premium account/retained earnings on exercise/cancellation of options.
- Capital redemption reserve represents amount created upon cancellation of shares pursuant to buy back of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.
- General reserve represents free reserve amount appropriated out of retained earnings.
- Securities premium represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.
- Retained earnings are profits earned by the Company after transfer to general reserve, payment of dividend to shareholders, if any and transfer from share based payment reserve on cancellation of vested options.
- Share application money pending for allotment represent money received against the shares to be issued and it gets adjusted against the money received on issue of shares.

The accompanying notes form an internal part of the standalone financial statements.

As per our report of even date.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per **Anil Gupta**  
Partner  
Membership No.: 087921

Place: Noida  
Date: 16<sup>th</sup> May, 2024

For and on behalf of the board of directors of

**DiGiSPICE Technologies Limited**

**Rohit Ahuja**  
Executive Director  
DIN: 0065417

**Vinit Kishore**  
Chief Financial Officer

Place: Noida  
Date: 16<sup>th</sup> May, 2024

**Subramanian Murali**  
Director  
DIN: 00041261

**Ruchi Mehta**  
Company Secretary  
M. No.: A16707



## Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2024  
(₹ in Lakhs unless otherwise stated)

### 1. Company Background

Digispice Technologies Limited (CIN-L72900DLI986PLC330369) ("the Company") is a public Company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. The Company's shares are listed on National Stock Exchange of India Limited and BSE Limited in India. The Company is primarily engaged in the Information and Communication Technology business providing Value Added Services, and Mobile Content services to the domestic/international Telecom Operators.

During the year, the registered office of the Company has been shifted to JA-122, 1<sup>st</sup> Floor, DLF Tower – A, Jasola District Centre, New Delhi, India, 110025 from 622, 6<sup>th</sup> Floor, DLF Tower, Jasola District centre, New Delhi-110025.

### 2. Material Accounting Policies

#### 2.1 Status of Compliance:-

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standard) Rules, 2015 as amended from time to time. The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued Ind AS is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use. The Board of Directors approved the financial statements for the year ended 31<sup>st</sup> March, 2024 and authorised for issue on 16<sup>th</sup> May, 2024.

#### 2.2 Basis of preparation

The financial statements have been prepared under the historical cost convention on accrual basis except for the following assets and liabilities which have been measured at fair value or revalued amount:

- ♦ Financial instruments
- ♦ Defined benefit plans and other long-term employee benefits
- ♦ Share based payments

#### 2.3 Functional and Presentation Currency

These financial statements are presented in Indian National Rupee (₹), which is the

Company's functional currency. All amounts have been rounded to the nearest lakhs (₹ 00,000), except when otherwise indicated.

### 2.4 Summary of material accounting policies

The material accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

#### A. Current and non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

#### B. Revenue recognition

##### Sale of software/hardware (customised bundled solution) and software services

Revenue on time-and-material contracts are recognised as the related services are performed and revenue from the end of the last billing to the balance sheet date, which has not been billed, is recognised as unbilled revenues. Revenue from fixed-price, fixed-time frame contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognised rateably over the term of the underlying maintenance arrangement.

Advances received for services and products are reported as client deposits until all conditions for revenue recognition are met.

##### Sale from services

Revenue from value added services are recognised as per arrangement with the

customers at the end of each month/period in which the services are rendered.

#### Interest income

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

#### Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

#### Rental income

Rental income arising from operating leases on investment properties and leasehold improvements is accounted for on a straight-line basis over the lease terms unless the payments by the lessee are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Rental income is included in other income in the statement of profit or loss.

### C. Taxes

#### Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date in India.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date.

Current tax, relating to items recognised outside the statement of profit or loss, is recognised directly either in other comprehensive income or in equity in correlation to the underlying transaction. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets is offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

## Notes to the Standalone Financial Statements

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

Deferred tax, relating to items recognised outside the statement of profit or loss, is recognised directly either in other comprehensive income or in equity in correlation to the underlying transaction.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax relate to the same taxable entity and the same taxation authority.

### D. Property, plant and equipment (PPE)

Capital work in progress, property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management.

Depreciation is calculated on cost of PPE less their estimated residual values over their estimated useful lives using straight line method and is recognised in Statement of Profit and loss. The estimated useful lives of items of PPE for the current and comparative periods are as follows:

Particulars	Useful Life (estimated by management)
- Building	period of lease, or useful life of 25 years, whichever is lower
- Computers (other than servers etc.)	3-5 Years
- Servers	6 Years
- Leasehold Improvements	period of lease, or useful life of 1-9 years, whichever is lower
- Furniture and fittings	3-10 Years
- Office equipment's (other than mobile handsets)	2-7 Years
- Mobile handsets	3 Years
- Vehicles	8-10 years

The Company, based on assessment made, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life

prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### E. Investment properties

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.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company depreciates building component of investment property over 60 years from the date of original purchase. Furniture & fixture and office equipment, which form part of investment property are depreciated at useful life mentioned in para F.

The Company depreciates building (on leasehold land) component of investment property over the leasehold period of land.

Investment properties are derecognised either when they have been disposed off 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 statement of profit and loss in the period of derecognition.

The residual values, useful lives and methods of depreciation of investment properties are reviewed at each financial year end and adjusted prospectively, if appropriate.

### F. Intangible assets

Intangible assets (software) acquired separately are measured on initial recognition at cost. Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss.

Intangible assets are amortised using the Straight Line Method over their estimated useful lives as follows :

Intangible assets	Estimated Useful Life
Computer Software (Office)	3 Years
Computer Software (Site)	5 Years
In-house developed Software	5 Years
Intellectual Property Right	5 Years

Gains or losses arising from Derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

### G. Investment in subsidiaries and associates

Investment in subsidiaries and associates are measured usually at cost. Subsequent to initial recognition, investment in subsidiaries, associates and joint ventures are stated at cost less impairment loss, if any.

Investment in subsidiaries and associates are derecognised when they are sold or transferred. The difference between the net proceeds on sales and the carrying amount of the asset is recognised in statement of profit and loss in the year of derecognition.

### H. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. All borrowing costs are expensed in the period in which they occur.

### I. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognised as expense in the periods in which they are incurred.

### J. Impairment of non-financial assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of



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estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

### K. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises when there is a presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts. Provisions are not recognised for future operating losses. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

#### Contingent liability is disclosed for:

- ♦ Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- ♦ Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised.

However, when inflow of economic benefits is probable, related asset is disclosed."

### L. Retirement and other long term employee benefits

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

The Company operates a defined benefit plan i.e. gratuity plan. The liability as at the year end represents the actuarial valuation of the gratuity liability of continuing employees as at the end of the year. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurement comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- ♦ Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- ♦ Net interest expense or income"

Liabilities recognised in respect of other long term employee benefits such as annual leave and sick leave are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. These obligations are valued annually by independent qualified actuaries.

### M. Share-based payments

The Company recognises compensation expense relating to share-based payment in

statement of profit and loss using fair value in accordance with Ind AS 102 "Share-based Payment" except the value of Stock Options to employees of the Subsidiary Companies and Holding Company are considered as investment and directly reduced from the retained earnings respectively. The Company initially measures the cost of equity-settled transactions with employees using Black and Scholes model to determine the fair value of the liability incurred. 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. Vesting conditions, other than market conditions i.e. performance based condition are not taken into account when estimating the fair value. 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."

### N. Trust Shares as per Scheme of Amalgamation (refer Note 15A)

In pursuance to a Scheme of Amalgamation effected in Financial year 2010-11 following trusts were created:

- ♦ Independent Non-Promoter Trust ("NPT")
- ♦ Independent Non-Promoter (Spice Employee Benefit) Trust ('EBT')

EBT holds equity shares of the Company for the benefit of the employees of the Company, its associates and subsidiaries and NPT holds equity shares for the benefit of the company. Considering conservative interpretation of Ind AS 32, number of equity shares held by the NPT and EBT are reduced from total number of issued equity shares.

Equity shares that are held by two trusts are recognised at cost and deducted from Equity/Other Equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments which is directly adjusted with equity and other equity.

### O. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand,

cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### P. Earnings per share

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders (after deducting the compulsory redeemable preference share dividend) by the weighted average number of equity shares outstanding during the year. Diluted earning per share is calculated by dividing the net profits attributable to equity shareholders (after deducting dividend on compulsory redeemable preference shares) by the weighted average number of equity shares outstanding during the year (adjusted for the effects of dilutive options).

### Q. Fair value measurement

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing on initial recognition and at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments. 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its

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entirety, which are described as follows: Level 1 inputs are quoted prices /net asset value (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date; Level 2 inputs are inputs, other than quoted prices (unadjusted) included within Level 1, that are observable for the asset or liability, either directly or indirectly; and Level 3 inputs are unobservable inputs for the asset or liability."

### R. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting done to the chief operating decision maker. The executive directors of the Company have been identified as being the chief operating decision maker by the Management of the Company. The Company operates in a single operating segment and geographical segment.

### S. Financial instruments

#### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. Financial instrument (except trade receivables) are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss. Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115 for pricing adjustments embedded in the contract. Subsequent measurement of financial assets and financial liabilities is described below:

#### Subsequent measurement

##### i. Financial assets carried at amortised cost

A financial asset is measured at the amortised cost, if both the following conditions are met:

- ♦ The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ♦ Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal

and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

##### ii. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR 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 EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### T. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company considers:

- ♦ All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- ♦ Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

##### i) Trade receivables:

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument."

##### ii) Other financial assets:

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

##### iii) De-recognition of financial assets:

A financial asset is primarily de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

### U. Derecognition of financial liabilities

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.

### V. 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.

### W. Non-Current Asset held for sale and Discontinuing Operations:

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification. For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- ♦ The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- ♦ An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- ♦ The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- ♦ The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- ♦ Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.



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Non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortised. A discontinuing operation is a component of an entity that is classified as held for sale, and:

- ♦ represents a separate major line of business or geographical area of operations,
- ♦ is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinuing operations are excluded from the results of continuing operations and are presented as profit or loss before / after

tax from discontinuing operations in the statement of profit and loss.

### X. Foreign currencies

Transactions in foreign currencies are recorded by the Company at their respective functional currency at the exchange rates prevailing at the date of the transaction first qualifies for recognition. At the reporting date, monetary assets and liabilities denominated in foreign currency are restated at the prevailing exchange rates.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit & Loss with the exception of the following:

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions. Non-monetary items measure at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

### 3 Property, plant and equipment ("PPE")

Particulars	Building (note a)	Leasehold improvements	Office Equipments	Furniture and Fittings	Computers	Vehicles	Total
<b>Gross block:</b>							
<b>At 1<sup>st</sup> April, 2022</b>	211.71	38.26	44.20	2.13	1,415.30	154.16	1,865.76
Additions for the year	-	-	-	-	18.69	-	18.69
Disposals	-	-	-	-	(16.76)	-	(16.76)
<b>At 31<sup>st</sup> March, 2023</b>	211.71	38.26	44.20	2.13	1,417.23	154.16	1,867.69
Additions for the year	-	-	-	-	2.11	40.00	42.11
Sales	(211.71)	-	-	-	(131.93)	-	(343.64)
Disposals	-	(38.26)	(44.20)	(2.13)	(1,134.60)	(54.73)	(1,273.92)
Discontinuing operations (note 21)	-	-	-	-	(152.81)	(99.43)	(252.24)
<b>At 31<sup>st</sup> March, 2024</b>	-	-	-	-	-	40.00	40.00
<b>Accumulated depreciation:</b>							
<b>At 1<sup>st</sup> April, 2022</b>	59.17	32.24	34.51	1.82	1,110.70	109.03	1,347.47
Depreciation for the year	8.49	0.66	3.02	0.07	172.69	10.92	195.85
Disposals	-	-	-	-	(16.76)	-	(16.76)
<b>At 31<sup>st</sup> March, 2023</b>	67.66	32.90	37.53	1.89	1,266.63	119.95	1,526.56
Depreciation for the year (note b)	3.17	0.31	3.47	0.04	28.54	9.02	44.55
Sale	(70.83)	-	-	-	(110.31)	-	(181.14)
Disposals	-	(33.21)	(41.00)	(1.93)	(1,100.25)	(54.73)	(1,231.12)
Discontinuing operations (note 21)	-	-	-	-	(84.61)	(73.20)	(157.81)
<b>At 31<sup>st</sup> March, 2024</b>	-	-	-	-	-	1.04	1.04
<b>Net book value:</b>							
<b>At 31<sup>st</sup> March, 2024</b>	-	-	-	-	-	38.96	38.96
<b>At 31<sup>st</sup> March, 2023</b>	144.05	5.36	6.67	0.24	150.60	34.21	341.13

#### Notes:

- During the year, the Company has sold its property (both land and Building) in Dehradun, resulting in a gain of ₹ 160.56 lakhs which has been recorded in other income under continuing operations.
- Depreciation charge for the year includes ₹ 40.34 lakhs related to discontinuing operations.
- Immediately before the classification of digital technology business as a discontinuing operation, the recoverable amount was estimated for certain items of property, plant and equipment. Following the classification, a write-down of ₹ 65.39 lakhs was recognised pertaining to assets discarded during the current financial year. This was recognised in discontinuing operations in the statement of profit and loss.
- Additions/deletions to PPE and depreciation on PPE and/or disposals for the current year have been presented for both continuing and discontinuing operations.

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### 4A Investment properties

Particulars	Free hold land	Lease hold land	Building	Office Equipments	Furniture and Fittings	Total
<b>Gross block:</b>						
<b>At 1<sup>st</sup> April, 2022</b>	8.00	264.63	1,733.05	79.35	12.16	2,097.19
Additions for the year	-	-	-	-	-	-
<b>At 31<sup>st</sup> March, 2023</b>	8.00	264.63	1,733.05	79.35	12.16	2,097.19
Additions for the year	-	-	-	-	-	-
<b>At 31<sup>st</sup> March, 2024</b>	8.00	264.63	1,733.05	79.35	12.16	2,097.19
<b>Accumulated depreciation:</b>						
<b>At 1<sup>st</sup> April, 2022</b>	-	167.14	458.29	79.35	11.74	716.52
Depreciation for the year	-	22.43	65.26	-	0.42	88.11
<b>At 31<sup>st</sup> March, 2023</b>	-	189.57	523.55	79.35	12.16	804.63
Depreciation for the year	-	24.02	75.75	-	-	99.77
<b>At 31<sup>st</sup> March, 2024</b>	-	213.59	599.30	79.35	12.16	904.40
<b>Net book value:</b>						
<b>At 31<sup>st</sup> March, 2024</b>	8.00	51.04	1,133.75	-	-	1,192.79
<b>At 31<sup>st</sup> March, 2023</b>	8.00	75.06	1,209.50	-	-	1,292.56

On transition to Ind AS (i.e. 1<sup>st</sup> April, 2015), the Company has elected to continue with the carrying value of all Investment properties measured as per the previous GAAP and use that carrying value as the deemed cost of Investment properties.

#### Notes:

#### a. Information regarding income and expenditure of Investment properties

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Rental income derived from investment properties</b>	79.43	89.42
Less: direct operating expenses	(35.97)	(39.23)
<b>Profit arising from investment properties before depreciation and indirect expenses</b>	43.46	50.19
Less: depreciation	(99.77)	(88.11)
<b>Profit/(loss) arising from investment properties before indirect expenses</b>	(56.31)	(37.92)

b. The Company's investment properties as on 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 consist of two office property situated at Kolkata and Mumbai and one factory land and building situated at Rampur in Uttar Pradesh. The management has determined the classification of investment properties based on nature, characteristics and risks of each property.

c. The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties.

d. The Company has one office building at Kolkata which it holds for rental purpose which is vacant from 17<sup>th</sup> March, 2024 on account of termination of agreement with the tenant. The Company expects this building to be rented out again. Accordingly, the building is treated as an Investment property.

#### e. Measurement of fair value

The fair value of investment properties situated at Mumbai and Kolkata has been determined on 23<sup>rd</sup> March, 2024 by external independent registered valuer defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The Company has considered fair value of balance investment properties determined on 2<sup>nd</sup> May, 2024 by external independent registered valuer. In the Opinion of management, there is no material change in the fair value of investment property since then. The fair value measurement for investment properties has been categorised as a level 3 fair value based on inputs to valuation techniques used (refer note 4f). Fair value hierarchy disclosures have been given in note 36.

### f. Fair value of Investment Properties

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Fair Value of Investment Properties	3,667	4,413

### g. Description of valuation techniques used and key inputs to valuation on investment properties:

Investment properties	Valuation technique	Significant unobservable inputs
- Kolkata	Market Approach	Reference Pricing
- Rampur	Market Approach	Reference Pricing
- Mumbai (Jogeshwari)	Market Approach	Reference Pricing

The market approach uses prices and other relevant information generated by market transactions involving identical or complete assets. Valuation techniques consistent with the market approach often use market multiples derived from a set of comparable. Multiples might be in ranges with a different multiple for each comparable. The selection of the appropriate multiple within range requires judgement, considering qualitative and quantitative factors specific to the remeasurement.

### 4B Title deeds of following immovable properties not in name of the Company as at 31<sup>st</sup> March, 2024 and as at 31<sup>st</sup> March, 2023

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director, relative of promoters/director or employee of promoter/director	Property held since which date	Reason for not held in the name of the Company
Investment property	Leasehold Land, Mumbai	264.63	Spice Money Limited	No	01-06-2019	Recording of the transfer in the land record /authorities record is yet to be done for these properties acquired from Spice Money Limited pursuant to scheme of arrangement.
Investment property	Building, Kolkata	589.10		No	01-06-2019	
Right-of-use assets	Leasehold Land, Dehradun	133.16		No	w.e.f 01-06-2019 till 16-08-2023	
Property, plant & equipment	Building, Dehradun	211.71		No		

## 5 Intangible assets

Particulars	Intellectual property rights	Computer Software	Intangible asset under development	Total
<b>Gross block:</b>				
<b>As at 1<sup>st</sup> April, 2022</b>	1,110.56	768.49	11.85	1,890.90
Adjustments	-	-	(11.85)	(11.85)
<b>At 31<sup>st</sup> March, 2023</b>	1,110.56	768.49	-	1,879.05
Disposals	(4.44)	(768.49)	-	(772.93)
Discontinuing operations (note 21)	(1,106.12)	-	-	(1,106.12)
<b>At 31<sup>st</sup> March, 2024</b>	-	-	-	-
<b>Accumulated amortisation:</b>				
<b>As at 1<sup>st</sup> April, 2022</b>	627.46	761.46	-	1,388.92
Amortisation for the year	110.26	4.28	-	114.54
<b>At 31<sup>st</sup> March, 2023</b>	737.72	765.74	-	1,503.46
Amortisation for the year	370.00	-	-	370.00
Disposals	(1.60)	(765.74)	-	(767.34)
Discontinuing operations (note 21)	(1,106.12)	-	-	(1,106.12)
<b>At 31<sup>st</sup> March, 2024</b>	-	-	-	-
<b>Net book value:</b>				
<b>At 31<sup>st</sup> March, 2024</b>	-	-	-	-
<b>At 31<sup>st</sup> March, 2023</b>	372.84	2.75	-	375.59



## Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2024  
(₹ in Lakhs unless otherwise stated)

### Note:

- a. During the current year, the Company has fully amortised the written down value of Intellectual Property Rights by way of accelerated amortisation in discontinuing operations.

### 5A Aging of Intangible assets under development as on 31st March, 2024

Intangible assets under development	Intangible assets under development as on 31st March, 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

### Aging of Intangible assets under development as on 31st March, 2023

Intangible assets under development	Intangible assets under development as on 31st March, 2023				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Note: There were no temporarily suspended projects and/or no time overrun and/or cost overrun for the intangible assets under development as at 31st March, 2024 and 31st March, 2023.

## 6 Leases

### Company as a lessee

The Company has a lease contract for a building used in its operations. Lease of building has a lease term of 3 years.

The Company's obligations under its leases are secured by the lessor's title to the leased assets.

The Company also has certain leases with lease terms of 12 months or less and with low value.

The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right of use assets recognised and the movements during the year:

Particulars	Amount
<b>Gross carrying amount:</b>	
<b>As at 1st April, 2022</b>	133.16
Addition for the year	-
Disposals	-
<b>As at 1st April, 2023</b>	133.16
Addition for the year	14.47
Disposals (note a)	(133.16)
<b>As at 31st March, 2024</b>	<b>14.47</b>
<b>Accumulated amortisation:</b>	
<b>As at 1st April, 2022</b>	18.89
Amortisation for the year	4.26
<b>As at 1st April, 2023</b>	23.15
Amortisation for the year	3.97
Disposals	(24.70)
<b>As at 31st March, 2024</b>	<b>2.42</b>
<b>Net carrying amount:</b>	
<b>As at 31st March, 2024</b>	<b>12.05</b>
<b>As at 31st March, 2023</b>	<b>110.01</b>

### Note:

- a. The Company has sold its property (both Land and Building) in Dehradun during the year. Please refer Note 3a for details.

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	31st March, 2024	31st March, 2023
<b>Opening balance</b>	-	-
Additions	14.16	-
Accretion of interest	0.62	-
Payments	(2.58)	-
<b>Closing balance</b>	<b>12.20</b>	-
<b>Current</b>	<b>4.35</b>	-
<b>Non-current</b>	<b>7.85</b>	-

The maturity analysis of lease liabilities is disclosed in note 37.

The effective interest rate for lease liabilities is 9.55%.

The following are the amounts recognised in the statement of profit and loss:

Particulars	31st March, 2024	31st March, 2023
Depreciation expense of right-of-use assets (note 25)	3.97	4.26
Interest expense on lease liabilities (note 24)	0.62	-
<b>Total amount recognised in the statement of profit and loss</b>	<b>4.59</b>	<b>4.26</b>

The Company had total cash outflows for leases of ₹ 63.29 lakhs during the year ended 31st March, 2024 (31st March, 2023: ₹ 70.27 lakhs).

## 7 Investments

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Unquoted:</b>		
<b>At amortised cost:</b>		
<b>Investment in subsidiaries</b>		
<b>Equity shares:</b>		
<b>Spice Money Limited</b>		
4,34,51,475 (31st March, 2023: 4,34,51,475) equity shares of ₹ 10 each fully paid up	7,320.67	7,320.67
<b>S Global Services Pte. Ltd.</b>		
1,57,35,600 (31st March, 2023: 1,57,35,600) equity shares of SGD 1 each fully paid up	5,853.61	5,853.61
Less: Provision for impairment (note a)	(1,220.36)	(5,000.00)
	<b>4,633.25</b>	<b>853.61</b>
Discontinuing operations (note 21)	(4,633.25)	-
	-	-
<b>Spice Digital Bangladesh Limited</b>		
927,551 (31st March, 2023: 97,312) equity shares of Taka 100 each fully paid up (note b)	744.97	30.33
Less: Provision for impairment (note b)	(714.64)	-
	<b>30.33</b>	<b>30.33</b>
Discontinuing operations (note 21)	(30.33)	-
	-	-
<b>Digispice Nepal Private Limited</b>		
5,00,000 (31st March, 2023: 5,00,000) equity shares of NPR 10 each	31.30	31.30
Less: Provision for impairment (note f)	(31.30)	-
	-	<b>31.30</b>
Discontinuing operations (note 21)	-	-
	-	-

## Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>E-Arth Travel Solutions Private Limited</b>		
10,000 (31 <sup>st</sup> March, 2023: 10,000) equity shares of ₹ 10 each fully paid up	1.00	1.00
Discontinuing operations (note 21)	(1.00)	-
	-	1.00
<b>Vikasni Fintech Private Limited</b>		
5,100 (31 <sup>st</sup> March, 2023: 5,100) equity shares of ₹ 10 each fully paid up	0.51	0.51
Discontinuing operations (note 21)	(0.51)	-
	-	0.51
<b>Employee Stock Option Plan 2018 ('Plan')</b>		
(Options were granted to employees of subsidiaries companies) (note 35)	-	19.32
<b>Hindustan Retail Private Limited</b>		
Nil (31 <sup>st</sup> March, 2023: 42,23,80,000) equity shares of ₹ 10 each fully paid up	-	42,238.00
Less: Provision for impairment (note c)	-	(42,238.00)
	-	-
<b>S Mobility (HK) Limited</b>		
Nil (31 <sup>st</sup> March, 2023: 10,000) equity shares of HKD 1 each fully paid up	-	0.64
Less: Provision for impairment (note d)	-	(0.64)
	-	-
<b>Cumulative Compulsory Convertible Preference shares ("CCCPS") (note e)</b>		
<b>Spice Money Limited</b>		
Nil (31 <sup>st</sup> March, 2023: 3,30,00,000) 5% CCCPS of ₹ 10 each fully paid up	-	3,300.00
<b>Non-Convertible Redeemable Preference shares ("NCRPS") (note e)</b>		
<b>Spice Money Limited</b>		
2,80,00,000 (31 <sup>st</sup> March, 2023: Nil) 5% NCRPS of ₹ 10 each fully paid up	2,800.00	-
<b>Investment in associates</b>		
<b>Equity shares:</b>		
<b>Creative Functionapps Lab Private Limited</b>		
3,514 (31 <sup>st</sup> March, 2023 : 3,514) equity shares of ₹ 10 each	100.00	100.00
Less: Provision for impairment (note f)	(100.00)	(49.88)
	-	50.12
<b>Sunstone Learning Private Limited</b>		
95,058 (31 <sup>st</sup> March, 2023 : 95,058) equity shares of ₹ 1 each	814.88	814.88
Less: Provision for impairment	(814.88)	(814.88)
	-	-
Discontinuing operations (note 21)	-	-
	-	-
<b>Financial instruments carried at fair value through profit and loss</b>		
<b>Unquoted:</b>		
<b>Equity shares:</b>		
<b>S Mobile Devices Private Limited</b>		
50,000 (31 <sup>st</sup> March, 2023: 50,000) equity shares of ₹ 10 each fully paid up	5.00	5.00
<b>Total</b>	<b>10,125.67</b>	<b>11,611.86</b>
Aggregated value of unquoted investments	17,671.94	59,715.26
Aggregated value of provision for impairment	(2,881.18)	(48,103.40)
Aggregate value of investments transferred to discontinuing operations (note 21)	(4,665.09)	-

### Notes:

- During the current year, S Global Services Pte Limited ("SGS"), the subsidiary of the Company has invested an additional amount of ₹ 34.36 lakhs via right issue in DigiAsia Bios Pte Ltd, the fair value of which is determined based on the right issue price, since no other basis is practically available. The original investment of ₹ 1,711.68 lakhs was earlier being carried at nil fair value and accordingly, a gain of ₹ 3,779.64 lakhs has been recorded in SGS books of account. Accordingly, the Investment in SGS has been restated to ₹ 4,633.25 lakhs from ₹ 853.61 lakhs resulting into a gain of ₹ 3,779.64 lakhs which has been adjusted from provision for impairment.
- Spice Digital Bangladesh Limited, subsidiary of the Company has issued 8,30,239 bonus equity shares at par aggregating to BDT 8,30,23,900 equivalent to ₹ 714.64 lakhs in the Financial year 2017-2018 against the overdue trade receivables towards technical fees. During the current year, the Company has reclassified this receivable balance, which had a net carrying value of ₹ Nil (net of provision), to investments, following approval received from Reserve Bank of India.
- During the year, the Company has sold the entire stake of Subsidiary Company, Hindustan Retail Private Limited having discontinuing operations. The gain arising out of this transaction of ₹ 0.10 lakh, has been shown under discontinuing operations.
- During the year, S Mobility (HK) Ltd., a foreign subsidiary, incorporated in Hong Kong, was deregistered from the registrar of companies on 28<sup>th</sup> April, 2023 and subsequently, dissolved on deregistration.
- On 15<sup>th</sup> January, 2024, Spice Money Limited (one of the subsidiary of the Company) has passed special resolution in extra-ordinary general meeting to change the terms of 3,30,00,000 CCCPS issued and allotted as approved by the Shareholders vide resolution dated 28<sup>th</sup> April, 2021 and the Board of Directors resolution dated 25<sup>th</sup> May, 2021, by converting them into 3,30,00,000 NCRPS. Further, Spice Money Limited has redeemed 50,00,000 NCRPS amounting to ₹ 500 lakhs (31<sup>st</sup> March, 2023: Nil) during the year.
- During the current year, the Company has made provision for diminution in value of investments in Digispice Nepal Private Limited, amounting to ₹ 31.30 lakhs as disclosed in discontinuing operations (note 21), and for Creative Functionapps Lab Private Limited amounting to ₹ 50.12 lakhs, as disclosed in continuing operations (note 27).

### 8. Loans

Particulars	Non current		Current	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>At amortised cost:</b>				
<b>Unsecured considered good</b>				
Loan to employees	7.94	0.65	1.80	0.96
	7.94	0.65	1.80	0.96
<b>Unsecured Considered Credit impaired</b>				
Loan to bodies corporate <sup>#</sup>	-	300.00	-	739.32
Advances recoverable in cash or kind	-	-	4.92	4.92
	-	300.00	4.92	744.24
<b>Allowances for loss</b>				
Loan to bodies corporate <sup>#</sup>	-	(300.00)	-	(739.32)
Advances recoverable in cash or kind	-	-	(4.92)	(4.92)
	-	(300.00)	(4.92)	(744.24)
<b>Total</b>	<b>7.94</b>	<b>0.65</b>	<b>1.80</b>	<b>0.96</b>

<sup>#</sup>Includes loans given to related parties ₹ Nil (31<sup>st</sup> March, 2023: ₹ 1,039.32 lakhs). Refer note 33 for details.



## Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2024  
(₹ in Lakhs unless otherwise stated)

### 9 Others financial assets

Particulars	Non current		Current	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>At amortised cost:</b>				
<b>Unsecured considered good, unless otherwise stated</b>				
<b>Receivable from related parties (note 33)</b>				
Dividend receivable from the foreign subsidiary company*	-	-	56.30	56.30
Security deposits	-	47.23	2.33	1.30
<b>Receivable from others</b>				
Interest accrued on fixed deposits	-	-	53.91	77.06
Interest receivable on income tax refund	-	-	-	247.99
Advances recoverable in cash or in kind	-	-	0.81	-
Rent and other receivables	-	-	13.41	-
Deposits with remaining maturity of more than 12 months (note 13)	860.87	2,280.78	-	-
	<b>860.87</b>	<b>2,328.01</b>	<b>126.76</b>	<b>382.65</b>
<b>Considered doubtful</b>				
<b>Government and trust securities (unquoted)</b>				
5 (31 <sup>st</sup> March, 2023: 5) National Saving Certificates of ₹ 10,000 each (Purchased in the name of an employee of the Company and pledged with sales tax department)	-	0.50	-	-
Security deposits	-	-	-	23.32
Interest accrued on inter-corporate loans to a related party	-	-	-	63.93
Rent and other receivables - from related parties (note 33)	-	-	-	216.64
Rent and other receivables - from others	-	-	-	22.58
	-	0.50	-	326.47
<b>Allowances for doubtful</b>				
5 (31 <sup>st</sup> March, 2023: 5) National Saving Certificates of ₹ 10,000 each (Purchased in the name of an employee of the Company and pledged with sales tax department)	-	(0.50)	-	-
Security deposits	-	-	-	(23.32)
Interest accrued on inter-corporate loans to a related party	-	-	-	(63.93)
Rent and other receivables - from related parties (note 33)	-	-	-	(216.64)
Rent and other receivables - from others	-	-	-	(22.58)
	-	(0.50)	-	(326.47)
Discontinuing operations (note 21)	-	-	(57.11)	-
<b>Total</b>	<b>860.87</b>	<b>2,328.01</b>	<b>69.65</b>	<b>382.65</b>

\*In earlier years, the Company has accounted for dividend of ₹ 56.30 lakhs declared by the subsidiary company, Spice Digital Bangladesh Limited, which is yet to be repatriated to the Company.

### 10. Deferred tax

#### Recognised deferred tax assets and liabilities

##### A. Deferred tax assets and liabilities are attributable to the following:

Particulars	Deferred tax assets		Deferred tax liabilities		Net deferred tax asset/(liabilities)	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Property, plant and equipment's, right of use assets and intangible assets	-	-	-	(19.43)	-	(19.43)
Provisions for credit impaired	449.02	443.99	-	-	449.02	443.99
Provisions for employee benefits	40.39	78.64	-	-	40.39	78.64
Business losses including unabsorbed depreciation*	1,155.47	781.53	-	-	1,155.47	781.53
<b>Deferred tax assets/(liabilities)</b>	<b>1,644.89</b>	<b>1,304.16</b>	<b>-</b>	<b>(19.43)</b>	<b>1,644.89</b>	<b>1,284.73</b>
MAT credit entitlement	67.25	58.49	-	-	67.25	58.49
Less: impairment allowance on deferred tax assets due to uncertainty of future taxable profits	(1,712.13)	-	-	-	(1,712.13)	-
<b>Net deferred tax assets/(liabilities)</b>	<b>-</b>	<b>1,362.65</b>	<b>-</b>	<b>(19.43)</b>	<b>-</b>	<b>1,343.22</b>

\*inclusive of difference in income tax value and value as per Books of property, plant and equipments, right of use assets and intangible assets which is subject to reconciliations.

##### B. Movement in temporary differences

Particulars	As at 1 <sup>st</sup> April, 2022	Recognised in profit or loss during 2022-23	Recognised in OCI during 2022-23	As at 31 <sup>st</sup> March, 2023	Recognised in profit or loss during 2023-24	Recognised in OCI during 2023-24	As at 31 <sup>st</sup> March, 2024
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=D+E+F)
Property, plant and equipment's and intangible assets	(83.86)	64.43	-	(19.43)	19.43	-	-
Provisions for credit impaired	475.10	(31.11)	-	443.99	(443.99)	-	-
Provisions-employee benefits	91.30	(12.66)	-	78.64	(78.64)	-	-
Business losses including unabsorbed depreciation	902.63	(121.10)	-	781.53	(781.53)	-	-
MAT credit entitlement	58.49	-	-	58.49	(58.49)	-	-
Other items	199.56	(199.56)	-	-	-	-	-
<b>Total</b>	<b>1,643.22</b>	<b>(300.00)</b>	<b>-</b>	<b>1,343.22</b>	<b>(1,343.22)</b>	<b>-</b>	<b>-</b>

#### Disclosed in the balance sheet as follows:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Deferred tax assets	-	1,362.65
Deferred tax liabilities	-	(19.43)
<b>Deferred tax assets (net)</b>	<b>-</b>	<b>1,343.22</b>

#### Disclosed in the statement of profit and loss as follows:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Tax income/(expense) during the year	(1,343.22)	(300.00)
Deferred tax impact OCI	-	-
<b>Total</b>	<b>(1,343.22)</b>	<b>(300.00)</b>

The Company offsets deferred tax assets and deferred tax liabilities if and only if it relate to income taxes levied by the same tax authority.

## Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2024  
(₹ in Lakhs unless otherwise stated)

### Tax expense

The major components of income tax expense for the years ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 are:

#### A. Amount recognised in profit and loss:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Current income tax:</b>		
Current income tax charge	-	-
Adjustment in respect of income tax of earlier years	43.75	-
<b>Deferred tax:</b>		
Current year	-	300.00
Adjustment of tax related to earlier years	1,343.22	-
<b>Income tax expense reported in the statement of profit or loss</b>	<b>1,386.97</b>	<b>300.00</b>

#### B. Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Profit/(loss) for the year</b>	<b>2,279.33</b>	<b>(797.94)</b>
Income tax using the domestic tax rate (CY: 26%, PY: 27.82%)	592.63	(221.99)
Losses and other items on which no deferred tax asset is created due to uncertainty of future taxable profits	368.91	256.75
Adjustment in respect of income tax of earlier years	43.75	-
Adjustment in respect of deferred tax of earlier years	1,343.22	-
Tax impact on reversal of provision in investment in subsidiaries	(961.54)	-
Adjustments due to change in realisation of deferred tax	-	121.10
Others	-	144.14
	<b>1,386.97</b>	<b>300.00</b>

## 11. Trade receivables

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>At amortised cost:</b>		
Trade receivables	2,086.16	2,376.27
Trade receivables from related parties (note 33)	795.97	4,689.87
Unbilled revenue	118.29	375.70
Unbilled revenue - related parties (note 33)	2.34	25.10
<b>Total</b>	<b>3,002.76</b>	<b>7,466.94</b>
<b>Trade receivables:</b>		
Secured, considered good	-	-
Unsecured, considered good	1,074.43	1,915.39
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	1,928.33	5,551.55
	<b>3,002.76</b>	<b>7,466.94</b>
<b>Impairment allowance (allowance for bad and doubtful debts)</b>		
Trade receivables - credit impaired	(1,928.33)	(5,551.55)
<b>Total trade receivables</b>	<b>1,074.43</b>	<b>1,915.39</b>
Discontinuing operations (note 21)	(1,074.43)	-
<b>Total</b>	<b>-</b>	<b>1,915.39</b>

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days and payments are received in cash.

For terms and conditions relating to related party receivables, refer note 33.

### Trade receivable ageing schedule

As at 31<sup>st</sup> March, 2024\*

Category	Outstanding for following periods from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 month-1 Year	1-2 Year	2-3 Years	More than 3 years	
<b>Undisputed</b>								
- Considered good	120.63	112.49	185.99	96.17	25.92	20.98	512.25	1,074.43
- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	110.89	185.09	45.80	1,586.55	1,928.33
<b>Disputed</b>								
- Considered good	-	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>120.63</b>	<b>112.49</b>	<b>185.99</b>	<b>207.06</b>	<b>211.01</b>	<b>66.78</b>	<b>2,098.80</b>	<b>3,002.76</b>

\*Classified as discontinuing operations (note 21)

As at 31<sup>st</sup> March, 2023

Category	Outstanding for following periods from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 month-1 Year	1-2 Year	2-3 Years	More than 3 years	
<b>Undisputed</b>								
- Considered good	400.80	332.80	379.62	10.50	52.30	59.19	680.19	1,915.39
- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	0.06	13.98	59.10	18.89	332.60	5,126.92	5,551.55
<b>Disputed</b>								
- Considered good	-	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>400.80</b>	<b>332.86</b>	<b>393.60</b>	<b>69.60</b>	<b>71.19</b>	<b>391.79</b>	<b>5,807.11</b>	<b>7,466.94</b>

## 12 Cash and cash equivalents

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
On current accounts	422.94	268.06
Deposits with original maturity of less than three months	99.89	144.00
Cash on hand	1.14	0.94
<b>Total</b>	<b>523.97</b>	<b>413.00</b>

## 13 Bank balances other than above

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Unclaimed dividend accounts- earmarked balances	3.63	3.64
Deposits with remaining maturity of less than 12 months	3,783.39	2,686.53
Deposits with remaining maturity of more than 12 months	860.87	2,280.78
<b>Sub-total*</b>	<b>4,647.89</b>	<b>4,970.95</b>
Amount disclosed under other non current financial assets (note 9)	(860.87)	(2,280.78)
<b>Total</b>	<b>3,787.02</b>	<b>2,690.17</b>

Deposit with banks earn interest at fixed rates based on bank deposit rates for the tenor of deposit at the time of placing the deposits.

\*Include deposits of ₹ 609.55 lakhs (31<sup>st</sup> March, 2023: ₹ 1,458.88 lakhs) lien marked against overdraft facilities taken from bank.

Deposits of ₹ 1,166.90 lakhs (31<sup>st</sup> March, 2023: ₹ 1,119.57 lakhs) lien marked against issue of bank guarantees,

Deposits of ₹ 5.17 lakhs (31<sup>st</sup> March, 2023: ₹ 17.81 lakhs) lien marked against issue of corporate credit card.



## Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2024  
(₹ in Lakhs unless otherwise stated)

### 14 Other current assets

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Prepaid expenses	9.74	34.73
Balances with statutory/government authorities	74.09	21.78
	<b>83.83</b>	<b>56.51</b>
Discontinuing operations (note 21)	(83.83)	-
<b>Total</b>	<b>-</b>	<b>56.51</b>

### 15 Equity share capital

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Authorised</b>		
413,500,000 (31 <sup>st</sup> March, 2023: 413,500,000) equity shares of ₹ 3 each	12,405.00	12,405.00
<b>Issued, subscribed and fully paid-up</b>		
232,223,106 (31 <sup>st</sup> March, 2023: 231,541,406) equity shares of ₹ 3 each	6,966.69	6,946.24
<b>Pursuant to the Scheme of Amalgamation:</b>		
Less: 1,01,55,067 (31 <sup>st</sup> March, 2023 : 1,01,55,067) equity shares held by Independent Non-Promoter (Spice Employee Benefit) Trust	(304.66)	(304.66)
Less: 1,59,12,776 (31 <sup>st</sup> March, 2023 : 1,59,12,776) equity shares held by Independent Non-Promoter Trust	(477.38)	(477.38)
<b>20,61,55,263 (31<sup>st</sup> March, 2023: 20,54,73,563) equity shares of ₹ 3 each</b>	<b>6,184.65</b>	<b>6,164.20</b>

#### (a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	No. of Shares	Amount
Outstanding at the beginning of the year as at 1 <sup>st</sup> April, 2022	23,09,34,606	6,928.04
Add: additional shares issued under ESOP Scheme (note 35)	6,06,800	18.20
<b>Outstanding at the end of the year as at 31<sup>st</sup> March, 2023</b>	<b>23,15,41,406</b>	<b>6,946.24</b>
Add: additional shares issued under ESOP Scheme (note 35)	6,81,700	20.45
<b>Outstanding at the end of the year as at 31<sup>st</sup> March, 2024</b>	<b>23,22,23,106</b>	<b>6,966.69</b>

#### (b) Terms/ rights attached to equity shares

The Company has single class of equity shares having a par value of ₹ 3 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

#### (c) Shares held by Holding Company

Out of equity shares issued by the Company, shares held by its Holding Company are as below:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Spice Connect Private Limited, Holding Company</b>		
16,94,47,570 (31 <sup>st</sup> March, 2023: 16,94,47,570) equity shares of ₹ 3 each fully paid	5,083.43	5,083.43

#### (d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholders	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of shares	% holding	No. of shares	% holding
<b>Equity shares of ₹ 3 each fully paid</b>				
Spice Connect Private Limited	16,94,47,570	72.97%	16,94,47,570	73.18%
Mediatek India Technology Private Limited	1,11,89,695	4.82%	1,21,92,670	5.27%
Independent Non-Promoter Trust	1,59,12,776	6.85%	1,59,12,776	6.87%

#### (e) Disclosure of Shareholding of Promoters

##### Shareholdings of Promoters as at 31<sup>st</sup> March, 2024:

Promoter name	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Spice Connect Private Limited, Holding Company	16,94,47,570	72.97%	16,94,47,570	73.18%	-0.21%
	<b>16,94,47,570</b>	<b>72.97%</b>	<b>16,94,47,570</b>	<b>73.18%</b>	<b>-0.21%</b>

##### Shareholdings of Promoters as at 31<sup>st</sup> March, 2023:

Promoter name	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Spice Connect Private Limited, Holding Company	16,94,47,570	73.18%	16,94,47,570	73.37%	-0.19%
	<b>16,94,47,570</b>	<b>73.18%</b>	<b>16,94,47,570</b>	<b>73.37%</b>	<b>-0.19%</b>

Note: During the current and previous year, paid up share capital has been increased resulting change in percentage of shares held by the holding company, however, there is no change in number of shares held in comparison to previous year.

#### (f) Shares reserved for issue under employee stock incentive plans

For details of shares reserved for issue under the employee stock incentive plans of the Company, refer note 35 for details.

#### (g) Paid up share capital includes 38,083 equity shares allotted on 14<sup>th</sup> June, 2019 pursuant to Scheme of Arrangement without payment being received in cash. No share has been allotted by way of bonus shares during the period of five years immediately preceding the balance sheet date.

### 15A. Other equity

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
a) Trust shares	161.19	161.19
b) Capital reserve	429.35	429.35
c) Share based payment reserve	392.48	474.47
d) Capital redemption reserve	306.66	306.66
e) General reserve	6,101.11	6,101.11
f) Security premium	733.25	617.50
g) Retained earnings	7,615.10	6,616.46
h) Share application money	-	2.88
	<b>15,739.14</b>	<b>14,709.62</b>

#### a) Trust shares

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Opening balance	161.19	161.19
Add: Adjustments relating to sale of shares by Trust	-	-
<b>Closing balance</b>	<b>161.19</b>	<b>161.19</b>

## Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

As on 31<sup>st</sup> March, 2024, Independent Non-Promoter (Spice Employee Benefit) Trust ('EBT') holds 1,01,55,067 (31<sup>st</sup> March, 2023: 1,01,55,067) equity shares of the Company, for the benefit of the employees of the Company, its associates and subsidiaries and Independent Non-Promoter Trust ('NPT') holds 1,59,12,776 (31<sup>st</sup> March, 2023: 1,59,12,776) equity shares of the Company for the benefit of the Company. These equity shares were transferred to the Trusts pursuant to the Scheme of amalgamation of Spice Televentures Private Limited ('STPL'), the erstwhile holding company, with the Company, duly approved by High Court, Allahabad, at a value at which these equity shares were held in the books of STPL.

During the year the Company has received Nil (31<sup>st</sup> March, 2023: ₹ Nil), as a beneficiary, from the Independent Non-Promoter Trust including surplus arising from sale of its shares. The surplus fund would be utilised by the Company as per the terms of the Trust deed of Independent Non-Promoter Trust. Further, the Company has received ₹ Nil (31<sup>st</sup> March, 2023: ₹ Nil) against receivables, from the Independent Employee Benefit Trust and includes surplus arising from sale of its shares. The above receipts are shown as part of the Trust Reserve. Taking a conservative interpretation of "Ind AS 32" face value of shares held by these trusts has been deducted from equity and amount over and above face value has been shown as deduction under the head "Trust Shares" separately in other equity."

### b) Capital reserve

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>		
Balance as per the last financial statements	429.35	429.35
<b>Closing balance</b>	<b>429.35</b>	<b>429.35</b>

Pursuant to a Scheme of Arrangement between the Company and Spice Money Limited (formerly, Spice Digital Limited) and Spice IOT Solutions Limited and Mobisoc Technology Private Limited and Spice Labs Private Limited and their respective shareholders and creditors ("Scheme") under Sections 230-232 and other applicable provisions of the Companies Act, 2013 which was approved by the Hon'ble National Company Law Tribunal, New Delhi, Principal Bench ("NCLT") vide order dated 20<sup>th</sup> May, 2019. Accordingly, the Scheme of Arrangement has been given effect from appointed date 1<sup>st</sup> April, 2017. The assets and liabilities of Digital Technology Services (DTS) Business of Spice Money Limited (formerly, Spice Digital Limited) and the amalgamating companies were transferred to and vested with the Company with effect from the appointed date viz. 1<sup>st</sup> April, 2017. Accordingly, Capital Reserve was created on acquisition of DTS business from a subsidiary company i.e. Spice Money Limited (formerly, Spice Digital Limited).

### c) Share based payment reserve

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>474.47</b>	<b>474.61</b>
Add: Shares based payments expense for the year	34.83	40.70
Less: transfer to retained earnings on cancellation of vested options	(51.62)	-
Less: transfer on issuance of shares under ESOP Scheme	(45.88)	(40.84)
Less: upon cancellation of options granted to employees of subsidiary companies	(19.32)	-
<b>Closing balance</b>	<b>392.48</b>	<b>474.47</b>

### d) Capital redemption reserve

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>306.66</b>	<b>306.66</b>
<b>Closing balance</b>	<b>306.66</b>	<b>306.66</b>

On 19<sup>th</sup> June, 2013, The Company, following the Board of Directors' approval, repurchased 10,222,303 equity shares at ₹ 3 each through a share buyback offer. Consequently, the paid-up Equity Share Capital was reduced accordingly. In compliance with the Companies Act, 1956, an amount of ₹ 306.66 lakhs has been allocated to the Capital Redemption Reserve from General reserve.

### e) General reserve

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>6,101.11</b>	<b>6101.11</b>
<b>Closing balance</b>	<b>6,101.11</b>	<b>6,101.11</b>

Under the erstwhile Companies Act, 1956, General Reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations.

### f) Securities premium

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>617.50</b>	<b>514.43</b>
Add: issuance of shares under ESOP Scheme	69.87	62.23
Add: transfer on issuance of shares under ESOP Scheme	45.88	40.84
<b>Closing balance</b>	<b>733.25</b>	<b>617.50</b>

### g) Retained earnings

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>6,616.46</b>	<b>7,746.78</b>
Add: Profit/(loss) during the year	947.02	(1,130.32)
Add: Transfer from share based payment reserve on cancellation of vested options	51.62	-
<b>Closing balance</b>	<b>7,615.10</b>	<b>6,616.46</b>

### h) Share application money

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>2.88</b>	<b>7.33</b>
Share application money received under ESOP pending allotment	-	2.88
Less: issuance of shares under ESOP Scheme	(2.88)	(7.33)
<b>Closing balance</b>	<b>-</b>	<b>2.88</b>
<b>Total</b>	<b>15,739.14</b>	<b>14,709.62</b>

## 16 Provisions

Particulars	Non current		Current	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Provision for employees benefits</b>				
Gratuity	98.34	217.77	33.16	36.68
Compensated absences	17.37	25.80	6.49	2.42
	<b>115.71</b>	<b>243.57</b>	<b>39.65</b>	<b>39.10</b>
Discontinuing operations (note 21)	(38.69)	-	(34.62)	-
<b>Total</b>	<b>77.02</b>	<b>243.57</b>	<b>5.03</b>	<b>39.10</b>

## 17 Borrowings

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Secured</b>		
Limit from a bank (repayable on demand)#	406.60	1,216.08
	<b>406.60</b>	<b>1,216.08</b>
Discontinuing operations (note 21)	(406.60)	-
<b>Total</b>	<b>-</b>	<b>1,216.08</b>

#In the current year and previous year, overdraft facilities from bank are secured by pledge of fixed deposit with banks. The facilities are carried at an interest of FDR + 2% as on 31<sup>st</sup> March, 2024 (31<sup>st</sup> March, 2023: FDR + 2%).



## Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2024  
(₹ in Lakhs unless otherwise stated)

### 18 Trade payables

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Micro and Small enterprises		
Trade payables (refer note 41 for details of due to micro and small enterprises)		
- Outstanding dues of Micro Enterprises & Small Enterprises	0.48	3.72
- Outstanding dues of Other than Micro Enterprises & Small Enterprises	1,573.30	2,632.26
	<b>1,573.78</b>	<b>2,635.98</b>
Trade payable to related parties (note 33)	156.63	193.42
Trade payable to others	1,417.15	2,442.56
	<b>1,573.78</b>	<b>2,635.98</b>
Discontinuing operations (note 21)	(1,501.34)	-
<b>Total</b>	<b>72.44</b>	<b>2,635.98</b>

#### Trade payable ageing, refer note 18A

Due to micro and small enterprises have been determined to the extent such parties have been identified by the Company on the basis of information collected (note 41).

#### 18A. Trade payable ageing schedule

##### For the year ended 31<sup>st</sup> March, 2024:

##### Continuing operations

	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1- 2 year	2- 3 year	More than 3 years	
Micro and small enterprises	-	-	0.48	-	-	-	0.48
Other than micro and small enterprises	25.30	-	46.66	-	-	-	71.96
Disputed dues- micro and small enterprises	-	-	-	-	-	-	-
Disputed dues- others	-	-	-	-	-	-	-
<b>Total</b>	<b>25.30</b>	<b>-</b>	<b>47.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72.44</b>

##### Discontinuing operations

	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Micro and small enterprises	-	-	-	-	-	-	-
Other than micro and small enterprises	152.78	-	393.23	22.85	-	158.26	727.12
Disputed dues- micro and small enterprises	-	-	-	-	-	-	-
Disputed dues- others	774.22	-	-	-	-	-	774.22
<b>Total</b>	<b>927.00</b>	<b>-</b>	<b>393.23</b>	<b>22.85</b>	<b>-</b>	<b>158.26</b>	<b>1,501.34</b>

##### For the year ended 31<sup>st</sup> March, 2023:

	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Micro and small enterprises	-	3.72	-	-	-	-	3.72
Other than micro and small enterprises	441.90	-	1,268.91	-	158.26	-	1,869.07
Disputed dues- micro and small enterprises	-	-	-	-	-	-	-
Disputed dues- others	763.19	-	-	-	-	-	763.19
<b>Total</b>	<b>1,205.09</b>	<b>3.72</b>	<b>1,268.91</b>	<b>-</b>	<b>158.26</b>	<b>-</b>	<b>2,635.98</b>

### 19 Other financial liabilities

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>At amortised cost:</b>		
Security deposits	40.04	16.46
Unpaid dividends	3.63	3.64
Employee related liabilities (includes salary payable and variable compensation)		
- to other employees	61.74	47.94
	<b>105.41</b>	<b>68.04</b>
Discontinuing operations (note 21)	(31.32)	-
<b>Total</b>	<b>74.09</b>	<b>68.04</b>

### 20 Other current liabilities

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Employee statutory deductions	6.13	13.00
TDS payable	45.46	54.70
Deferred revenue	14.26	25.41
Indirect taxes and duties payable	1.66	157.88
	<b>67.51</b>	<b>250.99</b>
Discontinuing operations (note 21)	(58.18)	-
<b>Total</b>	<b>9.33</b>	<b>250.99</b>

### 21 Discontinuing operations

The Board of directors of DiGiSPICE Technologies Limited, in its meeting held on 7<sup>th</sup> April, 2023, has approved, in-principle, to exit Digital Technology Services Business. This is in keeping with the repositioning of the overall group strategy to focus on Financial Technology Services opportunities, mainly through its subsidiary Spice Money Limited and other group entities. Consequently, Digital Technology Service segment has been classified as discontinuing operations and its results are given below:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Revenue	3,761.19	5,497.18
Other income	78.30	225.11
<b>Expenses</b>		
Cost of goods and services procured	89.21	144.92
Cost of services rendered	2,868.32	2,984.43
Employee benefits expense	827.49	1,757.98
Finance costs	65.76	58.32
Depreciation and amortisation expense	410.35	303.30
Other expenses	1,022.14	1,320.98
<b>Loss before exceptional items and tax during the year</b>	<b>(1,443.78)</b>	<b>(847.64)</b>
<b>Exceptional items</b>		
Reversal of provision for diminution in value of Investments (in net) (note 7)	(3,748.34)	-
<b>Profit/(loss) from discontinuing operations before tax</b>	<b>2,304.56</b>	<b>(847.64)</b>
- Current tax	-	-
- Adjustment of tax relating to earlier periods	43.75	-
- Deferred tax	1,343.22	300.00
<b>Income tax expense</b>	<b>1,386.97</b>	<b>300.00</b>
<b>Profit/(loss) from discontinuing operations</b>	<b>917.59</b>	<b>(1,147.64)</b>

## Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2024  
(₹ in Lakhs unless otherwise stated)

The major classes of assets and liabilities of Digital Technology service business held for sale of the Company as at 31<sup>st</sup> March, 2024 were, as follows:

Particulars	Note	As at 31 <sup>st</sup> March, 2024
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3	94.43
<b>Financial assets</b>		
Investments	7	4,665.09
<b>Current assets</b>		
<b>Financial assets</b>		
Trade receivables	11	1,074.43
Other financial assets	9	57.11
Other current assets	14	83.83
<b>Assets held for sale</b>		<b>5,974.89</b>
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Provisions	16	38.69
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	17	406.60
Trade payables	18	
- total outstanding dues of micro and small enterprises		-
- total outstanding dues of creditors other than micro and small enterprises		1,501.34
Other financial liabilities	19	31.32
Provisions	16	34.62
Other current liabilities	20	58.18
<b>Liabilities directly associated with assets held for sale</b>		<b>2,070.75</b>
<b>Net assets directly associated with discontinuing operations</b>		<b>3,904.14</b>

Assets and liabilities of Digital Technology Service business of the Company as at 31<sup>st</sup> March, 2023 were, as follows:

Particulars	As at 31 <sup>st</sup> March, 2023
<b>Assets</b>	
<b>Non-current assets</b>	
Property, plant and equipment	341.14
Right-of-use assets	110.01
Other intangible assets	375.59
<b>Financial assets</b>	
Investments	936.07
Loans	0.65
Other financial assets	47.23
Deferred tax assets (net)	1,343.22
<b>Current assets</b>	
<b>Financial assets</b>	
Trade receivables	1,915.39
Loans	0.96
Other financial assets	57.60
Other current assets	56.51
<b>Total assets</b>	<b>5,184.37</b>

Particulars	As at 31 <sup>st</sup> March, 2023
<b>Non-current liabilities</b>	
Provisions	207.63
<b>Current liabilities</b>	
<b>Financial liabilities</b>	
Borrowings	1,216.08
Trade payables	
- total outstanding dues of micro and small enterprises	3.72
- total outstanding dues of creditors other than micro and small enterprises	2,619.42
Other financial liabilities	23.73
Provisions	33.34
Other current liabilities	250.99
<b>Total current liabilities</b>	
<b>Total liabilities</b>	<b>4,354.91</b>

## 22 Other income

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Interest on</b>		
Income tax refund	140.26	241.36
<b>Interest received on financial and non-financial assets carried at amortised cost</b>		
Bank deposits	254.38	242.76
Interest income on loan to employees	0.12	0.84
Rental income (including rental income on investment properties)	84.83	94.82
Dividend from subsidiary company	165.00	165.00
Net Profit on disposal of plant, property and equipment's and ROU Assets	160.56	0.13
	<b>805.15</b>	<b>744.91</b>

## 23 Employee benefits expense

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Salaries, wages and bonus	214.37	219.90
Contribution to Provident Fund and other fund	16.91	15.08
Gratuity expense (note 29)	16.02	48.60
Staff welfare expenses	16.66	16.46
Employee ESOP Compensation expense (note 35)	12.92	40.70
	<b>276.88</b>	<b>340.74</b>

## 24 Finance costs

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Interest on lease liabilities	0.62	-
	<b>0.62</b>	<b>-</b>

## 25 Depreciation and amortisation expense

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Depreciation on property, plant and equipment (note 3)	4.21	7.09
Depreciation/amortisation on investment properties (note 4A)	99.77	88.11
Depreciation on right-of-use assets (note 6)	3.97	4.26
	<b>107.95</b>	<b>99.46</b>



## Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2024  
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### 26 Other expenses

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Rent	19.20	10.28
Rates and taxes	14.85	22.41
Insurance	0.65	-
Repairs and maintenance		
- Buildings	1.70	1.99
- Others	4.93	5.81
Advertising and sales promotion	-	3.98
Travelling and conveyance	29.34	16.96
Director sitting fees	23.50	14.00
Legal and professional fees	209.35	104.76
Payment to auditors (refer note A below)	17.75	12.87
Communication cost	1.33	1.30
Electricity charges	7.57	9.63
Security and housekeeping expenses	12.01	17.41
Miscellaneous expenses	10.81	33.61
	<b>352.99</b>	<b>255.01</b>

#### A. Payment to auditors

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>As auditor:</b>		
Statutory audit fee	7.00	5.50
Tax audit fee	1.00	2.00
Limited review	8.00	3.00
<b>In Other capacity:</b>		
Other services	-	1.50
Reimbursement of expenses	1.75	0.87
	<b>17.75</b>	<b>12.87</b>

### 27 Exceptional items

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Expenses on sale of property	41.82	-
Provision for diminution in the value of Investments (note 7)	50.12	-
	<b>91.94</b>	<b>-</b>

Exceptional items consist of ₹ 41.82 lakhs incurred while selling the Dehradun property of the Company.

### 28 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders (after adjusting impact on profit of dilutive potential equity shares) by the aggregate of weighted average number of equity shares outstanding during the year and the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following table reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Profit/(loss) attributable to:</b>		
Continuing operations	(25.23)	49.70
Discontinuing operations	917.59	(1,147.64)
<b>Profit attributable for basic earnings</b>	<b>892.36</b>	<b>(1,097.94)</b>
<b>Profit adjusted for the effect of dilution</b>	<b>892.36</b>	<b>(1,097.94)</b>
<b>Weighted average number of equity shares in calculating basic and diluted EPS</b>	<b>23,17,58,388</b>	<b>23,13,01,857</b>
<b>Weight average no. of shares</b>		
Opening shares	23,15,41,406	23,09,34,606
Issued during the year	2,16,982	3,67,251
<b>Total weighted average no. of shares</b>	<b>23,17,58,388</b>	<b>23,13,01,857</b>
<b>Earnings per share for continuing operations</b>		
Basic	(0.01)	0.02
Diluted	(0.01)	0.02
<b>Earnings per share for discontinuing operations</b>		
Basic	0.40	(0.50)
Diluted	0.40	(0.50)
<b>Earnings per share for continuing and discontinuing operations</b>		
Basic	0.39	(0.48)
Diluted	0.39	(0.48)

### 29 Employee benefits

#### A. Defined Contribution Plan

During the year, the Company has recognised the following amounts in statement of Profit & Loss:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Employers' contribution to provident fund	45.58	98.78
Employers' contribution to ESIC	-	0.42
Employers' contribution to new pension scheme	4.87	6.74
<b>Total</b>	<b>50.45</b>	<b>105.94</b>

#### B. Defined Benefit Plan

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service or part thereof in excess of six months. The level of benefits provided depends on the member's length of service and salary at the time of departure.

The following tables summarises the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the plans:

##### (i) Liability for defined benefit obligation as at Balance sheet date:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Present value of obligation of Gratuity plan	131.50	254.45
Fair value of Plan assets	-	-
<b>Net liability recognised in balance sheet</b>	<b>131.50</b>	<b>254.45</b>

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### (ii) Components of defined benefit cost recognised in the statement of profit and loss under Employee Benefit Expense:

Particulars	Gratuity	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Current service cost	12.39	29.50
Interest cost on benefit obligation	18.73	19.09
<b>Net benefit expense*</b>	<b>31.12</b>	<b>48.59</b>

\*Amount recognised for the year ended 31<sup>st</sup> March, 2024 includes ₹ 15.10 lakhs related to discontinuing operations.

### (iii) Changes in the present value of defined benefit obligations are as follows:

Particulars	Gratuity	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening defined benefit obligation</b>	254.45	265.89
Current service cost	12.39	29.50
Interest cost	18.73	19.09
<b>Expenses Recognised in Profit and loss statement</b>	<b>31.12</b>	<b>48.59</b>
Benefits paid	(99.41)	(92.42)
Actuarial (gain)/loss arising from change in financial assumption	1.36	(4.59)
Actuarial (gain)/loss arising from experience adjustment	(56.02)	36.98
<b>Total Change in defined benefit obligation due to change in actuarial losses/ (gains) recognised in OCI</b>	<b>(54.66)</b>	<b>32.39</b>
<b>Closing defined benefit obligation</b>	<b>131.50</b>	<b>254.45</b>

### (iv) The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	Gratuity	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Discount rate	7.22%	7.36%
Future salary increase	8.00%	8.00%
Retirement age	58 Years	58 Years
Employee turnover		
- Upto 30 years	4.00%	4.00%
- 31-44 years	4.00%	4.00%
- Above 44 years	1.00%	1.00%
Mortality rate	100% of IALM (2012 - 14)	

### (v) A quantitative sensitivity analysis for significant assumption as at 31<sup>st</sup> March, 2024 is as shown below:

	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2024	
	Discount Rate		Future Salary Increase	
Sensitivity level	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
Increase/(decrease) on defined benefit obligation	(6.83)	7.32	7.23	(6.82)

### (vi) A quantitative sensitivity analysis for significant assumption as at 31<sup>st</sup> March, 2023 is as shown below:

	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2023	
	Discount Rate		Future Salary Increase	
Sensitivity level	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
Increase/(decrease) on defined benefit obligation	(12.42)	13.42	13.27	(12.40)

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

### (vii) The following payments are expected contributions to the defined benefit plan in future years:

Particulars	Gratuity	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Within the next 12 months (next annual reporting period)	33.16	36.68
Between 2-5 Years	16.37	38.73
Beyond 5 years	81.97	179.04
<b>Total expected payments</b>	<b>131.50</b>	<b>254.45</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 17.46 years (31<sup>st</sup> March, 2023: 19.84 years).

## 30 Leases

### 1. 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.

#### i) 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.

#### ii) 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. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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.

## Notes to the Standalone Financial Statements

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### iii) Short-term leases and leases of low-value assets

The Company has charged following amount in the statement of profit and loss:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Short Term leases	48.80	60.99
Leases of low value assets	11.91	10.28
<b>Total</b>	<b>60.71</b>	<b>71.27</b>

### 2. Company as a lessor

The Company was not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub-lease. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application. The Company does not have any significant impact on account of sub-lease on the application of this standard.

The Company has leased out a portion of the office premises on operating lease. The lease term is for 11 months and thereafter renewable on mutual agreement. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements.

Particulars	Date of Agreement	Lease Term	Lock in Period	Other Terms
Rampur	14-Oct-19	9 Years	-	Cancelled on 31 <sup>st</sup> October, 2022
Kolkata	13-Dec-23	11 Months	-	Cancelled on 17 <sup>th</sup> March, 2024
Mumbai	14-Oct-19	9 Years	2 years	Cancelled on 31 <sup>st</sup> December, 2021

The Company has recognised rent income under the head of other income as follows:	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Rent received during the year (note 22)	84.83	94.82

The annual lease rental to be received by the Company during non-cancellable period is Nil.

### 31 Commitments, Contingent liabilities and Contingent assets

#### A. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ Nil (31<sup>st</sup> March, 2023: ₹ Nil).

#### B. Contingent liabilities

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>1. Demand from excise/ service tax authorities</b>		
Demand Includes penalty of ₹ 7.73 lakhs in respect of input mismatch as per books and GST portal for the FY 2017-18 passed against company by Deputy Comissioner (D.C.) Noida, Uttar Pradesh.	7.73	-
<b>2. Others</b>		
One Vendor has filed a recovery suit against erstwhile Spice Labs Private Limited (since merged with DiGiSpice Technologies Limited) for terminating the Master Service Agreement for getting the premises on lease for its office space during the lock-in period. The Company has disputed the claim of vendor and contended that the termination has been made by vendor, not by the Company.	54.88	54.88
	<b>62.61</b>	<b>54.88</b>

### 32. Financial Ratios

The major financial ratios of the Company are disclosed below along with the reasons for variance:

Ratio	Numerator	Denominator	2024	2023	% of Variance	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	2.62	1.30	102%	Increase in Current ratio is on account of decrease in current liabilities (borrowing and trade payables)
Debt equity ratio	Total Debt (including lease liabilities)	Shareholder's Equity	0.02	0.06	-67%	Decrease in ratio is due to decrease in borrowings during the year on account of repayment
Debt -service coverage ratio	Earning before interest, depreciation, taxes and gain on derecognition of financial liability	Interest & Lease Payments + Principal Repayments	41.91	(7.87)	-632%	On account of reduction in borrowings and profit in current year as compared to loss last year.
Return on equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	0.04	(0.05)	-181%	Increase in Return on Equity ratio is on account of profit during the year, whereas during the previous year, the Company incurred loss.
Inventory turnover ratio	Cost of goods sold	Average Inventory	not applicable			
Return on Capital employed	Earnings before interest and taxes	Capital Employed	0.10	(0.03)	-414%	Increase in Return on Capital Employed is on account of profit during the year, whereas during the previous year, the Company incurred loss.
Return on Investment	Rental and Dividend Income excluding net reversal of provision on investments	Investments	0.01	0.02	0%	-
Trade receivable turnover ratio	Net credit sales	Average Trade Receivable	2.52	2.22	13%	-
Trade payable turnover ratio	Net credit purchases + Other expenses	Average Trade Payables	1.82	1.32	37%	Increase in Trade Payable Turnover Ratio is on account of decrease in average trade payables
Net capital turnover ratio	Revenue from operations	Working capital = Current assets - Current liabilities	1.06	4.40	-76%	Due to increase in average working capital
Net Profit Ratio	Net Profit	Revenue from operations	0.24	(0.20)	-219%	Increase in net profit ratio is on account of profit during the year, where as during the previous year, the Company incurred loss.



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### 33. Related party transactions

In accordance with the requirements of Ind AS - 24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods are:

<b>Entity with significant influence:</b>	
<b>Ultimate Holding Company</b>	Rajarshi Modi Private Limited (Formerly known as 'Smart Global Corporate Holding Private Limited')
<b>Holding Company</b>	Spice Connect Private Limited (Formerly known as Smart Ventures Private Limited)
<b>Subsidiaries including step down subsidiaries</b>	Spice Money Limited E-arth Travel Solutions Private Limited Vikasni Fintech Private Limited S Global Services Pte. Limited Spice Digital Bangladesh Limited Digispice Nepal Private Limited Spice VAS (Africa) Pte. Ltd. Spice Digital FZCO Fast Track IT Solutions Limited Digispice Nigeria Limited Digispice Uganda Limited Spice VAS Kenya Limited Digispice Ghana Limited Digispice Zambia Limited Digispice Tanzania Limited PT Spice Digital Indonesia Limited Omnia Pte. Ltd S Mobility (HK) Limited (till 28 <sup>th</sup> April, 2023) Beoworld SDN. BHD (till 28 <sup>th</sup> November, 2023) S Mobility Pte. Ltd. (till 4 <sup>th</sup> July, 2022) Kimaan Exports Private Limited New Spice Sales and Solutions Limited (upto 31 <sup>st</sup> May, 2023) Hindustan Retail Private Limited (upto 31 <sup>st</sup> May, 2023) Cellucom Retail India Private Limited (upto 31 <sup>st</sup> May, 2023) Spice VAS RDC (till 16 <sup>th</sup> February, 2024)
<b>Associates of the Company</b>	Creative Functionapps Labs Private Limited Sunstone Learning Private Limited
<b>List of related parties with whom transactions have taken place during the year</b>	
<b>Fellow subsidiaries</b>	WSFx Global Pay Limited (formerly Wall Street Finance Limited)
<b>Key Management Personnel (KMP) and directors</b>	Mr. Dilip Kumar Modi (Non-Executive Chairman) Mr. Subramanian Murali (Non-Executive Director) Dr. Rashmi Aggarwal (Independent Director) Mr. Mayank Jain (Independent Director) Mr. Rohit Ahuja (Executive Director) Mr. Vinit Kishore (Chief Financial Officer) Mr. Mrutyunjay Mahapatra (Independent Director) (w.e.f 22 <sup>nd</sup> December, 2022) Mr. Ram Nirankar Rastogi (Independent Director) (w.e.f 31 <sup>st</sup> January, 2024) Ms. Ruchi Mehta (Company Secretary) (w.e.f 15 <sup>th</sup> April, 2022) Mr. Amit Kishore (relative of KMP) Mr. Chandrachur Ghose (Chief Executive Officer) (w.e.f 14 <sup>th</sup> November, 2022 to 31 <sup>st</sup> January, 2023) Mr. Suman Ghose Hazra (Independent Director) (up to 29 <sup>th</sup> September, 2022) Mr. M R Bothra (Company Secretary) (till 14 <sup>th</sup> April, 2022) Mr. Venkatramu Jayanthi (w.e.f 31 <sup>st</sup> January, 2024)
<b>Other related parties</b>	Bharat BPO Services Limited

### (a) Details of transactions taken place during the year:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Revenue from services</b>	<b>255.00</b>	<b>437.38</b>
Spice Money Limited	112.66	92.49
Spice Digital FZCO	(13.18)	1.96
Spice VAS (Africa) Pte. Ltd.	155.53	342.93
<b>Remuneration</b>	<b>202.19</b>	<b>257.47</b>
Mr. M.R. Bothra	-	19.89
*Mr. Rohit Ahuja	125.00	125.00
Mr. Vinit Kishore	41.31	47.72
Ms. Ruchi Mehta	35.89	34.56
Mr. Chandrachur Ghose	-	30.30
<b>Director sitting fees*</b>	<b>23.50</b>	<b>10.75</b>
Dr. Rashmi Aggarwal	8.00	6.00
Mr. Mayank Jain	7.00	3.75
Mr. Mrutyunjay Mahapatra	7.00	1.00
Mr. Ram Nirankar Rastogi	1.50	-
Mr. Suman Ghose Hazra	-	3.25
*excluding Service Tax/GST		
<b>Money received pursuant to exercise of options</b>	<b>66.25</b>	<b>46.38</b>
Mr. Subramanian Murali	66.25	46.38
<b>Cost of services rendered</b>	<b>0.03</b>	<b>0.97</b>
S Global Services Pte. Ltd.	0.03	0.97
<b>Miscellaneous expense</b>	<b>10.03</b>	<b>15.36</b>
WSFx Global Pay Limited (formerly Wall Street Finance Limited)	10.03	15.36
<b>Rent income</b>	<b>5.40</b>	<b>17.75</b>
Spice Connect Private Limited	1.80	1.80
Kimaan Exports Private Limited	1.80	1.80
Spice Money Limited	1.80	1.80
Rajarshi Modi Private Limited (Formerly known as 'Smart Global Corporate Holding Private Limited')	-	12.35
<b>Dividend income</b>	<b>165.00</b>	<b>165.00</b>
Spice Money Limited	165.00	165.00
<b>Rent expenses</b>	<b>48.37</b>	<b>52.15</b>
Kimaan Exports Private Limited	48.38	47.92
Spice Money Limited	-	4.23
<b>Vehicle against trade receivables (written off)</b>	<b>40.00</b>	<b>-</b>
Bharat BPO Services Limited	40.00	-
<b>Reimbursement of expenses (recovered)</b>	<b>44.83</b>	<b>73.37</b>
Spice Money Limited	44.83	73.37
<b>Reimbursement of expenses (provided)</b>	<b>45.23</b>	<b>134.72</b>
Spice Money Limited	45.23	134.72
<b>Expenses Recoverable (Fully Provided for Doubtful)</b>	<b>-</b>	<b>16.53</b>
Cellucom Retail India Private Limited	-	0.02
New Spice Sales and Solutions Limited	-	16.51
<b>Investment in equity instruments</b>	<b>-</b>	<b>31.30</b>
Digispice Nepal Private Limited	-	31.30
<b>Bad debts/advances written off during the year</b>	<b>-</b>	<b>607.53</b>
Bharat BPO Services Limited	-	599.30
S Mobility (HK) Limited	-	8.23

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Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Reversal of Provision made for liability payout of subsidiary and other related party</b>	-	(607.53)
Bharat BPO Services Limited	-	(599.30)
S Mobility (HK) Limited	-	(8.23)
<b>Loan receivables written off during the year</b>	1,039.32	-
New Spice Sales and Solutions Limited	471.57	-
Hindustan Retail Private Limited	567.75	-
<b>Reversal of provision made for Loan given to group companies during the year</b>	(1,039.32)	-
New Spice Sales and Solutions Limited	(471.57)	-
Hindustan Retail Private Limited	(567.75)	-
<b>Trade and other receivables written off during the year</b>	3,454.07	-
New Spice Sales & Solutions Limited	3,418.57	-
Hindustan Retail Private Limited	9.72	-
Cellucom Retail India Private Limited	25.78	-
<b>Reversal of provision made for trade and other receivables to group companies during the year</b>	(3,454.07)	-
New Spice Sales & Solutions Limited	(3,418.57)	-
Hindustan Retail Private Limited	(9.72)	-
Cellucom Retail India Private Limited	(25.78)	-
<b>Interest receivables written off during the year</b>	63.93	-
New Spice Sales & Solutions Limited	63.93	-
<b>Reversal of provision made for interest receivables to group company during the year</b>	(63.93)	-
New Spice Sales & Solutions Limited	(63.93)	-
<b>Investment received back from non convertible redeemable preference shares</b>	500.00	-
Spice Money Limited	500.00	-
<b>Provision or (reversal) of provision for impairment on investments in subsidiaries</b>	(3,748.34)	-
S Global Services Pte. Ltd.	(3,779.64)	-
Digispice Nepal Private Limited	31.30	-
<b>Provision for impairment on investments in associates</b>	50.12	-
Creative Functionapps Lab Private Limited	50.12	-

### (b) Details of outstanding balances

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Receivables</b>	795.97	4,689.87
New Spice Sales & Solutions Limited	-	3,237.43
Spice Digital Bangladesh Limited	3.54	718.18
Spice Digital FZCO	11.78	11.78
Spice VAS (Africa) Pte. Ltd.	30.52	-
Digispice Nepal Private Limited	716.85	715.97
Spice Money Limited	33.27	6.50
<b>Provision for doubtful receivables</b>	(201.33)	(3,955.61)
Spice Digital Bangladesh Limited	(3.54)	(718.18)
Spice Digital FZCO	(11.78)	-
Digispice Nepal Private Limited	(186.00)	-
New Spice Sales & Solutions Limited	-	(3,237.43)
<b>Payables</b>	156.63	193.42
S Global Services Pte. Ltd.	149.19	148.82
Kimaan Exports Private Limited	6.67	43.83
Bharat BPO Services Limited	0.77	0.77

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Loan receivable from group companies</b>	-	1,039.32
New Spice Sales & Solutions Limited	-	471.57
Hindustan Retail Private Limited	-	567.75
<b>Provision for doubtful loan receivable</b>	-	(1,039.32)
New Spice Sales & Solutions Limited	-	(471.57)
Hindustan Retail Private Limited	-	(567.75)
<b>Corporate Guarantee given by</b>	-	572.60
Spice Money Limited	-	572.60
<b>Unbilled revenue</b>	2.34	25.10
Spice Digital FZCO	-	13.12
Spice Money Limited	2.34	11.98
<b>Other receivables</b>	-	216.64
New Spice Sales & Solutions Limited	-	181.14
Hindustan Retail Private Limited	-	9.72
Cellucom Retail India Private Limited	-	25.78
<b>Provision for doubtful - other receivables</b>	-	(216.64)
New Spice Sales & Solutions Limited	-	(181.14)
Hotspot Sales & Solutions Private Limited	-	(9.72)
Cellucom Retail India Private Limited	-	(25.78)
<b>Interest receivable</b>	-	63.93
New Spice Sales & Solutions Limited	-	63.93
<b>Provision for doubtful - interest receivable</b>	-	(63.93)
New Spice Sales & Solutions Limited	-	(63.93)
<b>Dividend receivable</b>	56.30	56.30
Spice Digital Bangladesh Limited	56.30	56.30
<b>Payables to KMP</b>	5.08	-
Mr. Rohit Ahuja	1.75	-
Mr. Vinit Kishore	3.33	-
Ms. Ruchi Mehta	1.93	-
<b>Car lease expenses</b>	0.69	-
Amit Kishore	0.69	-

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Break up of remuneration</b>	225.69	271.47
- Short term employee benefits*	225.69	254.16
- Long term employee benefits	-	17.31
- Share based payments**	-	-

\* Includes payment made towards compensated absences of ₹ Nil (31<sup>st</sup> March, 2023: ₹ 0.64 lakhs) during the year against the provisions made in earlier years.

\*\*During the year, the Company has granted Nil options (31<sup>st</sup> March, 2023: 4,50,000 options) to persons who were KMP at any time during the financial year ended 31<sup>st</sup> March, 2024, out of which Nil options has been lapsed (Till 31<sup>st</sup> March, 2023: Nil) during the year, value of which shall be disclosed at the time of exercise of options.

The Company has granted Stock Options to eligible employees, including Executive Directors and certain KMPs, under its Employee Stock Option Schemes, 2018 [within the meaning of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014]. Since such Stock Options are not tradeable, no perquisite, benefit is immediately conferred upon the employee by grant of such Stock Options and accordingly the said grants have not been considered as remuneration. However, in accordance with Ind AS -102 'Share-based Payment', the Company has recorded employee benefits expense by way of share based payments to employees attributable to Executive Directors and certain KMPs.

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free (except

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for loan given) and settlement occurs in cash. This assessment for impairment of receivables relating to amounts owed by related parties is undertaken each financial year through examining the financial position of the related parties.

### 34. Segment information

The Company's business activities fall within a single operating segment viz. "Digital Technology Services (DiGiSPICE)" and accordingly, the disclosure requirement of Indian Accounting Standard (Ind AS-108) 'Operating Segments' prescribed under Section 133 of the Companies Act, 2013 read with the relevant Rules issued thereunder is not applicable.

### 35. Share-based payments

The Company has granted stock options under the DTL - Employee Stock Option Plan 2018 (ESOP) to the eligible employees of the Company. Under ESOP, the company has granted 2,13,81,000 options on 18<sup>th</sup> September, 2018, 34,39,000 options on 5<sup>th</sup> February, 2019 and 25,25,000 options on 1<sup>st</sup> August, 2022. 40%, 30% and 30% of total options granted would vest in after one year, two years and three years from the date of respective grant subject to fulfilment of vesting conditions. The maximum period for exercise of options is five years from the date of vesting. Also, the Nomination and Remuneration Committee approved the increase in exercise period to 5 (Five) years from the respective vesting from 3 (Three) years earlier, in relation to options granted on 18<sup>th</sup> September, 2018 and 5<sup>th</sup> February, 2019 which still remain unexercised on 1<sup>st</sup> August, 2022. Each option when exercised would be converted into one fully paid-up equity share of ₹ 3 each of the Company. The options granted under ESOP carry no rights to dividends and voting rights till the date of exercise.

The fair value of the options are estimated at the grant dates using Black and Scholes Model, taking into account the terms and conditions upon which the options were granted.

Certain unvested options were cancelled on non-fulfilment of certain vesting conditions under ESOP. As at the end of the financial year, details and movements of the outstanding options are as follows:

Particulars	FY 2023-24		FY 2022-23	
	No. of Options	Weighted Average exercise price (₹)	No. of Options	Weighted Average exercise price (₹)
<b>ESOP Plan Grant Date (18<sup>th</sup> September, 2018 &amp; 5<sup>th</sup> February, 2019)</b>				
Options outstanding at the beginning of the year	61,43,900	13.25	70,58,659	13.25
Options exercised during the year	(6,81,700)	-	(6,06,800)	-
Options cancelled during the year	(7,28,500)	13.25	(3,07,959)	13.25
Options outstanding at the end of the year	47,33,700	13.25	61,43,900	13.25
<b>Options exercisable at the end of the year</b>	<b>47,33,700</b>	<b>13.25</b>	<b>61,43,900</b>	<b>13.25</b>
<b>ESOP Plan Grant Date (1<sup>st</sup> August, 2022)</b>				
Options outstanding at the beginning of the year	8,50,000	29.00	-	-
Options granted under ESOP scheme	-	-	25,25,000	29.00
Options cancelled during the year	(3,05,000)	29.00	(16,75,000)	29.00
Options outstanding at the end of the year	5,45,000	29.00	8,50,000	29.00
<b>Options exercisable at the end of the year</b>	<b>2,18,000</b>	<b>29.00</b>	<b>-</b>	<b>29.00</b>
Range of exercise price of outstanding options (₹)	13.25 - 29.00		13.25 - 29.00	
Remaining contractual life of outstanding options granted on 18 <sup>th</sup> September, 2018	0.47 years (40% vesting) 1.47 years (30% vesting) 2.47 years (30% vesting)		1.47 years (40% vesting) 2.47 years (30% vesting) 3.47 years (30% vesting)	
Remaining contractual life of outstanding options granted on 5 <sup>th</sup> February, 2019	0.85 years (40% vesting) 1.85 years (30% vesting) 2.85 years (30% vesting)		1.85 years (40% vesting) 2.85 years (30% vesting) 3.85 years (30% vesting)	
Remaining contractual life of outstanding options granted on 1 <sup>st</sup> August, 2022	4.33 years (40% vesting) 5.33 years (30% vesting) 6.33 years (30% vesting)		5.33 years (40% vesting) 6.33 years (30% vesting) 7.33 years (30% vesting)	

The above options include following options held by Employees of holding and subsidiary companies:

Particulars	FY 2023-24		FY 2022-23	
	Employees of Holding company	Employees of Subsidiary companies	Employees of Holding company	Employees of Subsidiary companies
Options outstanding at the beginning of the year	40,08,700	2,87,000	44,30,500	2,97,000
Options exercised during the year	(5,03,000)	-	(4,21,800)	-
Options cancelled during the year	-	(2,77,000)	-	(10,000)
Options outstanding at the end of the year	35,05,700	10,000	40,08,700	2,87,000

The fair value of each option is estimated on the date of grant based on the following assumptions:

Particulars	FY 2023-24		
	18 <sup>th</sup> September, 2018 (31 <sup>st</sup> March, 2023: 61,33,900)	5 <sup>th</sup> February, 2019 (31 <sup>st</sup> March, 2023: 10,000)	1 <sup>st</sup> August, 2022 (31 <sup>st</sup> March, 2023: 850,000)
No of options outstanding at the end of the year	47,23,700	10,000	545,000
Dividend yield (%)	-	-	-
Expected life	2.50, 3.50 and 4.50 yrs.	2.50, 3.50 and 4.50 yrs.	3.50, 4.50 and 5.50 yrs.
Risk free interest rate (%)	8.06% (2.50 yrs.) 8.11% (3.50 yrs.) 8.23% (4.50 yrs.)	7.02% (2.50 yrs.) 7.27% (3.50 yrs.) 7.42% (4.50 yrs.)	6.83% (3.50 yrs.) 6.98% (4.50 yrs.) 7.09% (5.50 yrs.)
Expected Volatility (%)	62.56%	69.49%	63.43% (40% vesting) 65.32% (30% vesting) 66.10% (30% vesting)
Market price on date of grant/re-pricing (₹)	13.25	9.70	29.00
Weighted average fair value of option at grant date	6.73	4.43	16.67

### 36A. Fair value

Set out below, is a comparison by class of the carrying amounts and fair value category of the Company's financial instruments:

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial assets</b>				
- Equity instrument measured at FVTPL	5.00	5.00	5.00	5.00
- Loans (Non-Current)	7.94	7.94	0.66	0.66
- Other financial assets (Non-Current)	860.87	860.87	2,328.01	2,328.01
- Trade receivables	1,074.43	1,074.43	1,915.39	1,915.39
- Cash and cash equivalents	523.97	523.97	413.00	413.00
- Bank balances other than above	3,787.02	3,787.02	2,690.17	2,690.17
- Loans (Current)	1.80	1.80	0.96	0.96
- Other financial assets (Current)	126.76	126.76	382.65	382.65
<b>Total financial assets</b>	<b>6,387.79</b>	<b>6,387.79</b>	<b>7,735.84</b>	<b>7,735.84</b>
<b>Financial liabilities</b>				
- Lease liabilities (Non-Current)	7.85	7.85	-	-
<b>Current liabilities measured at amortised cost</b>				
- Borrowings	406.60	406.60	1,216.08	1,216.08
- Lease liabilities	4.35	4.35	-	-
- Trade payables	1,573.78	1,573.78	2,635.98	2,635.98
- Other financial liabilities	105.41	105.41	68.04	68.04
<b>Total financial liabilities</b>	<b>2,097.99</b>	<b>2,097.99</b>	<b>3,920.10</b>	<b>3,920.10</b>

Investments in note 7 represents investments in equity shares of subsidiaries and associates which are carried at cost and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures". Hence, the same have been excluded from the above table.



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### 36B. Fair value hierarchy

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The Company has assessed that the fair value of trade receivables, cash and cash equivalents, other bank balances, loans (current), other current financial assets, trade payables, borrowings and other current financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined present value. Similarly, unquoted equity instruments in subsidiary company and associate company has been considered at cost less impairment, if any, and has been excluded in the fair value measurement disclosed below.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- ♦ Borrowings are evaluated by the Company based on parameters such as interest rates and specific country risk factors.
- ♦ The fair value of other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- ♦ The fair values of the FVTPL quoted financial investments are derived from quoted market prices in active markets.
- ♦ The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. No own non-performance risk as at 31<sup>st</sup> March, 2024 was assessed.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

#### Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31<sup>st</sup> March, 2024:

##### Fair value measurement using

Particulars	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value:</b>				
- Equity instrument measured at FVTPL	5.00	-	-	5.00
<b>Total</b>	<b>5.00</b>	<b>-</b>	<b>-</b>	<b>5.00</b>
<b>Assets for which fair values are disclosed :</b>				
Investment properties (Note 4A)	3,667.00	-	-	3,667.00
<b>Non current assets</b>				
- Loans	7.94	-	-	7.94
- Other financial assets	860.87	-	-	860.87
<b>Total non current assets</b>	<b>868.81</b>	<b>-</b>	<b>-</b>	<b>868.81</b>
<b>Current assets</b>				
- Trade receivables	1,074.43	-	-	1,074.43
- Cash and cash equivalents	523.97	-	-	523.97
- Bank balances other than above	3,787.02	-	-	3,787.02
- Loans	1.80	-	-	1.80
- Other financial assets	126.76	-	-	126.76
<b>Total current assets</b>	<b>5,513.98</b>	<b>-</b>	<b>-</b>	<b>5,513.98</b>

Particulars	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Liabilities for which fair value are disclosed:</b>				
<b>Non current liabilities</b>				
- Other financial liabilities	7.85	-	-	7.85
<b>Total non current liabilities</b>	<b>7.85</b>	<b>-</b>	<b>-</b>	<b>7.85</b>
<b>Current liabilities</b>				
Trade Payable	1,573.78	-	-	1,573.78
- Other financial liabilities	105.41	-	-	105.41
- Borrowings	406.60	-	-	406.60
- Lease liabilities	4.35	-	-	4.35
<b>Total current liabilities</b>	<b>2,090.14</b>	<b>-</b>	<b>-</b>	<b>2,090.14</b>

#### Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31<sup>st</sup> March, 2023:

Particulars	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value:</b>				
- Equity instrument measured at FVTPL	5.00	-	-	5.00
<b>Total</b>	<b>5.00</b>	<b>-</b>	<b>-</b>	<b>5.00</b>
<b>Assets for which fair values are disclosed:</b>				
Investment properties (Note 4A)	4,413.00	-	-	4,413.00
<b>Non current assets</b>				
- Loans	0.66	-	-	0.66
- Other financial assets	2,328.01	-	-	2,328.01
<b>Total non current assets</b>	<b>2,328.67</b>	<b>-</b>	<b>-</b>	<b>2,328.67</b>
<b>Current assets</b>				
- Trade receivables	1,915.39	-	-	1,915.39
- Cash and cash equivalents	413.00	-	-	413.00
- Bank balances other than above	2,690.17	-	-	2,690.17
- Loans	0.96	-	-	0.96
- Other financial assets	382.65	-	-	382.65
<b>Total current assets</b>	<b>5,402.17</b>	<b>-</b>	<b>-</b>	<b>5,402.17</b>
<b>Financial liabilities disclosed at fair value:</b>				
- Borrowings	1,216.08	-	-	1,216.08
- Trade payables	2,635.98	-	-	2,635.98
- Other financial liabilities	68.04	-	-	68.04
<b>Total current liabilities</b>	<b>3,920.10</b>	<b>-</b>	<b>-</b>	<b>3,920.10</b>

There have been no transfers between Level 1 and Level 2 during the year.

### 37. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations. The Company also holds FVTPL investments and investment in subsidiary companies, associates and a joint venture measured at cost, unless otherwise as stated.

The Company is exposed to market risk, credit risk and liquidity risk. The senior management of the Company advises on financial risks and the appropriate financial risk governance framework. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees on policies for managing each of these risks, which are summarised below.

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### 1) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits. Company is not affected by commodity risk and currency risk.

The sensitivity analysis in the following sections relate to the position as at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023.

#### - Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with floating interest rates and loan advanced by Company to fellow subsidiaries and a body corporate.

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, **present rate is FDR+1% (previous year 7.12%)**, the impact of change in rate is as follows:

Interest rate sensitivity calculated on borrowing and interest bearing deposits from customers. The impact of change in interest rate is given below:-

Particulars	Increase/ decrease in basis points	Effect on profit before tax
<b>31<sup>st</sup> March, 2024</b>		
₹ In lakhs	50	(2.03)
₹ In lakhs	(50)	2.03
<b>31<sup>st</sup> March, 2023</b>		
₹ In lakhs	50	(6.08)
₹ In lakhs	(50)	6.08

#### - Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

#### Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in AED, USD, AFN, LKR, SGD, NPR and BDT exchange rates, with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities is given below. The Company's exposure to other foreign currency is not material.

Particulars	Currency	Change in rates	Increase/ (Decrease) effect on profit before tax	Increase/ (Decrease) effect on pre-tax equity
31 <sup>st</sup> March, 2024	AED (UAE Dirham)	5%	0.59	0.59
		-5%	(0.59)	(0.59)
	AFN (Afghanistan Afghani)	5%	3.68	3.68
		-5%	(3.68)	(3.68)
	USD (US Dollar)	5%	(35.78)	(35.78)
		-5%	35.78	35.78
	LKR (Sri Lankan Rupee)	5%	0.01	0.01
		-5%	(0.01)	(0.01)

Particulars	Currency	Change in rates	Increase/ (Decrease) effect on profit before tax	Increase/ (Decrease) effect on pre-tax equity
	SGD (Singapore Dollar)	5%	(5.93)	(5.93)
		-5%	5.93	5.93
	BDT (Bangladeshi Taka)	5%	49.71	49.71
		-5%	(49.71)	(49.71)
	NPR (Nepal Rupiah)	5%	35.84	35.84
-5%		(35.84)	(35.84)	
31 <sup>st</sup> March, 2023	AED (UAE Dirham)	5%	1.25	1.25
		-5%	(1.25)	(1.25)
	AFN (Afghanistan Afghani)	5%	2.91	2.91
		-5%	(2.91)	(2.91)
	BDT (Bangladeshi Taka)	5%	85.44	85.44
		-5%	(85.44)	(85.44)
	LKR (Sri Lankan Rupee)	5%	0.81	0.81
		-5%	(0.81)	(0.81)
	SGD (Singapore Dollar)	5%	(7.44)	(7.44)
		-5%	7.44	7.44
USD (US Dollar)	5%	(34.12)	(34.12)	
	-5%	34.12	34.12	
NPR (Nepal Rupiah)	5%	35.80	35.80	
	-5%	(35.80)	(35.80)	

#### - Equity price risk

The Company's investment in unlisted equity securities are mainly in subsidiary companies which is susceptible to impairment test as applicable. The Company does not engage in active trading of equity instruments. The Board of Directors of Company reviews and approves all equity investment decisions.

At the reporting date, the exposure to unlisted equity securities at fair value is not material (excluding investment in subsidiaries).

### 2) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including Loans, deposits with banks and financial institutions and other financial instruments.

#### - Trade receivables

Customer credit risk is managed by the Company's established credit policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment and also based upon agreement/terms with respective customers. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are categorised into homogenous trade receivables and assessed for impairment collectively. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as generally low, as its customers are located in several jurisdictions and industries and operate in largely independent markets except in case of few specific customers for which full loss allowances has been made.

The Company has used a practical expedient and analysed the recoverable amount of the receivables on an individual basis. The Company provide for expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information's.

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The following table provides information about exposure to credit risk and expected credit loss for trade receivables for customers (excluding unbilled revenue)

### For the year ended 31<sup>st</sup> March, 2024:

Particulars	Gross Carrying Amount	Weighted-Average Loss Rate	Loss Allowance
Not Due	112.49	0%	-
1- 90 days	75.52	0%	-
91-180 days	110.47	0%	-
181-360 days	207.06	54%	110.89
More than 360 days	2,376.58	76%	1,817.44
<b>Total</b>	<b>2,882.12</b>		<b>1,928.33</b>

### For the year ended 31<sup>st</sup> March, 2023:

Particulars	Gross Carrying Amount	Weighted-Average Loss Rate	Loss Allowance
Not Due	332.85	0%	0.06
1- 90 days	128.77	0%	0.04
91-180 days	264.84	5%	13.94
181-360 days	69.60	85%	59.10
More than 360 days	6,270.09	87%	5,478.41
<b>Total</b>	<b>7,066.15</b>		<b>5,551.55</b>

### Movement in the expected credit loss allowance of receivables

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Balance at beginning of the year	5,551.55	5,663.38
Add: provided during the year	328.84	-
Less: reversed during the year	-	(111.83)
Less: transferred to investments (refer note 7b)	(714.64)	-
Less: amounts written off	(3,237.43)	-
<b>Balance at the end of the year</b>	<b>1,928.32</b>	<b>5,551.55</b>

### 3) Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital facility including bill discounting facility. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

The table below summarises the maturity profile of the Company financial liabilities based on contractual undiscounted payments.

Particulars	Carrying value	On Demand	Less than 3 Months	3-12 Months	1-5 Years	Total
<b>As at 31<sup>st</sup> March, 2024:</b>						
Borrowings	406.60	-	406.60	-	-	406.60
Lease liabilities	12.20	-	-	5.29	8.40	13.69
Other financial liabilities (current)	105.42	3.63	101.78	-	-	105.41
Trade and other payables	1,573.78	-	579.17	994.61	-	1,573.78
<b>Total</b>	<b>2,098.00</b>	<b>3.63</b>	<b>1,087.55</b>	<b>999.90</b>	<b>8.40</b>	<b>2,099.48</b>

Particulars	Carrying value	On Demand	Less than 3 Months	3-12 Months	1-5 Years	Total
<b>As at 31<sup>st</sup> March, 2023:</b>						
Borrowings	1,216.08	-	-	1,216.08	-	1,216.08
Other financial liabilities (current)	68.04	3.64	47.94	16.46	-	68.04
Trade and other payables	2,635.98	-	1,579.94	1,056.04	-	2,635.98
<b>Total</b>	<b>3,920.10</b>	<b>3.64</b>	<b>1,627.88</b>	<b>2,288.58</b>	<b>-</b>	<b>3,920.10</b>

#### - Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

#### - Collateral

The Company has pledged part of its fixed deposits with bank as margin money against issuance of bank/corporate guarantees in order to fulfil the collateral requirements for its various contracts. At 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023, the fair values of fixed deposits lien marked were ₹ 1,781.62 lakhs and ₹ 2,596.23 lakhs respectively. The Company has an obligation to repay the deposit to the counterparties upon settlement of the contracts. There are no other significant terms and conditions associated with the use of collateral (refer note 13).

## 38. Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period, are as follows:

Particulars	Currency	Trade and other receivables	Unbilled Revenue	Net exposure to foreign currency risk (assets) (A)	Trade payable	Net exposure to foreign currency risk (liabilities) (B)	Net exposure to foreign currency risk (A-B)	Sensitivity at 5%
<b>As at 31<sup>st</sup> March, 2024</b>	AED	11.78	-	11.78	-	-	11.78	0.59
	AFN	73.65	-	73.65	-	-	73.65	3.68
	BDT	994.15	-	994.15	-	-	994.15	49.71
	LKR	0.22	-	0.22	-	-	0.22	0.01
	SGD	30.52	-	30.52	149.19	149.19	(118.67)	(5.93)
	USD	84.18	-	84.18	799.76	799.76	(715.58)	(35.78)
	NPR	716.85	-	716.85	-	-	716.85	35.84
<b>As at 31<sup>st</sup> March, 2023</b>	AED	11.78	13.12	24.90	-	-	24.90	1.25
	AFN	58.20	-	58.20	-	-	58.20	2.91
	BDT	1,708.79	-	1,708.79	-	-	1,708.79	85.44
	LKR	0.81	-	0.81	-	-	0.81	0.04
	SGD	-	-	-	148.82	148.82	(148.82)	(7.44)
	USD	83.13	-	83.13	765.51	765.51	(682.38)	(34.12)
	NPR	715.97	-	715.97	-	-	715.97	35.80



## Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2024  
(₹ in Lakhs unless otherwise stated)

### 39. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents (excluding discontinuing operations).

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Borrowings	12.20	-
Less: cash and cash equivalents	523.97	413.00
<b>Net Debt (A)</b>	<b>(511.77)</b>	<b>(413.00)</b>
Equity	6,184.65	6,164.20
Other equity	15,739.14	14,709.62
<b>Total equity (B)</b>	<b>21,923.79</b>	<b>20,873.82</b>
<b>Total Equity and Net Debt (A+B)</b>	<b>21,412.02</b>	<b>20,460.82</b>
Gearing ratio	Nil	Nil

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023.

### 40. Particulars of disclosure as required under Schedule V read with Regulation 34(3) and 53(f) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and disclosure required under Section 186(4) of the Companies Act, 2013 :

Name of Loanee	Purpose	Rate of Interest	Outstanding balance as at 31 <sup>st</sup> March, 2024	Maximum balance in FY 2023-24	Outstanding balance as at 31 <sup>st</sup> March, 2023	Maximum balance in FY 2022-23
New Spice Sales and Solutions Limited	General Corporate purposes	10.50%	-	471.57	535.50	471.57
Hindustan Retail Private Limited		11.00%	-	567.75	567.75	567.75
Bharat BPO Services Limited	Advance against supply	NA	-	-	-	400.00

The Company has provided ₹ Nil (Previous year - ₹ 1,039.32 lakhs) against above loans as doubtful. During the year, the Company has written off ₹ 1,039.32 lakhs (31<sup>st</sup> March, 2023: ₹ 400 lakhs).

Detail of loans or advances in nature of loans granted either repayable on demand or without specifying any terms or period of repayment.

Type of Borrower	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Total loans & advances in nature of loans	Percentage to total loans & advances in nature of loans	Total loans & advances in nature of loans	Percentage to total loans & advances in nature of loans
Other related parties	-	-	1,103.25	100%

### 41. Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006 as identified by the management

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	0.48	3.72
- Interest due on above	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

### 42. Significant accounting judgements, estimates and assumptions

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

#### Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

#### Lease liability and Right of Use assets

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for future years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

## Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2024  
(₹ in Lakhs unless otherwise stated)

### Share based payments

The Company measures the cost of equity-settled transactions with employees using Black Scholes model to determine the fair value of options. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions relating to vesting 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 35.

### Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company did not recognise deferred tax assets as it is probable that taxable profits will not be available against which the deductible temporary differences can be utilised.

### Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. 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.

### Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan 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 yield on government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. 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 29.

### Intangible asset under development

The Company capitalises intangible asset under development for project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

### Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Liabilities which depend on occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, are not provided for but disclosed as Contingent liabilities in

the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Contingent Assets are not recognised until the contingency has been resolved and amounts are received or receivable.

### Allowance for expected credit loss

Trade receivables do not carry any interest and are stated at their amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Allowance for the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

### Useful lives of depreciable assets

The management estimates the useful life and residual value of depreciable assets based on technical assessment. These assumptions are reviewed at each reporting date.

## 43 Group information

### Information about subsidiaries and associates as per Ind-AS 27 - Separate Financial Statements

The financial statements includes subsidiaries and associates as listed in the table below:

S. No.	Name of subsidiaries	Note	Principal Place of Business	Proportion of ownership		Method of accounting of investment
				As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	
1	Spice Money Limited		India	96.83%	96.83%	Cost
2	Kimaan Exports Private Limited	(a)	India	100.00%	100.00%	Cost
3	Hindustan Retail Private Limited (till 31 <sup>st</sup> May, 2023)		India	-	100.00%	Cost
4	New Spice Sales and Solutions Limited (till 31 <sup>st</sup> May, 2023)	(b)	India	-	100.00%	Cost
5	Cellucom Retail India Private Limited (till 31 <sup>st</sup> May, 2023)	(c)	India	-	100.00%	Cost
6	S Mobility (HK) Limited (Strike off w.e.f. 28 <sup>th</sup> April, 2023)		Hong Kong	-	100.00%	Cost
7	Spice Digital Bangladesh Limited		Bangladesh	100.00%	100.00%	Cost
8	S Global Services Pte. Ltd.		Singapore	100.00%	100.00%	Cost
9	Beoworld SDN. BHD (till 14 <sup>th</sup> December, 2023)	(d)	Malaysia	-	100.00%	Cost
10	Fast Track IT Solutions Limited	(d)	Bangladesh	70.00%	70.00%	Cost
11	Spice Digital FZCO	(d)	UAE	100.00%	100.00%	Cost
12	Spice VAS (Africa) Pte. Ltd.	(d)	Singapore	100.00%	100.00%	Cost
13	S Mobility Pte. Ltd (Strike off w.e.f. 4 <sup>th</sup> July, 2022)	(d)	Singapore	-	-	Cost
14	Omnia Pte. Ltd	(e)	Singapore	100.00%	100.00%	Cost
15	Digispice Nigeria Limited	(e)	Nigeria	100.00%	100.00%	Cost
16	Digispice Ghana Limited	(e)	Ghana	70.00%	70.00%	Cost
17	Digispice Zambia Limited	(e)	Zambia	100.00%	100.00%	Cost
18	Digispice Tanzania Limited	(e) (g)	Tanzania	100.00%	100.00%	Cost
19	Spice VAS Kenya Limited	(e) (h)	Kenya	100.00%	100.00%	Cost
20	Digispice Uganda Limited (formerly known as "Spice VAS Uganda Limited")	(e)	Uganda	75.00%	75.00%	Cost
21	Spice VAS RDC (till 16 <sup>th</sup> February, 2024)	(e)	Democratic Republic of Congo	-	100.00%	Cost
22	PT Spice Digital Indonesia Limited	(f)	Indonesia	100.00%	100.00%	Cost
23	Digispice Nepal Private Limited		Nepal	100.00%	100.00%	Cost
24	E-Arth Travel Solutions Private Limited	(i)	India	66.67%	66.67%	Cost
25	Vikasni Fintech Private Limited	(j)	India	51.00%	51.00%	Cost

## Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2024  
(₹ in Lakhs unless otherwise stated)

- Subsidiary through Spice Money Limited.
- Subsidiary through Hindustan Retail Private Limited.
- Subsidiary through New Spice Sales & Solutions Limited till 15<sup>th</sup> May, 2022 and subsidiary through Hindustan Retail Private Limited w.e.f. 16<sup>th</sup> May, 2022
- Subsidiary through S Global Services Pte. Ltd.
- Subsidiary through Spice VAS (Africa) Pte. Ltd.
- Subsidiary through Omnia Pte. Ltd.
- 0.1% an equity interest in the subsidiary company is held by a subsidiary company namely Spice VAS (Africa) Pte. Ltd. jointly with a third party.
- An equity interest of 1% (2023: 20%) in the subsidiary company is held by a third party on behalf of a subsidiary company namely Spice VAS (Africa) Pte. Ltd.
- Additionally an equity interest of 33.33% in E-Arth Travel Solutions Private Limited is held by a subsidiary company namely Spice Money Limited .
- Additionally an equity interest of 49% in Vikasni Fintech Private Limited is held by a subsidiary company namely Spice Money Limited .

### Ultimate Holding Company

Rajarshi Modi Private Limited (formerly known as Smart Global Corporate Holding Private Limited)

### Holding Company

Spice Connect Private Limited

### Associate

S. No.	Name of associates	Nature	Principal Place of Business	Proportion of ownership	
				As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
1	Sunstone Learning Private Limited	Associate	India	41.61%	41.61%
2	Creative Functionapps Lab Private Limited	Associate	India	26.00%	26.00%

44. The following charge is appearing on the website of the Ministry of Corporate Affairs ('MCA'), against which the Company has no loan outstanding as at reporting date. The charge stood satisfied as per records of the Company and the Company is taking up with the MCA to record satisfaction of this charges on its website.

S. No.	Lender Name	Amount (in lakhs)	Location of the Registrar
1	L.I.C. of India	100.00	Delhi

45. The Company has been sanctioned working capital limits from banks on the basis of security of current assets. As the limits are by way of lien on Fixed deposits with the banks itself, hence no statement is required to be submitted with banks.

46. The management have identified SAP as accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded. However, audit trail feature is not enabled for direct database changes to SAP for users with using certain access rights. Further, Company is taking steps to ensure feature of audit trail is enabled along with audit trail at database level and maintain log of such configuration changes. Additionally, discussions are underway with the vendor to ensure that a log is kept for the daily backup of the financial records in SAP, aligning with the requirements set by the Ministry of Corporate Affairs (MCA).

47. The Company is not covered under the provisions of Section 135 of the Companies Act, 2013, therefore the disclosure required under CSR is not applicable to the Company during the financial year.

### 48. Additional regulatory information required by Schedule III to be disclosed in the financial statements:

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with struck-off companies.
- 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 has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - 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 to or on behalf of the Ultimate Beneficiaries
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - 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 to or on behalf of the Ultimate Beneficiaries
- The Company own immovable properties as on 31<sup>st</sup> March, 2024 & 31<sup>st</sup> March, 2023 details of which have been duly disclosed under Note 4b. All the lease agreements are duly executed in favour of the company for building and office premises where the company is the lessee.
- There have been no acquisitions through business combinations and no change of amount due to revaluation of Property, Plant and equipment and other intangible assets during the year ended 31<sup>st</sup> March, 2024 & 31<sup>st</sup> March, 2023.
- The Company has complied with number of layers prescribed under the Companies Act, 2013.
- Compliance with Approved Scheme of Arrangements: There are no approved Scheme of Arrangements in terms of section 230 to 237 of the Companies Act, 2013 as on 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023.
- There have been no income or related assets which have not been recorded in the books of accounts, that have been surrendered or disclosed as income in the tax assessments under Income Tax Act, 1961 during the year or any previous years.
- The Company is not declared as a wilful defaulter by any bank or financial institutions or other lender, in accordance with the guidelines issued by the Reserve Bank of India, during the year ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023.
- The Company has borrowings from banks that have been applied for the purpose of which such loans were taken.

As per our report of even date.  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.: 301003E/E300005

per **Anil Gupta**  
Partner  
Membership No.: 087921

Place: Noida  
Date: 16<sup>th</sup> May, 2024

For and on behalf of the board of directors of  
**DiGiSPICE Technologies Limited**

**Rohit Ahuja**  
Executive Director  
DIN: 0065417

**Vinit Kishore**  
Chief Financial Officer

Place: Noida  
Date: 16<sup>th</sup> May, 2024

**Subramanian Murali**  
Director  
DIN: 00041261

**Ruchi Mehta**  
Company Secretary  
M. No.: A16707



## Independent Auditor's Report

To the Members of Digispice Technologies Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Digispice Technologies Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates comprising of the consolidated Balance sheet as at 31<sup>st</sup> March, 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, 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 other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those 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 and its associates in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year ended 31<sup>st</sup> March, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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.

Key audit matters	How our audit addressed the key audit matter
<b>Revenue recognition</b> (as described in Note 2F and 50 of the consolidated financial statements) Spice Money Limited, a subsidiary of the Holding Company is in business of sale of digital financial services and other services. Revenue from sale of digital financial services and other services is recognised and accrued with reference to the number of successful transactions and the terms of agreements for such service. Accordingly, revenue amounting to ₹ 42,887.27 lakhs have been recognised during the year. Given the complexity of the Group's revenue recognition policies, especially in the context of the financial technology industry, there is an inherent risk with respect to the accuracy and completeness of the revenue recorded given the voluminous nature and the variety of service transactions which are processed on a real time basis through automated flows. Accordingly, accuracy and completeness of revenue have been considered as a key audit matter.	The audit procedures included the following: <ul style="list-style-type: none"> <li>♦ We evaluated the Group's accounting policies pertaining to revenue recognition and assessed compliance of the policies in terms of the applicable accounting standards.</li> <li>♦ With the support of the Information Technology (IT) specialists, we identified and tested controls over revenue recognition which focused on whether revenue from sale of digital financial services and other services was recorded as per the commercials agreed and number of successful transactions.</li> <li>♦ We tested on sample basis, and inspected the underlying customer contracts, tested revenue calculations and assessed whether the revenue recognised agreed to the underlying records.</li> <li>♦ Performed detailed substantive testing on a sample of revenue transactions to verify the accuracy and completeness of revenue recognition.</li> <li>♦ Tested the completeness and accuracy of the data extracted from the systems on a sample basis and performed recalculations to verify whether revenue has been recognised in the correct period.</li> <li>♦ We have assessed the adequacy of disclosures included in financial statements in this regard.</li> </ul>

#### Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the director's report in the Annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we 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 such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those Charged with Governance.

#### Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of

these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of their respective companies 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of their respective companies.

#### 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 Act, we are also responsible for expressing our opinion on whether the Holding

Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended 31<sup>st</sup> March, 2024, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

- We did not audit the financial statements and other financial information, in respect of four subsidiaries, including three foreign subsidiaries, whose financial statements include total assets of ₹ 6,868.39 lakhs as at 31<sup>st</sup> March, 2024, and total revenues of ₹ 668.87 lakhs and net cash outflows of ₹ 1,123.59 lakhs for the year ended on that date. The financial statements and other financial information of the foreign subsidiaries have been prepared by the management of the foreign subsidiaries in accordance with accounting principles accepted in India and have been audited by a firm of chartered accountants whose reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures, in terms of sub-section (3) of Section 143 of the Act, in respect of these four subsidiaries, is based solely on the report of the other auditors.
- The consolidated financial statements of the Group for the year ended 31<sup>st</sup> March, 2023, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on 19<sup>th</sup> May, 2023.
- The accompanying Financial Statements include audited statements and other audited financial information in respect of one subsidiary, whose financial statements and other financial information reflect total assets of ₹ 51,145.26 lakhs as at 31<sup>st</sup> March, 2024, and total revenues of ₹ 45,977.51 lakhs and net cash inflows of ₹ 200.84 lakhs for the year ended 31<sup>st</sup> March, 2024, whose financial statements and other financial information has been audited jointly

with one of the joint auditors i.e., M/s Singhi & Co. (predecessor auditor).

- The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of four subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 19.38 lakhs as at 31<sup>st</sup> March, 2024, and total revenues of ₹ 2.24 lakhs and net cash inflows of ₹ 9.49 lakhs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ 0.62 lakhs for the year ended 31<sup>st</sup> March, 2024, as considered in the consolidated financial statements, in respect of two associates, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associates, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

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

- There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.
- As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries companies, as noted 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 preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors, with respect to companies which are incorporated in India whose financial statements have been audited under the Act, except a) that with respect to the Holding Company and one subsidiary as disclosed in note 48 to the consolidated financial statements, the back-up of books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on a daily basis and b) for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2024, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies incorporated in India, is disqualified as on 31<sup>st</sup> March, 2024, from being appointed as a director in terms of Section 164(2) of the Act;
- (f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);
- (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;
- (h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, incorporated in India, the managerial remuneration for the year ended 31<sup>st</sup> March, 2024, has been paid/provided by the Holding Company and its subsidiary company, incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act. However, there was an additional remuneration payable as of 31<sup>st</sup> March, 2024, to an Executive Director and Chief Executive Officer of a subsidiary company i.e. Spice Money Limited, as of 31<sup>st</sup> March, 2024, which has since been approved by shareholders on 8<sup>th</sup> May, 2024;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us 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:
- The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates in its consolidated financial statements – Refer Note 38C to the consolidated financial statements;
  - The Group and its associates did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31<sup>st</sup> March, 2024;
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group incorporated in India during the year ended 31<sup>st</sup> March, 2024.
  - The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and respectively that, to the best of its knowledge and belief, as disclosed in the note 52 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entities, 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 respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in the note 52 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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
    - Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) No dividend has been declared or paid during the year by the Holding Company. Spice Money Limited, a subsidiary of the Holding Company, has paid dividend during the year which was declared for the previous year and is in accordance with Section 123 of the Act to extent it applies to payment of dividend. Further, as stated in note 51 to the consolidated financial statements, the board of directors of the Spice Money Limited have proposed final dividend for the year which is subject to the approval of its members at the ensuing Annual General Meeting; and
- vi) Based on our examination which included test checks and that performed by us and the respective auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances discussed in note 48 to the consolidated financial statements, the Holding Company and one subsidiary, used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility for all relevant transactions recorded in the software used by the Group. However, audit trail feature was not enabled for direct changes to database when using certain access rights. Further, we are unable to comment on whether audit trail feature of software operated throughout the year for all relevant transactions recorded in such software or whether there were any instances of the audit trail feature being tampered with as explained in the above note.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Anil Gupta**

Partner

Place of Signature: Noida Membership Number: 087921

Date: 16<sup>th</sup> May, 2024 UDIN: 24087921BKAQDH7562



## Annexure 1 referred to in paragraph 2(g) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on the consolidated financial statements of Digispice Technologies Limited

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the Consolidated financial statements (hereinafter referred to as the “Holding Company”) for the year ended 31<sup>st</sup> March, 2024. We have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), which are companies incorporated in India, as of that date.

### Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the companies including the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 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 Companies Act, 2013.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Holding’s internal financial controls with reference to these 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”) and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to these consolidated financial statements.

### Meaning of Internal Financial Controls with Reference to these Financial Statements

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

### Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or

improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Group has, in all material respects, adequate internal financial controls with reference to Consolidated financial statements and such internal financial controls with reference to Consolidated financial statements were operating effectively as at 31<sup>st</sup> March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, insofar as it relates to two subsidiaries companies out of which one subsidiary is audited jointly with one of the joint auditors i.e., M/s Singhi & Co. (predecessor auditor), which are incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Anil Gupta**

Partner

Place of Signature: Noida Membership Number: 087921

Date: 16<sup>th</sup> May, 2024 UDIN: 24087921BKAQDH7562

## Consolidated Balance Sheet

As at 31<sup>st</sup> March, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Notes	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	786.36	977.18
Investment properties	4	1,192.78	1,292.56
Goodwill	5	4,712.22	5,230.18
Other intangible assets	5	101.46	649.79
Intangible assets under development	5	637.43	226.58
Right of use assets	5A	275.77	361.58
Investments accounted for using equity method	6	-	40.61
<b>Financial assets</b>			
Investments	7	3,819.00	5.00
Loans	8	7.94	148.81
Other financial assets	9	4,441.75	4,410.21
Non current tax assets (net)	13	1,500.31	5,463.85
Deferred tax assets (net)	16	583.48	2,381.84
Other non-current assets	14	18.90	128.50
<b>Total non-current assets</b>		<b>18,077.40</b>	<b>21,316.69</b>
<b>Current assets</b>			
Inventories	15	210.17	474.62
<b>Financial assets</b>			
Trade receivables	10	2,158.85	3,393.80
Cash and cash equivalents	11	12,189.08	14,046.09
Bank balance other than above	12	25,319.12	24,268.17
Loans	8	149.96	1.97
Other financial assets	9	1,360.09	1,942.96
Current tax assets (net)	13	956.62	1,014.12
Other current assets	14	2,233.00	3,969.20
<b>Total current assets</b>		<b>44,576.89</b>	<b>49,110.93</b>
<b>Assets classified as held for sale (discontinuing and discontinued operations)</b>	43	<b>2,286.76</b>	<b>370.66</b>
		<b>46,863.65</b>	<b>49,481.59</b>
<b>Total assets</b>		<b>64,941.05</b>	<b>70,798.28</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	17	6,184.65	6,164.20
Other equity	17A	18,355.78	17,021.20
<b>Equity attributable to equity holders of the parent</b>		<b>24,540.43</b>	<b>23,185.40</b>
Non-controlling interests		150.84	121.91
<b>Total equity</b>		<b>24,691.27</b>	<b>23,307.31</b>
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	5A	17.48	-
Other financial liabilities	20	0.02	0.02
Provisions	21	662.87	957.10
Other non-current liabilities	23	103.89	47.17
<b>Total non-current liabilities</b>		<b>784.26</b>	<b>1,004.29</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	18	2,576.29	8,370.61
Lease liabilities	5A	10.20	-
Trade payables	19	-	58.88
total outstanding dues of micro and small enterprises ; and		20.69	58.88
total outstanding dues of creditors other than micro and small enterprises		1,394.08	5,243.97
Other financial liabilities	20	1,893.45	2,323.01
Provisions	21	208.23	166.44
Current tax liabilities (net)	22	-	672.92
Other current liabilities	23	30,970.93	29,379.93
<b>Total current liabilities</b>		<b>37,073.87</b>	<b>46,215.76</b>
<b>Liabilities directly associated with assets classified as held for sale (discontinuing and discontinued operations)</b>	43	<b>2,391.65</b>	<b>270.92</b>
<b>Total liabilities</b>		<b>39,465.52</b>	<b>46,486.68</b>
<b>Total equity and liabilities</b>		<b>64,941.05</b>	<b>70,798.28</b>
Summary of material accounting policies	2		

The accompanying notes form an internal part of the consolidated financial statements.

As per our report of even date.  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005

per **Anil Gupta**  
Partner  
Membership No.: 087921

Place: Noida  
Date: 16<sup>th</sup> May, 2024

For and on behalf of the board of directors of  
**DiGiSPICE Technologies Limited**

per **Rohit Ahuja**  
Executive Director  
DIN: 00065417

per **Vinit Kishore**  
Chief Financial Officer

Place: Noida  
Date: 16<sup>th</sup> May, 2024

per **Subramanian Murali**  
Director  
DIN: 00041261

per **Ruchi Mehta**  
Company Secretary  
M. No.: A16707

## Consolidated Statement of Profit and Loss

For the year ended 31<sup>st</sup> March, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Notes	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023 (Restated)
<b>Continuing Operations</b>			
<b>Income</b>			
Revenue from operations	24	43,942.56	43,153.84
Other income	25	2,687.91	1,960.63
<b>Total income</b>		<b>46,630.47</b>	<b>45,114.47</b>
<b>Expenses</b>			
Cost of goods and services procured	26	481.51	817.50
Decrease/(increase) in inventories of procured goods	27	264.45	(374.59)
Cost of services rendered	28	26,264.70	26,227.16
Employee benefits expense	29	9,669.13	9,522.08
Finance costs	30	202.06	71.44
Depreciation and amortisation expense	31	712.63	2,172.19
Other expenses	32	5,909.15	6,702.99
<b>Total expenses</b>		<b>43,503.63</b>	<b>45,138.77</b>
<b>Profit/(loss) before share of profit/(loss) of associates, exceptional items and tax from continuing operations</b>		<b>3,126.84</b>	<b>(24.30)</b>
Share of profit of associates	6	0.62	1.30
<b>Profit/(loss) before exceptional items and tax from continuing operations</b>		<b>3,127.46</b>	<b>(23.00)</b>
Exceptional items	33	(2,874.59)	624.07
<b>Profit/(loss) before tax from continuing operations</b>		<b>6,002.05</b>	<b>(647.07)</b>
<b>Tax expense:</b>			
<b>Current tax</b>			
- Current year		556.29	23.74
- Adjustment of tax related to earlier years		19.95	2.30
<b>Deferred tax</b>			
- Current year		114.97	(160.23)
- Adjustment of tax related to earlier years		36.99	-
- Change in deferred tax due to change in rate		282.90	-
<b>Income tax expense</b>		<b>1,011.10</b>	<b>(134.19)</b>
<b>Profit/(loss) for the year from continuing operations</b>		<b>4,990.95</b>	<b>(512.88)</b>
<b>Discontinuing and Discontinued Operations</b>			
Loss before tax for the year from discontinuing and discontinued operations	43	(2,257.27)	(1,248.70)
Tax expense of discontinuing operations	43	1,553.52	(402.08)
<b>Profit/(loss) for the year from discontinuing and discontinued operations</b>		<b>(3,810.79)</b>	<b>(1,650.78)</b>
<b>Profit/(loss) for the year</b>		<b>1,180.16</b>	<b>(2,163.66)</b>
<b>Other comprehensive income from continuing operations</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement gain/(loss) of defined benefit plan		124.13	(62.48)
Income tax impact		(17.49)	21.83
<b>Items that will be reclassified to profit or loss</b>			
<b>Other comprehensive income from discontinuing and discontinued operations</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Remeasurement gain/(loss) of defined benefit plan	35	-	(32.38)
Income tax impact	43	-	-
<b>Items that will be reclassified to profit or loss:</b>			
Exchange differences on translations of foreign operations		(84.26)	288.08
<b>Other comprehensive income for the year</b>		<b>22.38</b>	<b>215.05</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>1,202.54</b>	<b>(1,948.61)</b>
<b>Profit/(loss) for the year</b>		<b>1,180.16</b>	<b>(2,163.66)</b>
<b>Attributable to:</b>			
Equity holders of the Group		1,167.46	(2,060.01)
Non-controlling interests		12.70	(103.65)
<b>Other comprehensive income for the year</b>		<b>22.38</b>	<b>215.05</b>
<b>Attributable to:</b>			
Equity holders of the Group		6.15	213.79
Non-controlling interests		16.23	1.26
<b>Total comprehensive income/(expense) for the year</b>		<b>1,202.54</b>	<b>(1,948.61)</b>
<b>Attributable to:</b>			
Equity holders of the Group		1,173.61	(1,846.22)
Non-controlling interests		28.93	(102.39)
<b>Earnings per share for continuing operations (attributable to equity holders of the parent) (nominal value of share ₹ 3)</b>	35		
Basic, computed on the basis of profit/(loss) from continuing operations (₹)		2.14	(0.18)
Diluted, computed on the basis of profit/(loss) from continuing operations (₹)		2.14	(0.18)
<b>Earnings per share for discontinuing and discontinued operations (attributable to equity holders of the parent) (nominal value of share ₹ 3)</b>	35		
Basic, computed on the basis of profit/(loss) from discontinuing operations (₹)		(1.64)	(0.71)
Diluted, computed on the basis of profit/(loss) from discontinuing operations (₹)		(1.64)	(0.71)
<b>Earnings per share for continuing and discontinuing and discontinued operations (attributable to equity holders of the parent) (nominal value of share ₹ 3)</b>	35		
Basic, computed on the basis of profit/(loss) for the year (₹)		0.50	(0.89)
Diluted, computed on the basis of profit/(loss) for the year (₹)		0.50	(0.89)
Summary of material accounting policies	2		

The accompanying notes form an internal part of the consolidated financial statements.

As per our report of even date.  
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005

per **Anil Gupta**  
Partner  
Membership No.: 087921

Place: Noida  
Date: 16<sup>th</sup> May, 2024

For and on behalf of the board of directors of  
**DiGiSPICE Technologies Limited**

per **Rohit Ahuja**  
Executive Director  
DIN: 00065417

per **Vinit Kishore**  
Chief Financial Officer

Place: Noida  
Date: 16<sup>th</sup> May, 2024

per **Subramanian Murali**  
Director  
DIN: 00041261

per **Ruchi Mehta**  
Company Secretary  
M. No.: A16707

## Consolidated Statement of Cash Flows

For the year ended 31<sup>st</sup> March, 2024  
(₹ in Lakhs unless otherwise stated)

Particulars	Notes	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(loss) before tax from continuing operations		6,002.05	(938.64)
Loss before tax for the year from discontinuing and discontinued operations		(2,257.27)	(957.13)
<b>Profit/(loss) before tax</b>		<b>3,744.78</b>	<b>(1,895.77)</b>
<b>Adjustments to reconcile profit before tax to net cash flows:</b>			
<b>Exceptional items:</b>			
Provision for diminution in the value of investments	33	41.23	-
Loss on disposal of subsidiary		134.70	-
Impairment of goodwill		517.96	-
Additional depreciation and revenue on pin pad devices		-	471.07
Expenses on transfer of property, plant and equipment and right of use assets		41.82	-
Change in fair value of investment carried at fair value through profit and loss		(3,779.64)	-
Net loss on foreign currency transactions and translations		(223.03)	316.04
Share of loss of associates	6	(0.62)	(1.30)
Depreciation and amortisation expense	31	1,127.13	2,543.88
Gain on disposal of plant, property and equipment's (net)	25	(95.91)	(1.23)
Interest income	25	(2,368.98)	(1,784.58)
Rental income (including on investment properties)	25	(84.83)	(94.82)
Unclaimed balances written back (net)	25	(164.98)	(717.76)
Interest expense	30	267.82	129.76
Share based payment expense	29	141.46	151.08
Provision for loss allowances (net)	32	15.22	(5,302.77)
Irrecoverable balances written off/bad debts	32	(40.93)	5,663.68
<b>Operating loss before working capital changes</b>		<b>(726.80)</b>	<b>(522.72)</b>
Movements in working capital:			
Decrease/(increase) in inventories		264.45	(196.43)
Decrease in trade receivables		941.62	3,335.20
Decrease/(increase) in other receivables		2,531.54	(874.06)
Decrease in trade payables		(2,084.67)	(974.22)
Increase in other payable		1,204.04	1,132.95
(Decrease)/increase in provisions		(53.47)	119.49
		<b>2,076.71</b>	<b>2,020.21</b>
Net direct taxes (paid)/refunds		2,098.81	(1,425.05)
<b>Net cash flows from operating activities</b>	<b>(A)</b>	<b>4,175.52</b>	<b>595.16</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of plant, property and equipment's (including capital work in progress and capital advances & investment properties)		(208.20)	(759.70)
Purchase of intangible assets (including intangible assets under developments)		(650.52)	(440.61)
Proceeds from disposal of plant, property and equipment's and intangible assets		415.43	1.23
Expenses on transfer of property, plant and equipment and right of use assets		(41.82)	-
Purchase of financial instruments		(34.36)	-
Proceeds from sale of subsidiary		0.10	-
Interest received		2,092.74	1,374.99
Rental income (including on investment properties)		84.83	94.82
Increase in fixed deposits		(1,108.76)	(4,008.92)
<b>Net cash flows from/(used in) investing activities</b>	<b>(B)</b>	<b>549.44</b>	<b>(3,738.19)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds/(repayment) from current borrowings		(5,387.72)	2,970.16
Proceeds from share capital issued		17.57	13.73
Securities premium received on share capital issued		69.88	62.20
Principal payment of lease liabilities		(3.61)	(6.11)
Interest portion of lease liabilities		(0.87)	-
Buy back of shares by a subsidiary company from a non-controlling interest holder		-	(302.45)
Interest paid		(266.95)	(129.76)
<b>Net cash flows (used in)/from financing activities</b>	<b>(C)</b>	<b>(5,571.70)</b>	<b>2,607.77</b>
Net decrease in cash and cash equivalents (A + B + C)		(846.74)	(535.26)
Cash and cash equivalents at the beginning of the year		14,049.75	14,585.01
Cash and cash equivalents transferred on disposal of subsidiary		(5.54)	-
<b>Cash and cash equivalents at the end of the year</b>	<b>11</b>	<b>13,197.47</b>	<b>14,049.75</b>

Particulars	Notes	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>i) Components of cash and cash equivalents:</b>			
Cash on hand	11	1.14	6.61
Cheques/ drafts on hand	11	48.87	6.79
With banks			
- on current accounts	11	13,047.57	13,305.88
- Deposits with original maturity of less than three months	11	99.89	730.47
<b>Total cash and cash equivalents</b>		<b>13,197.47</b>	<b>14,049.75</b>

### ii) Movement in financial liabilities

Particulars	Borrowings	Lease liabilities	Interest accrued but not due	Total
<b>As at 1<sup>st</sup> April, 2023</b>	8,370.61	-	-	8,370.61
Cash flows	(5,387.72)	(3.61)	-	(5,391.33)
Interest paid	-	-	(238.91)	(238.91)
<b>Non cash flow movements</b>				
Interest expenses	-	0.87	267.20	268.07
Recognition of lease liability	-	30.42	-	30.42
<b>As at 31<sup>st</sup> March, 2024</b>	<b>2,982.89</b>	<b>27.68</b>	<b>28.29</b>	<b>3,038.86</b>

Particulars	Borrowings	Lease liabilities	Interest accrued but not due	Total
<b>As at 1<sup>st</sup> April, 2022</b>	5,400.45	6.11	-	5,406.56
Cash flows	2,970.16	(6.11)	-	2,964.05
Interest paid	-	-	(129.76)	(129.76)
<b>Non cash flow movements</b>				
Interest expenses	-	-	129.76	129.76
<b>As at 31<sup>st</sup> March, 2023</b>	<b>8,370.61</b>	<b>-</b>	<b>-</b>	<b>8,370.61</b>

Summary of material accounting policies 2

### Notes:

- The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows".
- Certain working capital adjustments and other adjustments included in the accompanying consolidated statement of cash flows reflect the change in balances between 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 including the 31<sup>st</sup> March, 2024 balances of the discontinuing operations grouped in line-items 'assets held for sale' and 'liabilities directly associated with the assets held for sale'.
- The accompanying notes form an internal part of the consolidated financial statements.

As per our report of even date.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

per **Anil Gupta**

Partner

Membership No.: 087921

Place: Noida

Date: 16<sup>th</sup> May, 2024

For and on behalf of the board of directors of

**DiGiSPICE Technologies Limited**

per **Rohit Ahuja**

Executive Director

DIN: 00065417

per **Vinit Kishore**

Chief Financial Officer

Place: Noida

Date: 16<sup>th</sup> May, 2024

per **Subramanian Murali**

Director

DIN: 00041261

per **Ruchi Mehta**

Company Secretary

M. No.: AI6707



## Consolidated Statement of Changes in Equity

For the year ended 31<sup>st</sup> March, 2024  
(₹ in Lakhs unless otherwise stated)

### A : Equity share capital

#### For the year ended 31<sup>st</sup> March, 2024:

Ordinary Equity shares of ₹ 10 each issued, subscribed and fully paid	No. of shares	Amount
<b>At 1<sup>st</sup> April, 2023</b>	20,54,73,563	6,164.21
Changes in equity share capital due to prior period errors	-	-
<b>Restated balance at the beginning of current reporting period</b>	20,54,73,563	6,164.21
Issue of share capital: Shares issued under ESOP scheme (note 17)	6,81,700	20.44
<b>At 31<sup>st</sup> March, 2024*</b>	20,61,55,263	6,184.65

#### For the year ended 31<sup>st</sup> March, 2023:

Ordinary Equity shares of ₹ 10 each issued, subscribed and fully paid	No. of shares	Amount
<b>At 1<sup>st</sup> April, 2022</b>	20,48,66,763	6,146.00
Changes in equity share capital due to prior period errors	-	-
<b>Restated balance at the beginning of current reporting period</b>	20,48,66,763	6,146.00
Issue of share capital: Shares issued under ESOP scheme (note 17)	6,06,800	18.20
<b>At 31<sup>st</sup> March, 2023*</b>	20,54,73,563	6,164.20

\*Equity shares are net off 26,067,843 equity shares as on 31<sup>st</sup> March, 2024, 26,067,843 equity shares as on 31<sup>st</sup> March, 2023 and 26,067,843 equity shares as on 1<sup>st</sup> April, 2022 held by Employee benefit Trust and Independent Non Promoter Trust, (refer note no. 17A)

### B : Other equity

#### For the year ended 31<sup>st</sup> March, 2024

Particulars	Trust shares (Refer note 17A(f))	Reserves and surplus						Items of other comprehensive income			Non-controlling interests	Total equity		
		Capital reserve on Consolidation (i)	Securities premium (ii)	Capital redemption reserve (iii)	General reserve (iv)	Capital reserve on scheme of arrangement (v)	Share based payment reserve (vi)	Share application money (vii)	Retained earnings (viii)	Foreign currency translation reserve (ix)			Foreign currency monetary item translation difference account (x)	
<b>As at 1<sup>st</sup> April, 2023</b>	161.19	(15.76)	2,388.27	306.66	5,712.74	(1.28)	940.42	2.88	7,483.55	42.53	-	17,021.20	121.91	17,143.11
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Restated balance as at 1<sup>st</sup> April, 2023</b>	161.19	(15.76)	2,388.27	306.66	5,712.74	(1.28)	940.42	2.88	7,483.55	42.53	-	17,021.20	121.91	17,143.11
Profit for the year	-	-	-	-	-	-	-	-	1,167.46	-	-	1,167.46	12.70	1,180.16
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	105.94	(99.78)	-	6.16	16.23	22.39
<b>Total Comprehensive Income for the year</b>	-	-	-	-	-	-	-	-	1,273.40	(99.78)	-	1,173.62	28.93	1,202.55
Issuance of shares under ESOP Scheme	-	-	69.88	-	-	-	-	(2.88)	-	-	-	67.00	-	67.00
Share based payments expense for the year	-	-	-	-	-	-	141.46	-	-	-	-	141.46	-	141.46
Transfer to retained earnings on cancellation of vested options (net of tax)	-	-	-	-	-	-	(229.14)	-	184.46	-	-	(44.68)	-	(44.68)
Transfer on issuance of shares under ESOP Scheme	-	-	45.88	-	-	-	(45.88)	-	-	-	-	-	-	-
Upon cancellation of options granted to employees of subsidiary companies	-	-	-	-	-	-	(19.32)	-	16.50	-	-	(2.82)	-	(2.82)
<b>As at 31<sup>st</sup> March, 2024</b>	161.19	(15.76)	2,504.03	306.66	5,712.74	(1.28)	787.54	2.88	8,957.91	(57.25)	-	18,355.78	150.84	18,506.62

## Consolidated Statement of Changes in Equity

For the year ended 31<sup>st</sup> March, 2024  
(₹ in Lakhs unless otherwise stated)

#### For the year ended 31<sup>st</sup> March, 2023

Particulars	Trust shares (Refer note 17A(f))	Reserves and surplus						Items of other comprehensive income			Non-controlling interests	Total equity		
		Capital reserve on Consolidation (i)	Securities premium (ii)	Capital redemption reserve (iii)	General reserve (iv)	Capital reserve on scheme of arrangement (v)	Share based payment reserve (vi)	Share application money (vii)	Retained earnings (viii)	Foreign currency translation reserve (ix)			Foreign currency monetary item translation difference account (x)	
<b>As at 1<sup>st</sup> April, 2022</b>	161.19	(15.76)	2,285.23	306.66	5,712.74	(1.28)	830.18	7.35	9,535.75	406.78	(647.96)	18,580.88	603.83	19,184.71
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Restated balance as at 1<sup>st</sup> April, 2022</b>	161.19	(15.76)	2,285.23	306.66	5,712.74	(1.28)	830.18	7.35	9,535.75	406.78	(647.96)	18,580.88	603.83	19,184.71
Loss for the year	-	-	-	-	-	-	-	-	(2,060.01)	(361.69)	647.96	(2,060.01)	(103.65)	(2,163.66)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	(72.48)	-	-	213.79	1.26	215.05
<b>Total Comprehensive Income for the year</b>	-	-	-	-	-	-	-	-	(2,132.49)	(361.69)	647.96	(1,846.22)	(102.39)	(1,948.61)
Issuance of shares under ESOP Scheme	-	-	62.20	-	-	-	-	(7.35)	-	-	-	54.85	-	54.85
Share application money received during the year	-	-	-	-	-	-	151.08	2.88	-	-	-	2.88	-	2.88
Share based payments expense for the year	-	-	-	-	-	-	(40.84)	-	-	-	-	151.08	-	151.08
Transfer on issuance of shares under ESOP Scheme	-	-	40.84	-	-	-	(40.84)	-	-	-	-	-	-	-
Gain on buy back of share from non controlling interest by a subsidiary company	-	-	-	-	-	-	-	-	77.08	-	-	77.08	(77.08)	-
Consideration paid to non controlling interest of a subsidiary company for buy back of shares	-	-	-	-	-	-	-	-	-	-	-	-	(302.45)	(302.45)
Loss of control on strike off of a subsidiary company	-	-	-	-	-	-	-	-	3.21	(2.56)	-	0.65	-	0.65
<b>As at 31<sup>st</sup> March, 2023</b>	161.19	(15.76)	2,388.27	306.66	5,712.74	(1.28)	940.42	2.88	7,483.55	42.53	0.00	17,021.20	121.91	17,143.11

#### Notes:

- Excess of Group's share of equity of the subsidiary on the date of investment over cost of investment.
- Securities premium represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.
- Capital redemption reserve represents amount created upon cancellation of shares pursuant to buy back of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.
- General reserve represents free reserve amount appropriated out of retained earnings.
- Capital reserve represents reserve created pursuant to scheme of arrangement and can be utilised in accordance with the provisions of the Companies Act, 2013.
- Share based payment reserve relates to stock options granted to employees (including employees of holding company and subsidiary companies) under "DTL Employees stock option Plan (ESOP) 2018 of the Group" and to employees of a subsidiary under "SML Employee Stock Option Plan 2015" of Spice Money Limited, a subsidiary company and shall be transferred to securities premium account/retained earnings on exercise/cancellation of options (refer note no.42).
- Share application money pending for allotment represent money received against the shares to be issued and it gets adjusted against the money received on issue of shares.
- Retained earnings are profits earned by the Group after transfer to general reserve, payment of dividend to shareholders, if any and transfer from share based payment reserve on cancellation of vested options.
- Arises as a result of translating the financial statement items from the functional currency into the presentational currency using the exchange rate at the reporting date.
- Arises due to exchange differences on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during the year.

As per our report of even date.

**Anil Gupta**  
Partner  
ICAI Firm Registration No. 301003F/E300005

per **Anil Gupta**  
Partner  
Membership No.: 087921

Place: Noida  
Date: 16<sup>th</sup> May, 2024

For and on behalf of the board of directors of

**DiGiSPICE Technologies Limited**

**Rohit Ahuja**  
Executive Director  
DIN: 00065417

**Vinit Kishore**  
Chief Financial Officer  
Place: Noida  
Date: 16<sup>th</sup> May, 2024

**Subramanian Murali**  
Director  
DIN: 00041261

**Ruchi Mehta**  
Company Secretary  
M.No.: A16707

## Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2024  
(₹ in Lakhs unless otherwise stated)

### 1. Corporate information

The consolidated financial statements comprise financial statements of Digispice Technologies Limited (the Company) and its subsidiaries (collectively, the Group) (CIN: L72900DL1986PLC330369) for the year ended 31<sup>st</sup> March, 2024. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.

The Group is principally engaged in the

- (i) Information and Communication Technology business providing Value Added Services and Mobile Content services to the domestic/international Telecom Operators; and
- (ii) Tech-enabled Hyper Local Payments Network offering various services like Cash Deposit, Cash Withdrawal, Balance Inquiry, Bill Payments, Aadhaar Enabled Services, Air Time Recharge, POS Services, Railway Ticketing Services, Cash Management Services etc. through its authorised agents."

Information on the Group's structure is provided in Note 38. Information on other related party relationships of the Group is provided in Note 41.

During the year, the registered office of the Company has been shifted to JA-122, 1<sup>st</sup> Floor, DLF Tower - A, Jasola District Centre, New Delhi, India, 110025 from 622, 6<sup>th</sup> Floor, DLF Tower- A, Jasola District centre, New Delhi-110025.

The consolidated financial statements were approved for issue in accordance with a resolution of the directors on 16<sup>th</sup> May, 2024.

### 2. Material Accounting Policies

#### 2.1 Statement of Compliance:-

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the CFS.

These financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

#### 2.2 Basis of preparation

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments). These financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements are presented in ₹ Lakhs and all values are rounded upto two decimal places, except when otherwise indicated.

#### 2.3 Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Group and the currency of the primary economic environment in which the Group operates.

#### 2.4 Basis of consolidation of financial statements

The consolidated financial statements comprise the financial statements of the Group, its subsidiaries, associates and a joint venture as at and for the year ended 31<sup>st</sup> March, 2024. Control is achieved when the Group 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. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

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 a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- 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

- 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.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group, i.e., year ended on 31 March. When the end of the reporting period of the Group is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Group to enable the Group to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

#### Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the Group's investment in each subsidiary and the Group's portion of equity of each subsidiary. Business combinations

policy explains how to account for any related goodwill.

- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the Group's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the group had directly disposed of the related assets and liabilities.



## Notes to the Consolidated Financial Statements

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### 2.5 Summary of material accounting policies

#### A. Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1<sup>st</sup> April, 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward without adjustment. The same first time adoption exemption is also used for associates.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquirer's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- ♦ Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- ♦ Liabilities or equity instruments related to share based payment arrangements of the acquiree or share-based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

- ♦ Assets (or disposal Group) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinuing operations are measured in accordance with that standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial Instruments and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in profit or loss.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

#### B. Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its



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carrying value, and then recognises the loss as 'Impairment in the value of investments' in an associate' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

### C. Current versus non-current classification

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

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

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

### D. Foreign currencies

The Groups consolidated financial statements are presented in Rs. Lakhs, which is also Parent Company's functional currency. For each entity the group determines the functional currency and items included in the financial statement of each entity are measured using that functional currency. The group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at currency spot rates at the date the transaction first qualifies for recognition.

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the statement of profit and loss.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following;

- ♦ Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- ♦ Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

- ♦ Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is 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 recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

#### Group companies

On consolidation, the assets and liabilities of foreign operations are translated into ₹ at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of Ind AS transition, viz., 1<sup>st</sup> April, 2015. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

### E. Fair value measurement

The Group measures financial instruments, such as, investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ♦ In the principal market for the asset or liability, or
- ♦ In the absence of a principal market, in the most advantageous market for the asset or liability (The principal or the most advantageous market must be accessible by the Group.)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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- ♦ 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 Group 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.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

### F. Revenue recognition

#### Sale of goods

The Group recognises revenue from sale of goods when effective control of goods have been passed along with all the following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue represents net value of goods and services provided to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, etc.

#### Sale of software/hardware (customised bundled solution) and software services

Revenue is recognised based on milestone achieved by the Group on development of

software's, and invoice for that milestone raised on the customer.

Revenue on time-and-material contracts are recognised as the related services are performed and revenue from the end of the last billing to the balance sheet date is recognised as unbilled revenues. Revenue from fixed-price, fixed-time frame contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognised rateably over the term of the underlying maintenance arrangement.

Advances received for services and products are reported as client deposits until all conditions for revenue recognition are met.

#### Income from services

Revenue from value added services are recognised as per arrangement with the customers at the end of each month/period in which the services are rendered.

The Group is also in the business of providing business correspondence services such as AEPS, Domestic Money Transfers, Cash management services, etc. and other digital financial services through fintech platform. Company also is having licenses from government authorities such as IRCTC, NPCI, etc. for providing services through digital platform.

Revenue from services is recognised when the control in services is transferred as per the terms of the agreement with business partners i.e. as and when services are rendered.

e.g. Revenue from digital financial services and other services such as domestic money transfer (DMT), AEPS, BBPS, CMS, Top up recharges etc. are recognised when the services are actually rendered on real time basis. Any amount unbilled as on year end is shown as trade receivables where the amount is recoverable from the customer without any future performance obligation and the Company has unconditional right over such consideration.

#### Interest income

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

#### Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

#### Rental income

Rental income arising from operating leases on investment properties and leasehold improvements is accounted for on a straight-line basis over the lease terms unless the payments by the lessee are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Rental income is included in other income in the statement of profit or loss due to its operating nature.

Goods and service tax (GST), wherever applicable, is not received by the Group on its own account. GST is collected on behalf of the government, accordingly, it is excluded from revenue.

### G. Taxes

#### Current tax

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Consolidated Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and

other expenses respectively. Interest Income, if any, related to income tax is included in other income.

Current tax, relating to items recognised outside the statement of profit or loss, is recognised directly either in other comprehensive income or in equity in correlation to the underlying transaction. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

### H. Sales/ value added taxes/GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- ♦ When the tax incurred on a purchase of assets or services is not recoverable from



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the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

- ♦ When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### I. Non-current assets held for sale/distribution to owners and Discontinuing operations

The Group classifies non-current assets and disposal group as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal Group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal group), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale/ distribution of the asset or disposal to be highly probable when:

- ♦ The appropriate level of management is committed to a plan to sell the asset (or disposal Group),
- ♦ An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- ♦ The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

- ♦ The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- ♦ Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal Group are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A disposal Group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- ♦ Represents a separate major line of business or geographical area of operations,
- ♦ Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Or

- ♦ Is a subsidiary acquired exclusively with a view to resale

Discontinuing operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from Discontinuing operations in the statement of profit and loss.

### J. Property, plant and equipment

The Group has elected to continue with the carrying value for all of its property, plant & equipment, as recognised in its Indian GAAP financial statements as deemed cost at the Ind AS transition date, viz., 1<sup>st</sup> April, 2015.

Capital work in progress, property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Costs directly attributable to acquisition are capitalised until the property, plant and

equipment are ready for use, as intended by management.

Repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on cost of PPE less their estimated residual values over their estimated useful lives using straight line method and is recognised in Statement of Profit and loss. The estimated useful lives of items of PPE for the current and comparative periods are as follows:

Particulars	Useful Life (estimated by management)
- Building	period of lease, or useful life of 25 years, whichever is lower
- Plant and Machinery	15 Years
- Computers (other than servers etc.)	3-5 Years
- Server	6 Years
- Leasehold Improvements	period of lease, or useful life of 1-9 years, whichever is lower
- Payment Devices (Pin pad) (Refer Note no 33)	1 year
- Payment Devices (Pin pad)	3 years
- Furniture and fittings	3-10 Years
- Office equipment's (other than mobile handsets)	2-7 Years
- Mobile handsets	3 Years
- Vehicles	8-10 years

The Group, based on assessment made, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on Derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the

resultant gains or losses are recognised in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### K. Investment properties

The Group has elected to continue with the carrying value for all of its investment property as recognised in its Indian GAAP financial statements as deemed cost at the Ind AS transition date, viz., 1<sup>st</sup> April, 2015.

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.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

If Group classify a property as an investment property on the basis of its use, which was previously classified under "property, plant and equipment", then on the date of reclassification, the cost of investment property will be the carrying value of that property.

The Group depreciates building component of investment property over 60 years from the date of original purchase. Furniture & fixture and office equipment, which form part of investment property are depreciated at useful life mentioned in para J.

The Group depreciates building (on leasehold land) component of investment property over the leasehold period of land.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are



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determined based on an annual evaluation performed by external independent valuers.

Investment properties are derecognised either when they have been disposed off 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 statement of profit and loss in the period of Derecognition.

The residual values, useful lives and methods of depreciation of investment properties are reviewed at each financial year end and adjusted prospectively, if appropriate.

### L. Intangible assets

The Group has elected to continue with the carrying value for all of its intangible assets as recognised in its Indian GAAP financial statements as deemed cost at the Ind AS transition date, viz., 1<sup>st</sup> April, 2015.

Intangible assets (software) acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The Group capitalises intangible asset under development for a project in accordance with its accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

Software (In-house Developed) product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economical benefits are probable, the Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalised include material cost, employee benefits and other overhead cost that are directly attributable to preparing the asset for its intended use.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss.

Gains or losses arising from Derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets are amortised using the Straight Line Method over their estimated useful lives as follows :

Intangible assets	Estimated Useful Life
Computer Software (Office)	3 Years
Computer Software (Site)	5 Years
In-house developed Software	5 Years
Intellectual Property Right	5 Years
Web site Development Cost	3 Years

The Company capitalizes intangible asset under development for a project in accordance with its accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model.

Software (Inhouse Developed) - Product development costs are capitalised as incurred if technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalised include material cost, employee benefits and other overhead cost those are directly attributable to preparing the asset for its intended use.

### M. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

### N. Inventories

Inventories comprise of traded goods which are valued at the lower of cost and net realisable value.

Cost of traded goods includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### O. Impairment of non-financial assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

### P. Provisions, contingent liabilities and contingent assets

#### Provisions and Contingent Liabilities

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises when there is a presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

### Q. Employee benefits

#### Short-term benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the service rendered by employees are recognised during the period when the employee renders the services.

#### Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme and State Plans namely Employees' State Insurance Fund, as an expense, when an employee renders the related service.

#### Defined benefits plans

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method by actuarial valuer at each reporting date. In respect of post-retirement benefit re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to statement of profit or loss in subsequent periods.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

#### Other long-term benefits

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date. Actuarial gains/losses on the compensated absences are

immediately taken to the statement of profit and loss and are not deferred.

### R. 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

##### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial

assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

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 Group commits to purchase or sell the asset.

##### Subsequent measurement

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

- 1) Financial instruments at amortised cost (debt instruments)
- 2) Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gain and losses (debt instruments)
- 3) Financial assets at fair value through profit or loss (FVTPL)
- 4) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

##### Financial instruments at amortised cost

A 'financial instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit

or loss. This category generally applies to trade and other receivables.

##### Financial instrument at FVTPL

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

##### Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

##### Financial assets designated at fair value through OCI (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.



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Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

The Group's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

### Derecognition

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 Group's balance sheet) when:

- ♦ The rights to receive cash flows from the asset have expired, or
- ♦ The Group 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 Group has transferred substantially all the risks and rewards of the asset
  - (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into 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 of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group has retained.

### Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables and all other financial assets with no significant financing component is measured at an amount equal to 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured for specific assets. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the statement of profit or loss.

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate.

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.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

#### 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.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such 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 are recognised in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Group 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 Group has not designated any financial liability as at fair value through profit and loss.

### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR 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 EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

### Financial guarantee contracts

Financial guarantee contracts issued by the Group 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.

### 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.

### Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### 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.



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### S. Trust Shares as per Scheme of Amalgamation

In pursuance to a Scheme of Amalgamation following trusts were created:

- ♦ Independent Non-Promoter Trust ("NPT")
- ♦ Independent Non-Promoter (Spice Employee Benefit) Trust ('EBT')

EBT holds equity shares of the Group for the benefit of the employees of the parent company, its associates and subsidiaries and NPT holds equity shares for the benefit of the Group. Considering conservative interpretation of Ind AS 32, number of equity shares held by the NPT and EBT are reduced from total number of issued equity shares.

Equity shares that are held by two trusts are recognised at cost and deducted from Equity / Other Equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

### T. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above as they are considered an integral part of the Group's cash management.

### U. Segment Reporting Policies

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Chief operating decision makers review the performance of the Group according to the nature of business of the Group. The Group is operating in Digital Technology Services segment and financial technologies services.

#### Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Group as a whole.

### V. Share-based payments

The Group recognises compensation expense relating to share-based payment in statement of profit and loss using fair value in accordance with Ind AS 102, Share-based Payment. The Group initially measures the cost of equity-settled transactions with employees using Black and Scholes model to determine the fair value of the liability incurred. 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. Vesting conditions, other than market conditions i.e. performance based condition are not taken into account when estimating the fair value. 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 42.

### W. Business Combinations

#### Business Combination under Common Control

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts.

### X. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability

with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognised as expense in the periods in which they are incurred.

#### Group as a lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

#### Lease Liability

The lease payments that are not paid at the commencement date, are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- ♦ Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;

- ♦ Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- ♦ The amount expected to be payable by the lessee under residual value guarantees;
- ♦ The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- ♦ Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- ♦ The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- ♦ A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

#### Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

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ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The ROU assets are presented as a separate line in the Balance Sheet and details of assets are given ROU note under "Notes forming part of the Financial Statement".

The Group applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

### Y. Earnings per share

Basic earnings per equity share is computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

### New and Amended Standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2023 dated March 23, 2023, to amend the following Ind AS :

(i) Definition of Accounting Estimates - Amendments to Ind AS

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments has no impact on the Company's standalone financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12 The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at April 01, 2023. Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

### 3 Property, Plant and Equipment (PPE)

Particulars	Building (note a)	Leasehold improvements	Plant and machinery	Office equipments	Furniture and fittings	Computers	Vehicles	Payment devices	Total	Capital work in progress	Grand total
<b>Cost or Valuation:</b>											
<b>As at 1st April, 2023</b>	2,514.34	272.43	406.84	292.79	311.27	4,781.59	199.96	4,063.65	12,842.87	-	12,842.87
Additions for the year	-	-	-	-	-	306.91	40.00	-	346.91	-	346.91
Sales	(211.71)	-	-	-	-	(131.93)	-	-	(343.64)	-	(343.64)
Disposals	-	(38.26)	-	(44.20)	(2.13)	(1,141.63)	(54.73)	-	(1,280.95)	-	(1,280.95)
Written off	-	-	-	-	-	(2.02)	-	-	(2.02)	-	(2.02)
Exchange differences	-	-	-	(0.04)	(0.02)	(6.08)	(0.01)	-	(6.15)	-	(6.15)
Discontinuing operations (refer note 43)	-	-	-	-	-	(152.81)	(99.43)	(4,063.65)	(4,315.89)	-	(4,315.89)
<b>At 31st March, 2024</b>	<b>2,302.63</b>	<b>234.17</b>	<b>406.84</b>	<b>248.55</b>	<b>309.12</b>	<b>3,654.03</b>	<b>85.79</b>	<b>-</b>	<b>7,241.13</b>	<b>-</b>	<b>7,241.13</b>
<b>As at 1st April, 2022</b>	2,514.34	272.43	406.84	285.96	311.37	4,749.73	200.09	2,837.23	11,577.99	363.18	11,941.17
Additions for the year	-	-	-	7.35	0.74	38.89	-	1,142.49	1,189.47	779.31	1,968.78
Disposals	-	-	-	-	-	(20.71)	-	-	(20.71)	(1,142.49)	(1,163.20)
Adjustment	-	-	-	-	-	(83.93)	-	83.93	-	-	-
Exchange differences	-	-	-	(0.52)	(0.84)	97.61	(0.13)	-	96.12	-	96.12
<b>At 31st March, 2023</b>	<b>2,514.34</b>	<b>272.43</b>	<b>406.84</b>	<b>292.79</b>	<b>311.27</b>	<b>4,781.59</b>	<b>199.96</b>	<b>4,063.65</b>	<b>12,842.87</b>	<b>-</b>	<b>12,842.87</b>
<b>Accumulated depreciation:</b>											
<b>As at 1st April, 2023</b>	1,956.44	266.78	300.73	277.09	308.52	4,530.40	162.08	4,063.65	11,865.69	-	11,865.69
Depreciation for the year	23.94	0.31	33.48	6.08	0.67	164.11	10.76	-	239.35	-	239.35
Sales	(70.83)	(33.22)	-	(41.00)	(1.93)	(1,107.10)	(54.73)	-	(1,237.98)	-	(1,237.98)
Disposals	-	-	-	-	-	(2.02)	-	-	(2.02)	-	(2.02)
Written off	-	-	-	(0.61)	1.05	(8.09)	(0.01)	-	(7.66)	-	(7.66)
Exchange differences	-	-	-	-	-	(84.61)	(73.21)	(4,063.65)	(4,221.47)	-	(4,221.47)
Discontinuing operations (refer note 43)	-	-	-	-	-	-	-	-	-	-	-
<b>At 31st March, 2024</b>	<b>1,909.55</b>	<b>233.87</b>	<b>334.21</b>	<b>241.56</b>	<b>308.31</b>	<b>3,382.38</b>	<b>44.89</b>	<b>-</b>	<b>6,454.77</b>	<b>-</b>	<b>6,454.77</b>
<b>As at 1st April, 2022</b>	1,920.21	266.42	273.50	270.32	308.45	4,185.31	147.03	1,784.08	9,155.32	-	9,155.32
Depreciation for the year	30.28	0.66	33.48	6.70	1.38	286.92	16.00	1,461.51	1,836.93	-	1,836.93
Written off - exceptional item	-	-	-	-	-	-	-	797.05	797.05	-	797.05
Disposals	-	-	-	-	-	(20.71)	-	-	(20.71)	-	(20.71)
Adjustments	5.95	(0.30)	(6.25)	0.60	(0.89)	(19.32)	(0.81)	21.01	(0.01)	-	(0.01)
Exchange differences	-	-	-	(0.53)	(0.42)	98.20	(0.14)	-	97.11	-	97.11
<b>At 31st March, 2023</b>	<b>1,956.44</b>	<b>266.78</b>	<b>300.73</b>	<b>277.09</b>	<b>308.52</b>	<b>4,530.40</b>	<b>162.08</b>	<b>4,063.65</b>	<b>11,865.69</b>	<b>-</b>	<b>11,865.69</b>
<b>Net book value:</b>											
<b>At 31st March, 2024</b>	<b>393.08</b>	<b>0.30</b>	<b>72.63</b>	<b>6.99</b>	<b>0.81</b>	<b>271.65</b>	<b>40.90</b>	<b>-</b>	<b>786.36</b>	<b>-</b>	<b>786.36</b>
<b>At 31st March, 2023</b>	<b>557.90</b>	<b>5.65</b>	<b>106.11</b>	<b>15.70</b>	<b>2.75</b>	<b>251.19</b>	<b>37.88</b>	<b>-</b>	<b>977.18</b>	<b>-</b>	<b>977.18</b>

## Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

### Notes:

- During the year the parent company has sold its property (both land and Building) in Dehradun, resulting in a gain of ₹ 160.56 lakhs which has been recorded in other income under continuing operations.
- Depreciation for the year includes depreciation on Property plant and equipment, pertaining to discontinuing operation of ₹ 49.05 lakhs (31<sup>st</sup> March, 2023: ₹ Nil)
- Immediately before the classification of digital technology business as a discontinuing operation, the recoverable amount was estimated for certain items of property, plant and equipment. Following the classification, a write-down of ₹ 65.39 lakhs was recognised as loss on discard of PPE pertaining to assets discarded during the current financial year. This was recognised as loss on discard of PPE in discontinuing operations in the statement of profit and loss.
- Additions/deletions to PPE and depreciation on PPE and/or disposals for the current year have been presented for both continuing and discontinuing operations.

### 4 Investment properties:

Particulars	Freehold land	Leasehold land	Buildings	Office equipments	Furniture and Fittings	Total
<b>Gross block:</b>						
At 31 <sup>st</sup> March, 2024	8.00	264.63	1,733.05	79.35	12.16	2,097.19
At 31 <sup>st</sup> March, 2023	8.00	264.63	1,733.05	79.35	12.16	2,097.19
At 1 <sup>st</sup> March, 2022	8.00	264.63	1,733.05	79.35	12.16	2,097.19
<b>Accumulated depreciation:</b>						
At 1 <sup>st</sup> April, 2023	-	189.57	523.55	79.35	12.16	804.63
Depreciation for the year	-	24.02	75.74	-	-	99.76
Adjustment	-	-	0.02	-	-	0.02
<b>At 31<sup>st</sup> March, 2024</b>	<b>-</b>	<b>213.59</b>	<b>599.31</b>	<b>79.35</b>	<b>12.16</b>	<b>904.41</b>
At 1 <sup>st</sup> April, 2022	-	167.14	458.27	79.35	11.75	716.51
Depreciation for the year	-	22.43	65.26	-	0.42	88.11
Adjustment	-	-	0.02	-	(0.01)	0.01
<b>At 31<sup>st</sup> March, 2023</b>	<b>-</b>	<b>189.57</b>	<b>523.55</b>	<b>79.35</b>	<b>12.16</b>	<b>804.63</b>
<b>Net book value:</b>						
At 31 <sup>st</sup> March, 2024	8.00	51.04	1,133.74	-	-	1,192.78
At 31 <sup>st</sup> March, 2023	8.00	75.06	1,209.50	-	-	1,292.56

On transition to Ind AS (i.e. 1<sup>st</sup> April, 2015), the Group has elected to continue with the carrying value of all investment properties measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

### Notes:

#### 1. Information regarding income and expenditure of investment properties

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Rental income derived from investment properties	79.43	89.42
Less: direct operating expenses	35.97	39.23
<b>Profit arising from investment properties before depreciation and indirect expenses</b>	<b>43.46</b>	<b>50.19</b>
Less - depreciation	99.76	88.11
<b>Profit (loss) arising from investment properties before indirect expenses</b>	<b>(56.30)</b>	<b>(37.92)</b>

- The Group investment properties as on 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 consist of two office property situated at Kolkata and Mumbai (Jogeshwari) and one factory land and building situated at Rampur in India. The management has determined the classification of investment properties based on nature, characteristics and risks of each property.
- The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties.

- The Group has one vacant office building at Kolkata which it holds for rental purpose. The building is vacant from 17<sup>th</sup> March, 2024 on account of termination of agreement with the tenant. The Group is expected to rent out again. Hence, the property is still treated as Investment Property.

#### 5. Measurement of fair value

The fair value of investment properties situated at Mumbai and Kolkata has been determined on 23<sup>rd</sup> March, 2024 by external independent registered valuer defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The Group has considered fair value of balance investment properties determined on 2<sup>nd</sup> May, 2024 by external independent registered valuer. In the Opinion of management, there is no material change in the fair value of investment property since then.

The fair value measurement for investment properties has been categorised as a level 3 fair value based on inputs to valuation techniques used (refer note 4 (7)). Fair value hierarchy disclosures have been given in note 44.

#### 6. Fair value of investment properties

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Fair Value of Investment Properties	3,667.00	4,413.00

#### 7. Description of valuation techniques used and key inputs to valuation on investment properties:

Investment properties	Valuation technique	Significant unobservable inputs
Office properties		
- Kolkata	Market Approach	Reference pricing
- Rampur	Market Approach	Reference pricing
- Mumbai (Jogeshwari)	Market Approach	Reference pricing

The market approach uses prices and other relevant information generated by market transactions involving identical or complete assets. valuation techniques consistent with the market approach often use market multiples derived from a set of comparable. Multiples might be in ranges with a different multiple for each comparable. The selection of the appropriate multiple within range requires judgement, considering qualitative and quantitative factors specific to the measurement.

### 5 Other intangible assets and goodwill

Particulars	Other intangible assets						Grand total
	Goodwill (refer note 5 below)	Intellectual property rights	Computer software's	In-house developed Software	Total	Intangible asset under development	
<b>Cost or Valuation</b>							
<b>At 1<sup>st</sup> April, 2023</b>	5,366.47	1,065.13	1,996.98	1,493.39	4,555.50	226.58	10,148.55
Additions for the year	-	-	0.16	-	0.16	650.39	650.55
Disposals	-	(4.44)	(768.49)	-	(772.93)	-	(772.93)
Capitalised during the year	-	-	-	239.54	239.54	(239.54)	-
Written off	-	-	(117.50)	(192.00)	(309.50)	-	(309.50)
Exchange differences	-	-	(0.33)	-	(0.33)	-	(0.33)
Discontinuing operations (refer note 43)	(654.25)	(1,060.69)	(545.74)	(141.30)	(1,747.73)	-	(2,401.98)
<b>At 31<sup>st</sup> March, 2024</b>	<b>4,712.22</b>	<b>-</b>	<b>565.08</b>	<b>1,399.63</b>	<b>1,964.71</b>	<b>637.43</b>	<b>7,314.36</b>
<b>At 1<sup>st</sup> April, 2022</b>	5,302.45	1,065.13	1,900.21	1,493.39	4,458.73	11.85	9,773.03
Additions for the year	-	-	225.89	-	225.89	452.45	678.34
Disposals	-	-	(125.12)	-	(125.12)	(237.72)	(362.84)
Exchange differences	64.02	-	(4.00)	-	(4.00)	-	60.02
<b>At 31<sup>st</sup> March, 2023</b>	<b>5,366.47</b>	<b>1,065.13</b>	<b>1,996.98</b>	<b>1,493.39</b>	<b>4,555.50</b>	<b>226.58</b>	<b>10,148.55</b>



## Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Other intangible assets					Intangible asset under development	Grand total
	Goodwill (refer note 5 below)	Intellectual property rights	Computer software's	In-house developed Software	Total		
<b>Amortisation and impairment</b>							
<b>At 1<sup>st</sup> April, 2023</b>	136.29	699.53	1,712.79	1,493.39	3,905.71	-	4,042.00
Amortisation for the year	-	362.75	177.38	239.56	779.69	-	779.69
Impairment	517.96	-	-	-	-	-	517.96
Disposals	-	(1.59)	(765.74)	-	(767.33)	-	(767.33)
Written off	-	-	(117.50)	(192.00)	(309.50)	-	(309.50)
Exchange differences	-	-	2.43	-	2.43	-	2.43
Discontinuing operations (refer note 43)	(654.25)	(1,060.69)	(545.74)	(141.32)	(1,747.75)	-	(2,402.00)
<b>At 31<sup>st</sup> March, 2024</b>	-	-	<b>463.62</b>	<b>1,399.63</b>	<b>1,863.25</b>	-	<b>1,863.25</b>
<b>At 1<sup>st</sup> April, 2022</b>	122.95	625.24	1,698.51	1,104.49	3,428.24	-	3,551.19
Amortisation for the year	-	110.26	79.08	415.64	604.98	-	604.98
Disposals	-	-	(125.12)	-	(125.12)	-	(125.12)
Adjustment	-	(35.97)	62.71	(26.74)	-	-	-
Exchange differences	13.34	-	(2.39)	-	(2.39)	-	10.95
<b>At 31<sup>st</sup> March, 2023</b>	136.29	699.53	1,712.79	1,493.39	3,905.71	-	4,042.00
<b>Net book value:</b>							
<b>At 31<sup>st</sup> March, 2024</b>	<b>4,712.22</b>	-	<b>101.46</b>	-	<b>101.46</b>	<b>637.43</b>	<b>5,451.11</b>
<b>At 31<sup>st</sup> March, 2023</b>	<b>5,230.18</b>	<b>365.60</b>	<b>284.19</b>	-	<b>649.79</b>	<b>226.58</b>	<b>6,106.55</b>

### Aging schedule of Intangible assets under development

As on 31<sup>st</sup> March, 2024

Intangible assets under development	Intangible assets under development				Total
	< 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	607.54	29.89	-	-	637.43
Projects temporarily suspended	-	-	-	-	-

As on 31<sup>st</sup> March, 2023

Intangible assets under development	Intangible assets under development				Total
	< 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	226.58	-	-	-	226.58
Projects temporarily suspended	-	-	-	-	-

### Notes:

- There were no temporarily suspended projects and/or no time overrun and/or cost overrun for the intangible assets under development as at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023.
- During the current year, the parent company has fully amortised the written down value of Intellectual Property Rights by way of accelerated amortisation in discontinuing operations.
- During the year, the subsidiary company has capitalised an amount of ₹ 239.54 lakhs and have fully amortised basis the closure of old – Spice Pay Platform and amortised fully the written down value of some software's of ₹ 66.29 lakhs in the current financial year by way of accelerated amortisation.
- Depreciation for the year includes depreciation on Property plant and equipment, pertaining to discontinuing operation of ₹ 365.45 lakhs (31<sup>st</sup> March, 2023 : ₹ Nil)

- Goodwill on consolidation appearing in the financial statements denotes the goodwill in respect of subsidiaries acquired by the Group in the earlier years:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>On consolidation:</b>		
<b>Kimaan Exports Private Limited</b>	4,710.75	4,710.75
<b>E-Arth Travel Solution Private Limited</b>	1.47	1.47
<b>Spice VAS Kenya Limited</b>	515.37	515.37
Less: Provision for impairment	(515.37)	-
<b>Spice VAS Tanzania Limited</b>	136.29	136.29
Less: Provision for impairment	(136.29)	(136.29)
<b>S Mobility Pte. Ltd.</b>	2.20	2.20
Less: Provision for impairment	(2.20)	-
<b>Fast Track IT Solutions Limited</b>	0.39	0.39
Less: Provision for impairment	(0.39)	-
<b>Total</b>	<b>4,712.22</b>	<b>5,230.18</b>

### Impairment assessment:

The Group has tested Goodwill for impairment using the cash flow projections, which are based on most recent financial budgets/forecasts approved by the management. The cash flow projections for impairment testing of Goodwill related to Kimaan Exports Private Limited ("Kimaan") are based on the fair value of land and building owned by Kimaan as shown below, which is substantially higher than its carrying value of Goodwill. Therefore, no impairment loss has been recognised for the goodwill as of reporting date.

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Fair Value of Land and Building owned by Kimaan	6,900.00	7,600.00

### 5A. Leases

#### Group as a lessee

The Group has a lease contract for a building used in its operations. Lease of building has a lease term of 3 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased asset. The Group also has certain leases with lease terms of 12 months or less and with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right of use assets recognised and the movements during the year:

Particulars	Leasehold land	Right of use assets (other than leasehold land)	Total
<b>Cost or Valuation</b>			
<b>As at 1<sup>st</sup> April, 2023</b>	412.21	299.11	711.32
Additions	-	30.98	30.98
Disposals	(133.16)	(299.11)	(432.27)
<b>At 31<sup>st</sup> March, 2024</b>	<b>279.05</b>	<b>30.98</b>	<b>310.03</b>
<b>As at 1<sup>st</sup> April, 2022</b>	412.21	287.61	699.82
Exchange differences	-	11.50	11.50
<b>At 31<sup>st</sup> March, 2023</b>	<b>412.21</b>	<b>299.11</b>	<b>711.32</b>
<b>Accumulated depreciation</b>			
<b>As at 1<sup>st</sup> April, 2023</b>	50.63	299.11	349.74
Depreciation for the year	4.99	3.34	8.33
Disposals	(24.70)	(299.11)	(323.81)
<b>At 31<sup>st</sup> March, 2024</b>	<b>30.92</b>	<b>3.34</b>	<b>34.26</b>

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As at and for the year ended March 31, 2024  
(₹ in Lakhs unless otherwise stated)

Particulars	Leasehold land	Right of use assets (other than leasehold land)	Total
<b>As at 1<sup>st</sup> April, 2022</b>	42.93	281.74	324.67
Depreciation for the year	7.69	6.17	13.86
Exchange differences	0.01	11.20	11.21
<b>At 31<sup>st</sup> March, 2023</b>	50.63	299.11	349.74
<b>Net Book Value</b>			
<b>At 31<sup>st</sup> March, 2024</b>	248.13	27.64	275.77
<b>At 31<sup>st</sup> March, 2023</b>	361.58	-	361.59

### Note:

- a. The parent company has sold its property (both Land and Building) in Dehradun during the year. Please refer Note 3a for details.

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Opening balance</b>	-	-
Additions	30.42	-
Accretion of interest	0.87	-
Payments	(3.61)	-
<b>Closing balance</b>	27.68	-
<b>Current</b>	10.20	-
<b>Non-current</b>	17.48	-

The maturity analysis of lease liabilities is disclosed in Note 45.

The effective interest rate for lease liabilities is 9.51% and 9.55%.

The following are the amounts recognised in the statement of profit and loss:

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Depreciation expense of right-of-use assets (note 31)	8.33	13.86
Interest expense on lease liabilities (note 30)	0.87	-
<b>Total amount recognised in the statement of profit and loss</b>	9.20	13.86

### Notes:

- a. Depreciation expense includes depreciation on right of use assets, pertaining to discontinued operations of ₹ Nil lakhs (31<sup>st</sup> March, 2023 : ₹ 6.17 lakhs)
- b. The Company had total cash outflows for leases of ₹ 420.61 lakhs in 31<sup>st</sup> March, 2024 (31<sup>st</sup> March, 2023 : ₹ 496.04 lakhs).

## 6 Investment in associates and a joint venture

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(Carrying amount determined using the equity method of accounting)		
<b>Unquoted:</b>		
<b>Creative Functionapps Lab Private Limited</b>		
<b>3,514 (31<sup>st</sup> March, 2023 : 3,514) equity shares of ₹ 10 each</b>		
Opening balance	40.61	39.31
Add: Share of profit during the year	0.62	1.30
<b>Closing balance</b>	41.23	40.61
Less: Provision for impairment (refer note 33)	(41.23)	-
<b>Net balance (a)</b>	-	40.61

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Sunstone Learning Private Limited</b>		
<b>95,058 (31<sup>st</sup> March, 2023 : 95,058) equity share of ₹ 1 each</b>		
Opening balance	782.09	782.09
Add: Share of profit during the year	-	-
<b>Closing balance</b>	782.09	782.09
Less: Provision for impairment	(782.09)	(782.09)
<b>Net balance (b)</b>	-	-
Discontinuing operations (refer note 43)	-	-
<b>Total (a+b)</b>	-	40.61

### Note:

As of reporting date, the audited financial statements of both these associates were not available and hence, summarised financial information of these associates are not disclosed in financial statements and, these associates were not material to the Group.

## 7 Investments

Particulars	Non-current		Current	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Financial instrument carried at fair value through profit and loss</b>				
<b>Investment in equity instruments</b>				
<b>Unquoted:</b>				
<b>S Mobile Devices Private Limited, India</b>				
50,000 (31 <sup>st</sup> March, 2023 : 50,000) equity shares of ₹ 10 each fully paid up	5.00	5.00	-	-
<b>DigiAsia Bios Pte. Ltd., Singapore (refer note a below)</b>				
555 (31 <sup>st</sup> March, 2023 : 550) equity shares of fully paid up	3,814.00	-	-	-
<b>Investment in cumulative compulsorily convertible bonds</b>				
<b>Unquoted:</b>				
<b>Investment in PT Jasa Digital Nusantara</b>				
USD 2,00,000 (31 <sup>st</sup> March, 2023 : USD 2,00,000) convertible bonds (refer note b below)	-	-	-	-
	3,819.00	5.00	-	-
<b>Aggregate amount of unquoted investments</b>	3,819.00	5.00	-	-
<b>Aggregate amount of impairment in value of investments</b>	-	0.50	-	-

### Note:

- a. The Company had invested SGD 2,577,666 (IDR 27 billion) in unquoted bonds in a tech-startup PT SolusiPasti Indonesia (the "investee company"). In 2021, the bonds were swapped by the investee company for 550 unquoted shares of DigiAsia Bios Pte. Ltd., incorporated in Singapore, a related party of investee company. Due to inordinate delay and business uncertainties in the investee company, Management has provided for fair value loss on this investment in 2019. However, during the current year, S Global Services Pte Limited ("SGS"), the subsidiary of the parent company has invested an additional amount of ₹ 34.36 lakhs via right issue in DigiAsia Bios Pte Ltd, the fair value of which is determined based on the right issue price, since no other basis is practically available. The original investment of ₹ 1,711.68 lakhs was earlier being carried at nil fair value and accordingly, a gain of ₹ 3,779.64 lakhs has been recorded in SGS books of account. Accordingly, the Investment in SGS has been restated to ₹ 4,633.25 lakhs from ₹ 853.61 lakhs resulting into a gain of ₹ 3,779.64 lakhs which has been adjusted from provision for impairment.
- b. The Company had invested SGD 2,82,428 (USD 2,00,000) in unquoted bonds of PT Jasa Digital Nusantara (the "investee company"). Due to inordinate delay and business uncertainties in the investee company, Management has provided 100% for fair value loss on this investment in 2019.

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### 8 Loans

Particulars	Non-current		Current	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>At amortised cost:</b>				
<b>Unsecured, considered good</b>				
Loans to employees	7.94	0.65	1.80	1.97
Loan to others	-	148.16	148.16	-
	<b>7.94</b>	<b>148.81</b>	<b>149.96</b>	<b>1.97</b>
<b>Unsecured, credit impaired</b>				
Advances recoverable in cash or kind	-	-	4.92	4.92
	-	-	<b>4.92</b>	<b>4.92</b>
<b>Allowances for loss</b>				
Advances recoverable in cash or kind	-	-	4.92	4.92
	-	-	<b>4.92</b>	<b>4.92</b>
	<b>7.94</b>	<b>148.81</b>	<b>149.96</b>	<b>1.97</b>

### 9 Others financial assets

Particulars	Non-current		Current	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Interest accrued on fixed deposits	-	-	400.49	346.26
Interest accrued on income tax refund	-	-	25.98	247.99
Security deposits	267.06	293.33	2.43	84.53
Fixed deposits with remaining maturity of more than 12 months (refer note 12)	4,174.69	4,116.88	-	-
Receivable on settlement of service transactions	-	-	831.11	1,225.79
<b>Other receivables</b>				
- from related parties (refer note 39)	-	-	12.53	25.69
- from employees	-	-	49.74	-
- others	-	-	37.91	12.70
	<b>4,441.75</b>	<b>4,410.21</b>	<b>1,360.19</b>	<b>1,942.96</b>
<b>Unsecured, credit impaired</b>				
Unbilled receivables	-	-	-	3,154.93
5 (31 <sup>st</sup> March, 2023: 5) National Saving Certificates of ₹ 10,000 each (Purchased in the name of an employee of the Group and pledged with sales tax department)	-	0.50	-	-
Security deposits	-	-	61.73	23.32
Other receivables	-	-	1.90	22.58
	-	<b>0.50</b>	<b>63.63</b>	<b>3,200.83</b>
<b>Less: impairment allowances:</b>				
Unbilled receivables	-	-	-	3,154.93
5 (31 <sup>st</sup> March, 2023: 5) National Saving Certificates of ₹ 10,000 each (Purchased in the name of an employee of the Group and pledged with sales tax department)"	-	0.50	-	-
Security deposits	-	-	61.73	23.32
Other receivables	-	-	1.90	22.58
	-	<b>0.50</b>	<b>63.63</b>	<b>3,200.83</b>
	<b>4,441.75</b>	<b>4,410.21</b>	<b>1,360.19</b>	<b>1,942.96</b>
Discontinuing operations (refer note 43)	-	-	(0.10)	-
<b>Total</b>	<b>4,441.75</b>	<b>4,410.21</b>	<b>1,360.09</b>	<b>1,942.96</b>

### 10 Trade receivables

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Trade receivables	1,023.19	1,458.03
Unbilled revenue	1,630.04	1,935.77
	<b>2,653.23</b>	<b>3,393.80</b>
<b>Trade receivables:</b>		
Secured, considered good	-	-
Unsecured, considered good	2,653.23	3,393.80
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- credit impaired	2,811.64	3,067.85
	<b>5,464.87</b>	<b>6,461.65</b>
<b>Impairment allowance (allowance for bad and doubtful debts)</b>		
Trade receivables- credit impaired	(2,811.64)	(3,067.85)
<b>Total trade receivables</b>	<b>2,653.23</b>	<b>3,393.80</b>
Discontinuing operations (refer note 43)	(494.38)	-
<b>Total</b>	<b>2,158.85</b>	<b>3,393.80</b>

#### Trade receivable ageing schedule

##### As at 31<sup>st</sup> March, 2024 (continuing operations)

Category	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 months	6 months- 1 Year	1- 2 years	2- 3 years	More than 3 years	
<b>Undisputed</b>								
- Considered good	1,511.75	175.11	349.81	122.18	-	-	-	2,158.85
- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	2.97	-	-	2.97
<b>Disputed</b>								
- Considered good	-	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,511.75</b>	<b>175.11</b>	<b>349.81</b>	<b>122.18</b>	<b>2.97</b>	<b>-</b>	<b>-</b>	<b>2,161.82</b>

##### As at 31<sup>st</sup> March, 2024 (discontinuing operations)

Category	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 months	6 months- 1 Year	1- 2 years	2- 3 years	More than 3 years	
<b>Undisputed</b>								
- Considered good	118.29	112.49	198.24	65.36	-	-	-	494.38
- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	110.89	185.09	134.71	2,377.99	2,808.67
<b>Disputed</b>								
- Considered good	-	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>118.29</b>	<b>112.49</b>	<b>198.24</b>	<b>176.25</b>	<b>185.09</b>	<b>134.71</b>	<b>2,377.99</b>	<b>3,303.05</b>



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### As at 31<sup>st</sup> March, 2023

Category	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 months	6 months-1 Year	1- 2 years	2- 3 years	More than 3 years	
<b>Undisputed</b>								
- Considered good	1,935.77	709.42	546.71	60.87	71.53	44.33	25.17	3,393.80
- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	0.06	59.38	195.70	164.10	529.65	2,118.96	3,067.85
<b>Disputed</b>								
- Considered good	-	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,935.77</b>	<b>709.48</b>	<b>606.09</b>	<b>256.57</b>	<b>235.63</b>	<b>573.98</b>	<b>2,144.13</b>	<b>6,461.65</b>

For terms and conditions relating to related party receivables, refer note 39.

Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days and payments are received in cash.

### 11 Cash and cash equivalents

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Balance with banks:</b>		
On current accounts <sup>#</sup>	13,047.57	13,302.22
Cheques, drafts on hand	48.87	6.79
Cash on hand	1.14	6.61
Deposit with original maturity of less than three months	99.89	730.47
	<b>13,197.47</b>	<b>14,046.09</b>
Discontinuing operations (refer note 43)	(1,008.39)	-
<b>Total</b>	<b>12,189.08</b>	<b>14,046.09</b>

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

<sup>#</sup> The amount in current account includes balances in escrow accounts of ₹ 125.31 lakhs (31<sup>st</sup> March, 2023: ₹ 131.41 lakhs)

Amount of ₹ 274.51 lakhs (31<sup>st</sup> March, 2023: ₹ 246.20 lakhs) has been lien marked by banks against fraudulent transactions.

Balance with banks on current account does not earn interest. Short-term deposits are made for varying periods of between one day and three months, more than 3 months and in some cases more than 12 months (which have been classified as Non-current assets under note no 9) also, depending on the immediate cash requirements of the group, and earn interest at the respective short-term deposit rates.

### 12 Bank balances other than above

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Unclaimed dividend accounts- Earmarked balances	3.63	3.64
Deposits with remaining maturity of less than 12 months*	25,315.49	24,264.53
Deposits with remaining maturity of more than twelve months*	4,174.69	4,116.88
<b>Sub-total*</b>	<b>29,493.81</b>	<b>28,385.05</b>
Amount disclosed under other non-current financial assets (refer note 9)	(4,174.69)	(4,116.88)
	<b>25,319.12</b>	<b>24,268.17</b>

Deposit with banks earns interest at fixed rates based on bank deposit rates for the tenor of deposit at the time of placing the deposit.

\* Includes deposits of ₹ 13,701.76 lakhs (31<sup>st</sup> March, 2023: ₹ 13,770.99 lakhs) lien marked against overdraft facilities taken from banks against fixed deposits,

Deposits of ₹ 3,562.37 lakhs (31<sup>st</sup> March, 2023: ₹ 2,358.03 lakhs) lien marked against settlement of BBPS transactions,

Deposits of ₹ 241.26 lakhs (31<sup>st</sup> March, 2023: ₹ 227.32 lakhs) lien marked against pre paid instrument business,

Deposits of ₹ 1,249.76 lakhs (31<sup>st</sup> March, 2023: 1,198.15 lakhs) pledged against issue of bank guarantees,

Deposits of ₹ 30.17 lakhs (31<sup>st</sup> March, 2023: ₹ 42.81 lakhs) lien marked against issue of corporate credit card.

### 13 Tax assets (net)

Particulars	Non-current		Current	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Advance income-tax (net of provision for taxation)	1,500.31	5,463.85	1,519.89	1,014.12
	<b>1,500.31</b>	<b>5,463.85</b>	<b>1,519.89</b>	<b>1,014.12</b>
Discontinuing operations (note 43)	-	-	(563.27)	-
<b>Total</b>	<b>1,500.31</b>	<b>5,463.85</b>	<b>956.62</b>	<b>1,014.12</b>

### 14 Other assets

Particulars	Non-current		Current	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>At amortised cost:</b>				
<b>Unsecured, considered good</b>				
Prepaid expenses	13.35	-	426.64	610.31
Balances with statutory and government authorities	-	-	778.66	672.17
Advances to employees	-	-	22.28	-
Advance to suppliers and service providers	5.55	4.58	1,131.62	2,686.72
	<b>18.90</b>	<b>4.58</b>	<b>2,359.20</b>	<b>3,969.20</b>
<b>Unsecured, considered doubtful</b>				
Advances receivable in cash or kind	-	123.92	196.94	178.32
Balances with statutory and government authorities	-	-	18.20	20.70
<b>Allowances for bad and doubtful</b>				
Advances receivable in cash or kind	-	-	196.94	178.32
Balances with statutory and government authorities	-	-	18.20	20.70
	<b>18.90</b>	<b>128.50</b>	<b>2,359.20</b>	<b>3,969.20</b>
Discontinuing operations (note 43)	-	-	(126.20)	-
	<b>18.90</b>	<b>128.50</b>	<b>2,233.00</b>	<b>3,969.20</b>

### 15 Inventories (valued at lower of cost and net realisable value)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Stock in trade	210.17	474.62
	<b>210.17</b>	<b>474.62</b>

The cost of inventories recognised as an expense includes ₹ 0.77 lakhs (for the year ended 31<sup>st</sup> March, 2023 - ₹ 20.75 Lakhs) in respect of write-downs of inventory to net realisable value.

Inventory includes stock in transit ₹ 18.75 lakhs (as on 31<sup>st</sup> March, 2023: Nil).

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### 16 Deferred tax

#### Recognised deferred tax assets and liabilities

##### A. Deferred tax assets and liabilities are attributable to the following:

Particulars	Deferred tax assets		Deferred tax/(liabilities)		Net deferred tax asset	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Property, plant and equipments and intangible assets	334.56	618.40	-	(19.43)	334.56	598.96
Provisions for loss allowance	455.04	477.57	-	-	455.04	477.57
Provisions-employee benefits	261.68	415.50	-	-	261.68	415.50
Business losses including unabsorbed depreciation*	1,155.93	781.53	-	-	1,155.93	781.53
Other items	21.15	27.81	-	(4.09)	21.15	23.72
<b>Deferred tax assets/(liabilities)</b>	<b>2,228.36</b>	<b>2,320.81</b>	<b>-</b>	<b>(23.52)</b>	<b>2,228.36</b>	<b>2,297.28</b>
MAT credit receivable	67.25	84.56	-	-	67.25	84.56
Less: impairment allowance on deferred tax assets due to uncertainty of future taxable profits	(1,712.13)	-	-	-	(1,712.13)	-
<b>Net deferred tax assets/(liabilities)</b>	<b>583.48</b>	<b>2,405.37</b>	<b>-</b>	<b>(23.52)</b>	<b>583.48</b>	<b>2,381.84</b>

\*Inclusive of difference in income tax value and value as per books of property, plant and equipment's, right of use assets and intangible assets which is subject to reconciliation.

##### B. Movement in temporary differences

Particulars	As at 31 <sup>st</sup> March, 2022	Recognised in profit or loss during 2022-23	Recognised in OCI during 2022-23	Recognised directly in equity during 2022-23	As at 31 <sup>st</sup> March, 2023	Recognised in profit or loss during 2023-24	Recognised in OCI during 2023-24	Recognised directly in equity during 2023-24	As at 31 <sup>st</sup> March, 2024
	(A)	(B)	(C)	(D)	(E=A-B+C+D)	(F)	(G)	(H)	(I=E-F+G+H)
Property, plant and equipments and intangible assets	(46.90)	645.86	-	-	598.96	(264.40)	-	-	334.56
Provisions for loss allowance	556.85	(79.28)	-	-	477.57	(471.55)	-	-	6.02
Provisions-employee benefits	388.71	4.96	21.83	-	415.50	(172.02)	(17.49)	(4.70)	221.29
Business Losses including unabsorbed depreciation	914.56	(133.03)	-	-	781.53	(781.07)	-	-	0.46
Other items	101.40	(77.68)	-	-	23.72	(2.57)	-	-	21.15
MAT credit receivables	586.26	(501.70)	-	-	84.56	(84.56)	-	-	-
Exchange difference on translation	-	1.09	-	-	-	0.10	-	-	-
	<b>2,500.88</b>	<b>(139.78)</b>	<b>21.83</b>	<b>-</b>	<b>2,381.84</b>	<b>(1,776.07)</b>	<b>(17.49)</b>	<b>(4.70)</b>	<b>583.48</b>

#### Reflected in the balance sheet as follows:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Deferred tax assets	583.48	2,405.37
Deferred tax liabilities	-	(23.52)
<b>Deferred tax assets (net)</b>	<b>583.48</b>	<b>2,381.84</b>

#### Reflected in the statement of profit and loss and statement of comprehensive income as follows:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Tax income/(expense) during the year related to continuing operations	(434.86)	160.23
Tax income/(expense) during the year related to discontinuing operations	(1,341.21)	(300.00)
Deferred tax impact OCI	(17.49)	21.83
<b>Amount reflected in statement of profit and loss</b>	<b>(1,793.56)</b>	<b>(117.94)</b>
Directly debited to other equity	(4.70)	-
	<b>(1,798.26)</b>	<b>(117.94)</b>

- The Group offsets deferred tax assets and deferred tax liabilities if and only if it relate to income taxes levied by the same tax authority.

### 17. Equity share capital

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Authorised</b>		
413,500,000 (31 <sup>st</sup> March, 2023: 413,500,000) equity shares of ₹ 3 each	12,405.00	12,405.00
<b>Issued, subscribed and fully paid-up</b>		
232,222,850 (31 <sup>st</sup> March, 2023: 231,541,406) equity shares of ₹ 3 each	6,966.69	6,946.24
<b>Pursuant to the Scheme of Amalgamation:</b>		
Less: 1,01,55,067 (31 <sup>st</sup> March, 2023 :1,01,55,067) equity shares held by Independent Non-Promoter (Spice Employee Benefit) Trust	(304.66)	(304.66)
Less: 1,59,12,776 (31 <sup>st</sup> March, 2023 :1,59,12,776) equity shares held by Independent Non-Promoter Trust	(477.38)	(477.38)
<b>20,61,55,263 (31<sup>st</sup> March, 2023: 20,54,73,563) equity shares of ₹ 3 each</b>	<b>6,184.65</b>	<b>6,164.20</b>

#### (a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Number of shares	Amount
<b>Outstanding at the beginning of the year as at 1<sup>st</sup> April, 2022</b>	23,09,34,606	6,928.04
Add: Share issued under ESOP Scheme (refer note 42)	6,06,800	18.20
<b>Outstanding at the end of the year as at 31<sup>st</sup> March, 2023</b>	<b>23,15,41,406</b>	<b>6,946.24</b>
Add: Share issued under ESOP Scheme (refer note 42)	6,81,700	20.45
<b>Outstanding at the end of the year as at 31<sup>st</sup> March, 2024</b>	<b>23,22,23,106</b>	<b>6,966.69</b>

#### (b) Terms/ rights attached to equity shares

The Group has single class of equity shares having a par value of ₹ 3 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Group's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the Group. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

In winding up of the Group, the holders of equity shares will be entitled to receive residual assets of the Group, remaining after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (c) Shares held by Holding Company

Out of equity shares issued by the Company, shares held by its holding company are as below:

Name of the shareholder	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Spice Connect Private Limited, Holding Company		
169,447,570 (31 <sup>st</sup> March, 2023: 169,447,570) equity shares of ₹ 3 each fully paid	5,083.43	5,083.43

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### (d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholders	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No of shares	% holding	No of shares	% holding
<b>Equity shares of ₹ 3 each fully paid:</b>				
Spice Connect Private Limited, the Holding Company	16,94,47,570	72.97%	16,94,47,570	73.18%
Mediatek India Technology Private Limited	1,11,89,695	4.82%	1,21,92,670	5.27%
Independent Non Promoter Trust	1,59,12,776	6.85%	1,59,12,776	6.87%

(e) Paid up share capital includes 38,083 equity shares allotted on 14<sup>th</sup> June, 2019 pursuant to Scheme of Arrangement without payment being received in cash. No share has been allotted by way of bonus shares during the period of five years immediately preceding the balance sheet date.

### (f) Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31<sup>st</sup> March, 2024 is as follows:

Name of the shareholder	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023		% Change during the year
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Spice Connect Private Limited, Holding Company	16,94,47,570	72.97	16,94,47,570	73.18	(0.21)
	16,94,47,570	72.97	16,94,47,570	73.18	(0.21)

Disclosure of shareholding of promoters as at 31<sup>st</sup> March, 2023 is as follows:

Name of the shareholder	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022		% Change during the year
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Spice Connect Private Limited, Holding Company	16,94,47,570	73.18	16,94,47,570	73.37	(0.19)
	16,94,47,570	73.18	16,94,47,570	73.37	(0.19)

Note: During the year, paid up share capital has been increased resulting change in percentage of shares held by the holding company, however, there is no change in number of shares held in comparison to previous year.

### (g) Shares reserved for issue under employee stock incentive plans

For details of shares reserved for issue under the employee stock incentive plans of the Company, refer note 42.

## 17A. Other equity

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
a) Securities premium	2,504.03	2,388.27
b) Capital redemption reserve	306.66	306.66
c) General reserve	5,712.74	5,712.74
d) Capital reserve on consolidation	(15.76)	(15.76)
e) Retained earnings	8,957.91	7,483.55
f) Trust shares	161.19	161.19
g) Share based payment reserve	787.54	940.42
h) Capital reserve on scheme of arrangement	(1.28)	(1.28)
i) Other comprehensive income (OCI)	(57.25)	42.53
j) Share application money	-	2.88
	<b>18,355.78</b>	<b>17,021.20</b>

### a) Securities premium

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>2,388.27</b>	<b>2,285.23</b>
Add: premium received on shares issued under ESOP Scheme	69.88	62.20
Add: transfer of Share based reserve on issue of shares under ESOP Scheme	45.88	40.84
<b>Closing balance</b>	<b>2,504.03</b>	<b>2,388.27</b>

### b) Capital redemption reserve

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>306.66</b>	<b>306.66</b>
<b>Closing balance</b>	<b>306.66</b>	<b>306.66</b>

On 19<sup>th</sup> June, 2013, The Company, following the Board of Directors' approval, repurchased 10,222,303 equity shares at ₹ 3 each through a share buyback offer. Consequently, the paid-up Equity Share Capital was reduced accordingly. In compliance with the Companies Act, 1956, an amount of ₹ 306.66 lakhs has been allocated to the Capital Redemption Reserve from General reserve.

### c) General reserve

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>5,712.74</b>	<b>5,712.74</b>
<b>Closing balance</b>	<b>5,712.74</b>	<b>5,712.74</b>

Under the erstwhile Companies Act, 1956, General Reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations.

### d) Capital reserve on consolidation

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>(15.76)</b>	<b>(15.76)</b>
<b>Closing balance</b>	<b>(15.76)</b>	<b>(15.76)</b>

### e) Retained earnings

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>7,483.55</b>	<b>9,535.75</b>
Add: Profit(loss) during the year	1,180.16	(2,163.66)
Non controlling interest	(12.70)	103.65
Add: Other Comprehensive income during the year	105.94	(72.48)
Share of loss brought forward moved to minority from majority	-	77.08
Add: upon cancellation of options granted to employees of subsidiary companies	16.50	-
Add: transfer from share based payment reserve on cancellation of vested options (net of tax) (refer note 42 (1))	184.46	-
Add: loss of control related to subsidiary company strike off during the year	-	3.21
<b>Closing balance</b>	<b>8,957.91</b>	<b>7,483.55</b>

### f) Trust shares

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>161.19</b>	<b>161.19</b>
<b>Closing balance</b>	<b>161.19</b>	<b>161.19</b>

As on 31<sup>st</sup> March, 2024, Independent Non-Promoter (Spice Employee Benefit) Trust ('EBT') holds 1,01,55,067 (31<sup>st</sup> March, 2023: 10,155,067) equity shares of the parent company, for the benefit of the employees of the parent company, its associates and subsidiaries and Independent Non-Promoter Trust ('NPT') holds 1,59,12,776 (31<sup>st</sup> March, 2023: 1,59,12,776) equity shares of the parent company for the benefit of the parent company. These equity shares were transferred to the Trusts pursuant to the Scheme of amalgamation of Spice Televentures Private Limited ('STPL'), the erstwhile holding company, with the parent company, duly approved by High Court, Allahabad, at a value at which these equity shares were held in the books of STPL.



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During the year the parent company has received Nil (31<sup>st</sup> March, 2023 : ₹ Nil), as a beneficiary, from the Independent Non-Promoter Trust including surplus arising from sale of its shares. The surplus fund would be utilised by the parent company as per the terms of the Trust deed of Independent Non-Promoter Trust. Further, the parent company has received ₹ Nil (31<sup>st</sup> March, 2023 : ₹ Nil) against receivables, from the Independent Employee Benefit Trust and includes surplus arising from sale of its shares. The above receipts are shown as part of the Trust Reserve.

Taking a conservative interpretation of "Ind AS 32" face value of shares held by these trusts has been deducted from equity and amount over and above face value has been shown as deduction under the head "Trust shares" separately in other equity.

### g) Share based payment reserve

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>940.42</b>	<b>830.18</b>
Add: expense for the year	141.46	151.08
Less: upon cancellation of options granted to employees of subsidiary companies	(19.32)	-
Less: transfer of Share based reserve on issue of shares under ESOP Scheme	(45.88)	(40.84)
Less: lapsed ESOPs transferred to retained earnings	(229.14)	-
<b>Closing balance</b>	<b>787.54</b>	<b>940.42</b>

### h) Capital reserve on scheme of arrangement

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>(1.28)</b>	<b>(1.28)</b>
<b>Closing balance</b>	<b>(1.28)</b>	<b>(1.28)</b>

Pursuant to a Scheme of Arrangement between the parent company and its subsidiary company namely 'Spice Money Limited and Spice IOT Solutions Limited and Mobisoc Technology Private Limited and Spice Labs Private Limited and their respective shareholders and creditors ("Scheme") under Sections 230-232 and other applicable provisions of the Companies Act, 2013 which was approved by the Hon'ble National Company Law Tribunal, New Delhi, Principal Bench ("NCLT") vide order dated 20<sup>th</sup> May, 2019. Accordingly, the Scheme of Arrangement has been given effect from appointed date 1<sup>st</sup> April, 2017. The assets and liabilities of Digital Technology Services (DTS) Business of Spice Money Limited and the amalgamating companies were transferred to and vested with the parent company with effect from the appointed date viz. 1<sup>st</sup> April, 2017. Accordingly, Capital reserve was created on acquisition of DTS business from a subsidiary company i.e. Spice Money Limited.

### i) Other comprehensive income (OCI)

#### 1. Foreign currency translation reserve

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>42.53</b>	<b>406.78</b>
Add: Addition/(deletion) during the year	(99.78)	(361.69)
Add: Loss of control related to subsidiary company strike off during the year	-	(2.56)
<b>Closing balance</b>	<b>(57.25)</b>	<b>42.53</b>

#### 2. Foreign currency monetary item translation difference account

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>-</b>	<b>(647.96)</b>
Add: Addition during the year	-	647.96
<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>(57.25)</b>	<b>42.53</b>

### j) Share application money

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening balance</b>	<b>2.88</b>	<b>7.33</b>
Share application money received under ESOP pending allotment	-	2.88
Less: issuance of shares under ESOP Scheme	(2.88)	(7.33)
<b>Closing balance</b>	<b>-</b>	<b>2.88</b>
<b>Total other equity</b>	<b>18,355.78</b>	<b>17,021.20</b>

## 18 Borrowings

Particulars	Non current		Current	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Secured</b>				
Overdraft limit from bank (repayable on demand)#	-	-	406.60	1,216.08
Bank Overdraft facility (Secured)§	-	-	2,576.29	7,154.53
	-	-	<b>2,982.89</b>	<b>8,370.61</b>
Discontinuing operations (note 43)	-	-	(406.60)	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,576.29</b>	<b>8,370.61</b>

# In the current year and previous year, overdraft facilities from bank are secured by pledge of fixed deposit with banks. The facilities are carried at an interest of FDR + 2% as on 31<sup>st</sup> March, 2024 (31<sup>st</sup> March, 2023: FDR + 2%).

§ In the current year and previous year, overdraft facilities from bank are secured by pledge of fixed deposit with banks. The facilities carried an average interest at 8.17% as at 31<sup>st</sup> March, 2024 (31<sup>st</sup> March, 2023: 6.40%).

## 19 Trade payables

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Trade payables		
- Outstanding dues of Micro Enterprises & Small Enterprises	20.69	58.88
- Outstanding dues of Other than Micro Enterprises & Small Enterprises	3,031.74	5,243.20
Trade payable to related parties (refer note 39)*	0.77	0.77
	<b>3,053.20</b>	<b>5,302.85</b>
Discontinuing operations (note 43)	(1,638.43)	-
<b>Total</b>	<b>1,414.77</b>	<b>5,302.85</b>

Due to micro and small enterprises have been determined to the extent such parties have been identified by the Company on the basis of information collected (note 47).

### Trade Payable ageing schedule

#### As at 31<sup>st</sup> March, 2024 (continuing operations)

	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1- 2 year	2- 3 years	More than 3 years	Total
MSME	12.21	8.00	0.48	-	-	-	20.69
Others	1,054.97	214.06	124.22	0.15	0.68	-	1,394.08
Disputed dues- MSME	-	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-	-
<b>Total</b>	<b>1,067.18</b>	<b>222.06</b>	<b>124.70</b>	<b>0.15</b>	<b>0.68</b>	<b>-</b>	<b>1,414.77</b>

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(₹ in Lakhs unless otherwise stated)

### As at 31<sup>st</sup> March, 2024 (discontinuing operations)

	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1- 2 year	2- 3 years	More than 3 years	
MSME	-	-	-	-	-	-	-
Others	407.23	14.49	255.72	27.34	0.68	158.75	864.21
Disputed dues- MSME	-	-	-	-	-	-	-
Disputed dues- Others	774.22	-	-	-	-	-	774.22
<b>Total</b>	<b>1,181.45</b>	<b>14.49</b>	<b>255.72</b>	<b>27.34</b>	<b>0.68</b>	<b>158.75</b>	<b>1,638.43</b>

### As at 31<sup>st</sup> March, 2023

	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1- 2 year	2- 3 years	More than 3 years	
MSME	14.53	17.87	26.48	-	-	-	58.88
Others	2,291.22	63.45	2,027.47	0.68	158.26	1.41	4,542.49
Disputed dues- MSME	-	-	-	-	-	-	-
Disputed dues- Others	701.48	-	-	-	-	-	701.48
<b>Total</b>	<b>3,007.23</b>	<b>81.32</b>	<b>2,053.95</b>	<b>0.68</b>	<b>158.26</b>	<b>1.41</b>	<b>5,302.85</b>

## 20 Other financial liabilities

Particulars	Non current		Current	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>At amortised cost</b>				
Security deposits	0.02	0.02	40.04	16.47
Unpaid dividends	-	-	3.63	3.64
Payable on settlement of transactions	-	-	899.27	1,179.19
Payable towards capital goods	-	-	154.50	15.79
Employee related liabilities (includes salary payable and variable compensation)				
- to related parties (refer note 39)	-	-	7.43	-
- to other employees	-	-	792.55	1,107.92
Interest accrued but not due	-	-	28.29	-
	<b>0.02</b>	<b>0.02</b>	<b>1,925.71</b>	<b>2,323.01</b>
Discontinuing operations (note 43)	-	-	(32.26)	-
<b>Total</b>	<b>0.02</b>	<b>0.02</b>	<b>1,893.45</b>	<b>2,323.01</b>

## 21 Provisions

Particulars	Non current		Current	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Provision for employee benefit</b>				
Gratuity (refer note 37)	466.71	657.76	133.67	86.16
Compensated absences	234.84	299.34	100.46	70.02
Provision for GST under dispute	-	-	10.26	10.26
	<b>701.55</b>	<b>957.10</b>	<b>244.39</b>	<b>166.44</b>
Discontinuing operations (note 43)	(38.68)	-	(36.16)	-
<b>Total</b>	<b>662.87</b>	<b>957.10</b>	<b>208.23</b>	<b>166.44</b>

## 22 Current tax liabilities (net)

	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Provision for income-tax (net of advance tax)	147.19	672.92
	<b>147.19</b>	<b>672.92</b>
Discontinuing operations (note 43)	(147.19)	-
<b>Total</b>	<b>-</b>	<b>672.92</b>

## 23 Other liabilities

Particulars	Non current		Current	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Deposits from customers	103.89	47.17	-	-
Employee statutory deductions	-	-	6.30	97.87
TDS payable	-	-	45.86	336.41
Advance from customers	-	-	333.85	293.62
Deferred revenue	-	-	98.80	25.41
Indirect taxes and duties payable	-	-	921.72	519.26
Prefunded balances from agents	-	-	29,652.11	28,099.50
Others	-	-	4.62	7.86
	<b>103.89</b>	<b>47.17</b>	<b>31,063.26</b>	<b>29,379.93</b>
Discontinuing operations (note 43)	-	-	(92.33)	-
<b>Total</b>	<b>103.89</b>	<b>47.17</b>	<b>30,970.93</b>	<b>29,379.93</b>

## 24 Revenue from operations

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023 (Restated)
<b>Revenue from contract with customers</b>		
Sale of digital financial services and other services	42,887.27	40,507.37
Sale of products	877.40	2,515.58
Written back of unclaimed balances	177.89	130.89
	<b>43,942.56</b>	<b>43,153.84</b>
<b>a. Disaggregation of revenue based on timing of recognition of revenue:</b>		
a. Services/products transferred at point in time	43,277.48	42,683.40
b. Services transferred over time	665.08	470.43
<b>Total Revenue from contract with Customers</b>	<b>43,942.56</b>	<b>43,153.84</b>
<b>b. Disaggregation of revenue based on primary geographical market:</b>		
India	43,942.56	43,153.84
outside India	-	-
<b>Total Revenue from contract with customers</b>	<b>43,942.56</b>	<b>43,153.84</b>

- c. Contract assets primarily relate to the Group's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the acquiring bank. As at reporting date, the Group had no contract assets as the Group has unconditional rights on the unbilled revenue (31<sup>st</sup> March, 2023: Nil).

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### Contract balances

The following table provides information about trade receivables, contract assets and contract liabilities from contracts with customers related to continuing operations.

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Unbilled revenue	1,511.75	1,325.10
Trade receivables	652.01	557.46
Deferred revenue	84.59	17.90
Advances from customers	333.85	265.21

### 25 Other income

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Interest on income tax refund	355.58	282.25
<b>Interest received on financial and non financial assets - carried at amortised cost</b>		
Bank deposits	1,978.10	1,500.82
Loan to an employee and body corporate	0.12	0.84
Others	1.12	0.67
Rental income (including rental income on investment properties)	120.79	115.08
Net profit on disposal of plant, property and equipment's and right of use assets	161.30	0.17
Unclaimed balances written back (net)	70.90	55.35
Miscellaneous income	-	5.45
	<b>2,687.91</b>	<b>1,960.63</b>

### 26 Cost of goods and services procured

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023 (Restated)
Purchase of stock in trade	481.51	817.50
	<b>481.51</b>	<b>817.50</b>

### 27 (Increase)/decrease in inventories of procured goods

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Inventories at the beginning of the year	474.62	278.19
Less: Capitalisation from opening inventory	-	178.16
Less: inventory at the end of the year	210.17	474.62
<b>Total change in inventories of traded goods</b>	<b>264.45</b>	<b>(374.59)</b>

### 28 Cost of services rendered

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Agent and distributors commission	23,312.35	22,747.21
Other service cost	2,952.35	3,479.95
	<b>26,264.70</b>	<b>26,227.16</b>

### 29 Employee benefits expense

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Salaries, wages and bonus	8,873.71	8,568.67
Contribution to provident and other funds	535.14	529.41
Gratuity expense (refer note 37)	150.48	144.47
Staff welfare expenses	159.00	169.15
Share based payments expense	119.54	110.38
	<b>9,837.87</b>	<b>9,522.08</b>
Less: transferred to intangible assets under development	(168.74)	-
	<b>9,669.13</b>	<b>9,522.08</b>

### 30 Finance costs

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Interest on:</b>		
Borrowings	200.92	70.91
Lease liabilities	0.87	-
Statutory dues	0.27	0.53
	<b>202.06</b>	<b>71.44</b>

### 31 Depreciation and amortisation expense

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Depreciation on property, plant and equipments (refer note 3)	190.30	1,598.03
Amortisation on intangible assets (refer note 5)	414.24	478.35
Depreciation on investment properties (refer note 4)	99.76	88.11
Depreciation on right of use assets (refer note 5A)	8.33	7.70
	<b>712.63</b>	<b>2,172.19</b>

### 32 Other expenses

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Rent	125.41	48.61
Rates and taxes	38.25	98.26
Insurance	79.22	73.01
Repairs and maintenance		
- Buildings	1.70	0.49
- Others	495.13	532.63
Advertising and sales promotion	147.58	312.86
Vehicle running and maintenance	515.90	546.05
Travelling and conveyance	1,187.00	1,246.81
Communication cost	857.56	581.31
Electricity and water charges	173.85	177.79
Legal and professional fees	1,783.58	2,419.64
Directors' sitting fees	46.75	26.25
Payment to statutory auditors (refer note A below)	68.47	28.82
Corporate social responsibility expenses (refer note B below)	40.00	48.00
Provision for loss allowance	23.93	(18.57)
Irrecoverable balances written off	30.35	99.52
Donation and contributions to charitable institutions	0.49	-
Miscellaneous expenses	400.93	481.51
	<b>6,016.10</b>	<b>6,702.99</b>
Less: transferred to intangible assets under development	(106.95)	-
	<b>5,909.15</b>	<b>6,702.99</b>



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### 33 Exceptional items

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Provision for diminution in the value of Investments (note c)	41.23	-
Expenses on sale of property (note c)	41.82	-
Professional fees (note b)	822.00	153.00
Additional depreciation and revenue on Morefun pin pad (note a)	-	471.07
Change in fair value of investment carried at fair value through profit and loss (note 7)	(3,779.64)	-
	<b>(2,874.59)</b>	<b>624.07</b>

- a. Pin pad devices were capitalised and depreciated over 1 year from the date of activation. Fixed amount recovered from the agent for use of such devices was booked as revenue over a period of 1 year from the date of dispatch. The subsidiary company namely Spice Money Limited has reassessed its control over the devices and repossession of devices from the agents and concluded that it is not commercially and practically feasible to repossess these devices from agents. Hence, the subsidiary company namely Spice Money Limited has decided to remove these devices from its Property, Plant and Equipment and written off the carrying value of ₹ 797.05 Lakhs of these devices as on 31<sup>st</sup> March, 2023. Similarly, carrying value of related deferred revenue of ₹ 325.98 Lakhs has also been written back and shown as an exceptional items (net) in the statement of profit and loss as on 31<sup>st</sup> March, 2023. Depreciation on those devices provided during the year ended 31<sup>st</sup> March, 2023 was ₹ 1,461.51 lakhs.
- b. During the year, the subsidiary company namely Spice Money Limited engaged a strategy consultant for business advisory services, for which professional fee amounting to ₹ 822.00 lakhs has been accounted for on accrual basis and shown as exceptional item being non recurring in nature. Accordingly, professional fee of ₹ 153.00 lakhs accounted for during the year ended 31<sup>st</sup> March, 2023 has also been regrouped from other expenses and shown as exceptional item.
- c. Exception items also consist of ₹ 41.82 lakhs incurred while selling the Dehradun property of the Group and ₹ 41.23 lakhs being the amount of provision made for diminution in value of investments in Creative Functionapps Lab Private Limited.

### 34 Income tax

The major components of income tax expense for the years ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 are:

#### A. Amount recognised in profit and loss:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Continuing operations:</b>		
<b>Current income tax:</b>		
Current income tax charge	556.29	23.74
Adjustment in respect of current tax of previous years	19.95	2.30
<b>Deferred tax</b>		
Current year	114.97	(160.23)
Adjustment of tax related to earlier years	36.99	-
Change in deferred tax due to change in rate	282.90	-
	<b>1,011.10</b>	<b>(134.19)</b>
<b>Discontinued/Discontinuing operations</b>	<b>1,553.52</b>	<b>(402.08)</b>
<b>Income tax expense reported in the statement of profit or loss</b>	<b>2,564.62</b>	<b>(267.89)</b>
<b>Deferred tax impact on component of other comprehensive income</b>		
Re-measurement of defined benefit obligations	(17.49)	21.83
<b>Total income tax benefit recognised in other comprehensive income</b>	<b>(17.49)</b>	<b>21.83</b>

#### B. Reconciliation of effective tax rate

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Profit/(loss) before tax from continuing operations	6,002.05	(647.07)
Profit/(loss) before tax from discontinuing operations	(2,257.27)	(1,248.70)
<b>Profit/(loss) before tax</b>	<b>3,744.78</b>	<b>(1,895.77)</b>
Tax using the Group's domestic tax rate (C.Y. 26.00% for Digispice and 25.169% for Spice Money and P.Y. 27.82%)	1,188.60	(527.40)
Adjustments in respect of current income tax of previous years	229.53	(4.74)
Tax impact on non deductible expenditures/provisions	78.19	168.19
Tax adjustment due to rate difference	282.90	(29.40)
Share of profit of associates	(0.16)	(0.36)
Losses and other items on which no deferred tax asset is created due to uncertainty of future taxable profits	366.89	256.75
Tax impact on reversal of provision in investment	(961.54)	-
MAT related adjustments	26.07	(2.89)
Adjustment in respect of deferred tax of earlier years	1,354.14	187.20
Others	-	220.54
<b>Total tax expense</b>	<b>2,564.62</b>	<b>267.89</b>

### 35 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the loss for the year attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the loss attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Profit/(loss) attributable to equity holders of the parent:</b>		
Continuing operations	4,978.25	(409.23)
Discontinued operations	(3,810.79)	(1,650.78)
<b>Profit/(loss) attributable to equity holders of the parent adjusted for the effect of dilution</b>	<b>1,167.46</b>	<b>(2,060.01)</b>
<b>Weighted average (net) number of equity shares in calculating basic EPS and DEPS</b>	<b>23,17,58,388</b>	<b>23,13,01,857</b>
<b>Weighted average (net) number of equity shares</b>		
Opening shares	23,15,41,406	23,09,34,606
Issued during the year	2,16,982	3,67,251
<b>Total weighted average number of equity shares</b>	<b>23,17,58,388</b>	<b>23,13,01,857</b>
<b>Earnings per share for continuing operations</b>		
Basic, computed on the basis of loss from continuing operations attributable to equity holders of the parent	2.14	(0.18)
Diluted, computed on the basis of loss from continuing operations attributable to equity holders of the parent	2.14	(0.18)
<b>Earnings per share for discontinuing operations</b>		
Basic, computed on the basis of loss from discontinuing operations attributable to equity holders of the parent	(1.64)	(0.71)
Diluted, computed on the basis of loss from discontinuing operations attributable to equity holders of the parent	(1.64)	(0.71)
<b>Earnings per share for continuing and discontinuing operations</b>		
Basic, computed on the basis of loss for the year attributable to equity holders of the parent	0.50	(0.89)
Diluted, computed on the basis of loss for the year attributable to equity holders of the parent	0.50	(0.89)

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### 36 Group information

#### Information about subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

S. No.	Name	Note	Country of Incorporation	% Equity Interest	
				As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
1	Spice Money Limited	(i)	India	96.83%	96.83%
2	Kimaan Exports Private Limited	(a)	India	100.00%	100.00%
3	E-Arth Travel Solutions Private Limited	(i)	India	100.00%	100.00%
4	Vikasni Fintech Private Limited	(j)	India	100.00%	100.00%
5	Hindustan Retail Private Limited (till 31 <sup>st</sup> May, 2023)		India	Nil	100.00%
6	New Spice Sales & Solutions Limited (till 31 <sup>st</sup> May, 2023)	(b)	India	Nil	100.00%
7	Cellucom Retail India Private Limited (till 31 <sup>st</sup> May, 2023)	(b) and (c)	India	Nil	100.00%
8	S Mobility (HK) Limited (Strike off w.e.f. 28 <sup>th</sup> April, 2023)		Hong Kong	Nil	100.00%
9	Spice Digital Bangladesh Limited		Bangladesh	100.00%	100.00%
10	S Global Services Pte. Ltd (formerly known as S GIC Pte. Ltd.)		Singapore	100.00%	100.00%
11	Digispice Nepal Private Limited		Nepal	100.00%	100.00%
12	Beoworld SDN. BHD (till 22 <sup>nd</sup> November, 2023)	(d)	Malaysia	Nil	100.00%
13	Fast Track IT Solutions Limited	(d)	Bangladesh	70.00%	70.00%
14	PT Spice Digital Indonesia	(f)	Indonesia	100.00%	100.00%
15	Omnia Pte. Ltd.	(e)	Singapore	100.00%	100.00%
16	S Mobility Pte. Ltd (Strike off w.e.f. 4 <sup>th</sup> July, 2022)	(d)	Singapore	Nil	Nil
17	Spice VAS (Africa) Pte. Limited	(d)	Singapore	100.00%	100.00%
18	Digispice Nigeria Limited	(e)	Nigeria	100.00%	100.00%
19	Spice VAS Kenya Limited	(e) & (h)	Kenya	100.00%	100.00%
20	Digispice Uganda Limited	(e)	Uganda	75.00%	75.00%
21	Digispice Ghana Limited	(e)	Ghana	70.00%	70.00%
22	Digispice Zambia Limited	(e)	Zambia	100.00%	100.00%
23	Digispice Tanzania Limited	(e) & (g)	Tanzania	100.00%	100.00%
24	Spice VAS RDC Limited (till 16 <sup>th</sup> February, 2024)	(e)	Democratic Republic of Congo	Nil	100.00%
25	Spice Digital FZCO	(d)	UAE	100.00%	100.00%

- a) Subsidiary through Spice Money Limited  
b) Subsidiary through Hindustan Retail Private Limited.  
c) Subsidiary through New Spice Sales & Solutions Limited till 15<sup>th</sup> May, 2022 and subsidiary through Hindustan Retail Private Limited w.e.f. 16<sup>th</sup> May, 2022  
d) Subsidiary through S Global Services Pte. Ltd.  
e) Subsidiary through Spice VAS (Africa) Pte. Ltd.  
f) Subsidiary through Omnia Pte. Ltd.  
g) 0.1% an equity interest in the subsidiary company is held by a subsidiary company namely Spice VAS (Africa) Pte. Ltd. jointly with a third party.  
h) An equity interest of 1% (2023: 20%) in the subsidiary company is held by a third party on behalf of a subsidiary company namely Spice VAS (Africa) Pte. Ltd.

- i) Additionally an equity interest of 33.33% in E-arth Travel Solutions Private Limited is held by a subsidiary company namely Spice Money Limited.  
j) Additionally an equity interest of 49% in Vikasni Fintech Private Limited is held by a subsidiary company namely Spice Money Limited.

#### Ultimate holding company

Rajarshi Modi Private Limited (formerly known as Smart Global Corporate Holding Private Limited).

#### Holding company

Spice Connect Private Limited

#### Information about associates

Name of associates	Nature	Country of Incorporation	% Equity Interest	
			As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Sunstone Learning Private Limited	Associate	India	41.61%	41.61%
Creative Functionapps Lab Private Limited	Associate	India	26.00%	26.00%

### 37. Employee Benefit

#### A. Defined Contribution Plan

During the year, the Group has recognised the following amounts in the statement of Profit and Loss:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Employer's contribution to provident and pension fund*	575.13	643.32

\*Includes ₹ 39.99 Lakhs for discontinuing operations and for 31<sup>st</sup> March, 2023 ₹ 113.91 lakhs for discontinuing and discontinued operations.

#### B. Defined Benefit Plan

The Group and its subsidiaries have a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service or part thereof in excess of six months. The scheme was partially funded with an insurance Group in the form of a qualifying insurance policy. The level of benefits provided depends on the member's length of service and salary at the time of departure.

The following tables summarises the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the plans:

#### (i) Liability for defined benefit obligation as at Balance sheet date:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Gratuity plan*	600.38	743.92
<b>Total</b>	<b>600.38</b>	<b>743.92</b>

\*Includes ₹ 67.77 Lakhs (31<sup>st</sup> March, 2023 ₹ 0.15 Lakhs) for discontinuing operations.

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### (ii) Components of defined benefit cost recognised in the statement of profit and loss under employee benefit expense:

Particulars	Gratuity	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Current service cost	110.82	150.73
Interest cost on benefit obligation	54.75	42.34
<b>Net benefit expense*</b>	<b>165.57</b>	<b>193.07</b>

\*Includes ₹ 15.10 Lakhs (31<sup>st</sup> March, 2023 : ₹ Nil) for discontinuing operations.

### (iii) Changes in the present value of the defined benefit obligation are as follows:

Particulars	Gratuity	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Opening defined benefit obligation</b>	<b>743.92</b>	<b>607.39</b>
Acquisition/(disposal) adjustments	-	(0.15)
Current service cost	110.82	150.73
Interest cost	54.75	42.34
<b>Expenses Recognised in Profit and loss statement</b>	<b>165.57</b>	<b>193.07</b>
Benefits paid	(184.99)	(151.25)
Actuarial (Gain)/Loss arising from change in financial assumption	(68.10)	57.88
Actuarial (Gain)/Loss arising from experience adjustment	(56.02)	36.98
<b>Total Change in defined benefit obligation due to change in actuarial losses/ (gains) recognised in OCI</b>	<b>(124.12)</b>	<b>94.86</b>
<b>Closing defined benefit obligation*</b>	<b>600.38</b>	<b>743.92</b>

### (iv) The principal assumptions used in determining gratuity for the Group's plans are shown below:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Discount rate	7.22%	7.36%
Future salary increase	8.00%	8.00%
Retirement age	58 Years	58 Years
Employee turnover		
- Upto 30 years	4% to 15%	4% to 15%
- 31-44 years	4% to 15%	4% to 15%
- Above 44 years	1% to 15%	1% to 15%
Mortality rate	100% of IALM	

### A quantitative sensitivity analysis for significant assumption as at 31<sup>st</sup> March, 2024 is as shown below:

	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2024	
	Discount Rate		Future Salary Increase	
Sensitivity level	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
Impact on defined benefit obligation	(20.84)	22.07	21.81	(20.79)

### A quantitative sensitivity analysis for significant assumption as at 31<sup>st</sup> March, 2023 is as shown below:

	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2023	
	Discount Rate		Future Salary Increase	
Sensitivity level	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
Impact on defined benefit obligation	(26.51)	28.26	27.95	(26.47)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumption would occur in isolation from one another.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	Gratuity	
	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Within the next 12 months (next annual reporting period)	133.67	86.16
Between 2-5 Years	175.44	228.35
Between 5-10 years	30.11	39.62
Beyond 10 years	261.16	389.79
<b>Total expected payments</b>	<b>600.38</b>	<b>743.92</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 2 to 26 years (31<sup>st</sup> March, 2023: 2 to 26 years).

## 38. Commitments and contingencies

### A. Lease Disclosure

#### i. Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### ii) Right-of-use assets

The Group 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 Group 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.

#### ii) Lease Liabilities

At the commencement date of the lease, the Group 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. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group 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.



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### iii) Short-term leases and leases of low-value assets

The Group has incurred the following amount in the statement of profit and loss :

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Short term leases	330.87	344.53
Leases of low value assets	86.13	151.51
	<b>417.00</b>	<b>496.04</b>

### II. Group as lessor

The Group was not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub-lease. The Group accounted for its leases in accordance with Ind AS 116 from the date of initial application. The Group does not have any significant impact on account of sub-lease on the application of this standard.

The Group has leased out a portion of the office premises on operating lease. The lease term is for 11 months and thereafter renewable on mutual agreement. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements.

Property situated at	Date of Agreement	Lease Term	Lock in Period	Other Terms
Rampur	14 <sup>th</sup> October, 2019	9 Years	-	Cancelled on 31 <sup>st</sup> October, 2022
Kolkata	13 <sup>th</sup> December, 2023	11 Months	-	Cancelled on 17 <sup>th</sup> March, 2024
Mumbai	14 <sup>th</sup> October, 2019	9 Years	2 years	Cancelled on 31 <sup>st</sup> December, 2021

The Group has recognised rent income under the head of other income as follows:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Rent received during the year	120.79	115.08

The above said amount includes rent received of ₹ 29.18 lakhs (31<sup>st</sup> March, 2023: Nil) from discontinuing operations shown as expenses under discontinuing operations.

The annual lease rental to be received by the Group during non-cancellable period is Nil (31<sup>st</sup> March, 2023: Nil).

### B. Commitments and contingencies

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ Nil Lakhs (31<sup>st</sup> March, 2023: ₹ 200.62 Lakhs).

### C. Contingent liabilities

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>1) Demands and claims from government authorities:</b>		
<b>i) Demand from excise/service tax and sales tax authorities</b>		
a) Demands raised by sales tax authorities mainly due to charging lower tax rate on sale of chargers as compared to mobile phones and for disallowance of ITC mismatches for various status in India	4,363.28	4,363.28
<b>ii) Demands raised by income tax authorities</b>		
a) Income Tax demand being disputed by the subsidiary company. In respect of assessment year 2018-19, the Assessing Officer has made disallowance of ₹ 69.01 lakhs to the assessed income in the order of assessment passed u/s 143(3) and refunded the balance amount of ₹ 7.10 lakhs. The subsidiary company has filed an appeal to the Commissioner of Income-tax (Appeals) against the said order on 7 <sup>th</sup> April, 2021.	14.89	14.89
<b>b) Goods and Service Tax</b>		
In respect of tax period Nov 2018 to March 2019, the State tax Officer of Dehradun, Uttarakhand has made demand of ₹ 95.76 lakhs on 4 <sup>th</sup> July, 2023. The litigation is pending with Uttarakhand High Court.	95.76	-
VAT Tribunal, Ahmedabad pertaining to FY 2009-10 in the case of DiGiSPICE Technologies Ltd (erstwhile Spice Mobility Limited). An ex-parte order was passed earlier by assessing officer against which present appeal was filed in June 2023	147.57	-

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Demand Includes penalty of ₹ 7.73 lakhs in respect of input mismatch as per books and GST portal for the FY 2017-18 passed against Parent company, by Deputy Comissioner (D.C.) Noida,Uttar pradesh.	7.73	-
<b>2) Others</b>		
a) Consumer disputes**	12.39	12.39
b) Labour case (Spice VAS Kenya Limited)	127.28	127.28
c) One Vendor has filed a recovery suit against Spice Labs Private Limited (since merged with DiGiSpice Technologies Limited) for terminating the Master Service Agreement for getting the premises on lease for its office space, during the lock-in period. The Parent company has disputed the claim of vendor and contended that the termination has been made by vendor, not by Parent company.	54.88	54.88
d) Various other claims against the Group not acknowledged as debts	104.04	104.04
	<b>4,927.82</b>	<b>4,676.77</b>

\*\* The cases are pending with various consumer disputes redressal forums. As per the management, the Group is made only a proforma party to these claims and liability, if any, arising out of these claims would be on the manufacturer and not likely to devolve on the Group.

### 39. Related party transactions

In accordance with the requirements of Ind AS - 24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

#### Entity with significant influence over the group:

<b>Ultimate Holding Company</b>	Rajarshi Modi Private Limited (Formerly, Smart Global Corporate Holding Private Limited)
<b>Holding Company</b>	Spice Connect Private Limited
<b>Associates</b>	Creative Functionapps Lab Private Limited Sunstone Learning Private Limited

#### List of related parties with whom transactions have taken place during the year

<b>Key Management Personnel (KMP) and directors</b>	Mr. Dilip Modi (Non Executive Chairman) Mr. Subramanian Murali (Non Executive Director) Dr. (Ms.) Rashmi Aggarwal (Independent Director) Mr. Mayank Jain (Independent Director) Mr. Suman Ghosh Hazra (Independent Director) (upto 29 <sup>th</sup> September, 2022) Mr. Mrutyunjay Mahapatra (Independent Director) (w.e.f. 22 <sup>nd</sup> December, 2022) Mr. Rohit Ahuja (Executive Director) <sup>#</sup> Mr. Chandrachur Ghosh (Chief Executive Officer) (w.e.f. 14 <sup>th</sup> November, 2022) (upto 31 <sup>st</sup> January, 2023) <sup>#</sup> Mr. Ram Nirankar Rastogi - Independent Director (w.e.f. 31 <sup>st</sup> January, 2024) Mr. Venkatramu Jayanthi - Additional Director (w.e.f. 31 <sup>st</sup> January, 2023) Mr. Vinit Kishore (Chief Financial Officer) <sup>#</sup> Mr. Amit Kishore (relative of KMP) Mr. M R Bothra- Vice President- Corporate Affairs and Group Secretary (upto 28 <sup>th</sup> April, 2022) <sup>#</sup> Ms. Ruchi Mehta (Company Secretary) (w.e.f 15 <sup>th</sup> April, 2022) <sup>#</sup> <sup>#</sup> KMP under the Companies Act, 2013.
<b>Fellow subsidiaries</b>	WSFx Global Pay Limited (formerly known as Wall Street Finance Limited)
<b>Other related parties</b>	Bharat BPO Services Limited Ek Soch Foundation

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Particulars	For the year ended 31 <sup>st</sup> March, 2024		For the year ended 31 <sup>st</sup> March, 2023	
<b>Remuneration**</b>		<b>202.19</b>		<b>257.47</b>
Mr. M R Bothra**	-		19.89	
Mr Rohit Ahuja**	125.00		125.00	
Mr. Chandrachur Ghosh	-		30.30	
Mr. Vinit Kishore	41.31		47.72	
Ms. Ruchi Mehta	35.89		34.56	
<b>Director sitting fees*</b>		<b>46.75</b>		<b>26.25</b>
Mr. Suman Ghosh Hazra	-		6.50	
Dr. (Ms.) Rashmi Aggarwal	18.00		12.25	
Mr. Ram Nirankar Rastogi	1.50		-	
Mr. Mayank Jain	7.00		3.75	
Mr. Mrutyunjay Mahapatra	20.25		3.75	
<b>Money received pursuant to exercise of options</b>		<b>66.25</b>		<b>46.38</b>
Mr. Subramanian Murali	66.25		46.38	
<b>Miscellaneous expenses</b>		<b>10.03</b>		<b>15.36</b>
WSFx Global Pay Limited (formerly known as Wall Street Finance Limited)	10.03		15.36	
<b>Rental income</b>		<b>12.16</b>		<b>24.51</b>
Spice Connect Private Limited	12.16		12.16	
Rajarshi Modi Private Limited (Formerly known as 'Smart Global Corporate Holding Private Limited')	-		12.35	
<b>Reimbursement of expenses received from related parties</b>		<b>206.95</b>		<b>91.38</b>
Spice Connect Private Limited	29.39		-	
WSFx Global Pay Limited (formerly known as Wall Street Finance Limited)	3.42		-	
Mr. Dilip Kumar Modi	156.82		80.53	
Mr. Vinit Kishore	-		1.03	
Mr. Rohit Ahuja	17.32		9.81	
<b>Vehicle against trade receivables (written off)</b>		<b>40.00</b>		<b>-</b>
Bharat BPO Services Limited	40.00		-	
<b>Provision made/(reversed) for doubtful debts, loans, interest and other receivables</b>		<b>-</b>		<b>(599.30)</b>
Bharat BPO Services Limited	-		(599.30)	
<b>Bad Debts written off during the year</b>		<b>-</b>		<b>599.30</b>
Bharat BPO Services Limited	-		599.30	
<b>Corporate social responsibility expenses</b>		<b>40.00</b>		<b>48.00</b>
Ek Soch Foundation	40.00		48.00	

Outstanding balances at the end of year	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
<b>Payables</b>		<b>0.77</b>		<b>0.77</b>
Bharat BPO Services Limited	0.77		0.77	
<b>Other receivables</b>		<b>12.53</b>		<b>25.69</b>
Spice Connect Private Limited	8.27		-	
Mr. Dilip Kumar Modi	-		9.42	
Mr. Rohit Ahuja	4.26		16.27	
<b>Payables to KMP</b>		<b>7.43</b>		<b>-</b>
Mr. Dilip Kumar Modi	0.42		-	
Mr. Rohit Ahuja	1.75		-	
Mr. Vinit Kishore	3.33		-	
Ms. Ruchi Mehta	1.93		-	

Particulars	For the year ended 31 <sup>st</sup> March, 2024		For the year ended 31 <sup>st</sup> March, 2023	
<b>Break up of remuneration</b>		<b>225.69</b>		<b>285.47</b>
- Short term employee benefits**	225.69		268.16	
- Long term employee benefits	-		17.31	

# Remuneration to key managerial personnel as disclosed above does not include provision made for gratuity and leave benefits, as they are determined on an actuarial basis for the Group as a whole.

The Group has granted Stock Options to eligible employees, including Executive Directors and KMPs, under its Employee Stock Option Schemes, 2018 [within the meaning of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014] (refer note no. 42). Since such Stock Options are not tradeable, no perquisite or benefit is immediately conferred upon the employee by grant of such Stock Options and accordingly the said grants have not been considered as remuneration. However, in accordance with Ind AS -102 'Share-based Payment', the Group has recorded employee benefits expense by way of share based payments to employees is attributable to Executive Directors and KMPs.

\*\*During the year, the Group has granted Nil options (31<sup>st</sup> March, 2023: 4,50,000 options) (total Till 31<sup>st</sup> March, 2024: 12,50,000 options) to persons who were KMP at any time during the financial year ended 31<sup>st</sup> March, 2024, out of which Nil options has been lapsed (Till 31<sup>st</sup> March, 2023: Nil) during the year, value of which shall be disclosed at the time of exercise of options.

#\* Include payment made towards compensated absences of ₹ Nil Lakhs (31<sup>st</sup> March, 2023: 0.64 lakhs ) during the year against the provisions made in earlier years.

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free (except for loan given) and settlement occurs in cash. This assessment for impairment of receivables relating to amounts owed by related parties is undertaken each financial year through examining the financial position of the related parties.

### 40. Segment information

Operating segments: Business Segments

The Group has organized its operations into two primary business segments;

- Digital Technology Services (DiGiSPICE) - The segment is engaged in Information and Communication Technology business providing Value Added Services to the Telecom Operators and development and sale of telecom related software.\*
- Financial Technology Services (Spice Money) - The segment is engaged in providing financial technologies services such as Domestic Money Transfer (DMT) services, aadhar enabled payment services (AEPS), Bharat Bill payment system (BBPS) and other related services.

These are the reportable segments in terms of Ind AS-108 on Segment Reporting issued by Institute of Chartered Accountants of India. These have been identified taking into account the nature of activities carried out.

### Segment Revenue & Segment Income/ Expense

Particulars	Digital technology services*		Financial technology services		Total	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Revenue</b>						
External revenue (including other operating revenue)	4,032.19	6,743.42	43,942.56	43,153.84	47,974.75	49,897.26
Inter segment revenue	142.44	92.47	-	-	142.44	92.47
<b>Total revenue</b>	<b>3,889.75</b>	<b>6,650.95</b>	<b>43,942.56</b>	<b>43,153.84</b>	<b>47,832.31</b>	<b>49,804.79</b>
<b>Income/(expense)</b>						
Depreciation and amortisation	414.50	384.41	547.01	2,011.78	961.51	2,396.19
<b>Segment profit</b>	<b>(1,605.65)</b>	<b>(1,194.73)</b>	<b>3,740.01</b>	<b>429.79</b>	<b>2,134.36</b>	<b>(764.94)</b>
<b>Segment assets</b>	<b>2,286.76</b>	<b>4,135.75</b>	<b>43,207.84</b>	<b>43,443.06</b>	<b>45,494.60</b>	<b>47,578.81</b>
<b>Segment liabilities</b>	<b>2,391.67</b>	<b>5,929.52</b>	<b>37,589.74</b>	<b>41,150.71</b>	<b>39,981.41</b>	<b>47,080.23</b>

\*The Board of directors of DiGiSpice Technologies Limited, in its meeting held on 7<sup>th</sup> April, 2023 has approved, in principle, to exit Digital Technology Services Business. This is in keeping with the repositioning of the overall group strategy to focus on Financial Technology Services opportunities, mainly through its subsidiary Spice Money Limited ('Spice Money') and other group entities. Accordingly, Digital Technology Services segment operations are disclosed as discontinuing operations.

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(₹ in Lakhs unless otherwise stated)

### Reconciliations to amounts reflected in the financial statements

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Reconciliation of profit</b>		
Segment profit/(loss) (Financial technology services)	3,740.01	(764.94)
<b>Reconciliation items:-</b>		
Interest income	450.03	594.45
Depreciation and amortisation	(165.62)	(160.39)
Interest cost	(202.06)	(71.44)
Exceptional items	2,874.59	(624.07)
Unallocated (expenses)/income net off unallocated income/(expense)	(695.51)	(816.71)
Share of profit/(loss) of associates	0.62	1.30
<b>Profit before tax from continuing operations</b>	<b>6,002.05</b>	<b>(1,841.80)</b>
Loss before tax for the year from discontinuing and discontinued operations	(2,257.27)	(1,248.70)
<b>Profit/(loss) before tax for continued and discontinued operations</b>	<b>3,744.78</b>	<b>(3,090.50)</b>

### Reconciliation of assets

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Segment operating assets (Financial technology services)	43,207.84	47,578.81
Goodwill	4,712.22	5,230.18
Investment in associates	-	40.61
Assets classified as held for sale (discontinuing and discontinued operations)	2,286.76	370.66
Unallocated/Corporate assets	14,734.23	17,578.02
<b>Total assets</b>	<b>64,941.05</b>	<b>70,798.28</b>

### Reconciliation of liabilities

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Segment operating liabilities (Financial technology services)	35,013.45	38,709.62
Liabilities directly associated with assets classified as held for sale (discontinuing and discontinued operations)	2,391.65	270.92
Borrowings	2,576.29	8,370.61
Unallocated/Corporate liabilities	268.39	139.82
<b>Total liabilities</b>	<b>40,249.78</b>	<b>47,490.97</b>

### Information about geographical areas

The following table provides an analysis of the Group's sales by geography in which the customer is located, irrespective of the origin of the goods.

### Secondary Segment Reporting (by Geographical Segments)

Geographical Segment	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Revenue from the Domestic market	43,942.56	43,153.84
Revenue from the Overseas markets	-	-
<b>Total Revenue (from continuing operations)</b>	<b>43,942.56</b>	<b>43,153.84</b>

There are no major external customer where revenue exceeds more than 10% of the entity's revenue.

### Non-current operating assets:

Geographical Segment	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Non-current operating assets from the Domestic market	7,706.02	8,207.27
Non-current operating assets from the Overseas markets	-	530.60
<b>Total Non-current operating assets</b>	<b>7,706.02</b>	<b>8,737.87</b>

Non-current assets for this purpose consist of property, plant and equipment, capital work in progress, investment properties, goodwill, other intangible assets, intangible assets under development and right-of-use assets

### 41. Additional information pursuant to schedule III of Companies Act, 2013, "General instructions for the preparation of consolidated financials statement" for financials year 2023-24.

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount (in ₹ lakhs)	As % of consolidated profit and loss	Amount (in ₹ lakhs)	As % of consolidated other comprehensive income	Amount (in ₹ lakhs)	As % of total comprehensive income	Amount (in ₹ lakhs)
<b>Group:</b>								
<b>1 DiGiSPICE Technologies Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	89.34%	21,923.82	76.43%	892.35	888.27%	54.66	80.69%	947.01
Balance as at 31 <sup>st</sup> March, 2023	90.03%	20,873.82	53.30%	(1,097.94)	(15.15%)	(32.38)	61.22%	(1,130.32)
<b>Subsidiaries:</b>								
<b>Indian:</b>								
<b>1 Spice Money Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	43.54%	10,685.22	111.88%	1,306.19	844.81%	51.98	115.72%	1,358.17
Balance as at 31 <sup>st</sup> March, 2023	39.96%	9,265.12	29.98%	(617.65)	(19.01%)	(40.65)	35.66%	(658.30)
<b>2 Kimaan Exports Private Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	3.48%	854.47	(18.88%)	(220.44)	0.00%	-	(18.78%)	(220.44)
Balance as at 31 <sup>st</sup> March, 2023	4.64%	1,074.90	8.22%	(169.44)	0.00%	-	9.18%	(169.44)
<b>3 E-Arth Travel Solutions Private Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	0.04%	8.68	(0.49%)	(5.71)	0.00%	-	(0.49%)	(5.71)
Balance as at 31 <sup>st</sup> March, 2023	0.06%	13.42	(2.11%)	43.43	0.00%	-	(2.35%)	43.43
<b>4 Vikasni Fintech Private Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	(0.00%)	(0.20)	(0.02%)	(0.22)	0.00%	-	(0.02%)	(0.22)
Balance as at 31 <sup>st</sup> March, 2023	0.00%	0.02	0.02%	(0.32)	0.00%	-	0.02%	(0.32)
<b>5 Hindustan Retail Private Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	0.00%	-	0.09%	1.04	0.00%	-	0.09%	1.04
Balance as at 31 <sup>st</sup> March, 2023	(2.55%)	(591.56)	0.14%	(2.87)	0.00%	-	0.16%	(2.87)
<b>6 New Spice Sales &amp; Solutions Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Balance as at 31 <sup>st</sup> March, 2023	(57.08%)	(13,234.14)	24.77%	(510.27)	0.00%	-	27.64%	(510.27)
<b>7 Cellucom Retail India Private Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Balance as at 31 <sup>st</sup> March, 2023	(0.23%)	(53.93)	0.04%	(0.79)	0.00%	-	0.04%	(0.79)



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(₹ in Lakhs unless otherwise stated)

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount (in ₹ lakhs)	As % of consolidated profit and loss	Amount (in ₹ lakhs)	As % of consolidated other comprehensive income	Amount (in ₹ lakhs)	As % of total comprehensive income	Amount (in ₹ lakhs)
<b>Foreign:</b>								
<b>1 Spice Digital Bangladesh Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	0.73%	179.05	(2.31%)	(26.99)	(27.30%)	(1.68)	(2.44%)	(28.67)
Balance as at 31 <sup>st</sup> March, 2023	(2.19%)	(506.92)	3.12%	(64.29)	(9.21%)	(19.69)	4.55%	(83.98)
<b>2 S Global Servicers Pte. Ltd.</b>								
Balance as at 31 <sup>st</sup> March, 2024	19.63%	4,817.33	325.45%	3,799.48	0.00%	-	323.74%	3,799.48
Balance as at 31 <sup>st</sup> March, 2023	4.38%	1,015.08	4.61%	(95.02)	0.00%	-	5.15%	(95.02)
<b>3 Beoworld SDN. BHD</b>								
Balance as at 31 <sup>st</sup> March, 2024	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Balance as at 31 <sup>st</sup> March, 2023	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>4 PT Spice Digital Indonesia</b>								
Balance as at 31 <sup>st</sup> March, 2024	(2.05%)	(502.11)	(17.88%)	(208.76)	0.00%	-	(17.79%)	(208.76)
Balance as at 31 <sup>st</sup> March, 2023	(1.11%)	(257.55)	(1.40%)	28.87	0.00%	-	(1.56%)	28.87
<b>5 Omnia Pte. Ltd.</b>								
Balance as at 31 <sup>st</sup> March, 2024	(5.01%)	(1,230.34)	(0.26%)	(3.04)	0.00%	-	(0.26%)	(3.04)
Balance as at 31 <sup>st</sup> March, 2023	(5.31%)	(1,230.44)	0.42%	(8.59)	0.00%	-	0.47%	(8.59)
<b>6 S Mobility Pte. Ltd.</b>								
Balance as at 31 <sup>st</sup> March, 2024	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Balance as at 31 <sup>st</sup> March, 2023	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>7 Spice VAS (Africa) Pte. Ltd.</b>								
Balance as at 31 <sup>st</sup> March, 2024	9.91%	2,431.53	10.61%	123.92	0.00%	-	10.56%	123.92
Balance as at 31 <sup>st</sup> March, 2023	9.98%	2,313.34	(5.88%)	121.17	0.00%	-	(6.56%)	121.17
<b>8 Digispice Nigeria Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	(0.69%)	(168.19)	8.94%	104.34	0.00%	-	8.89%	104.34
Balance as at 31 <sup>st</sup> March, 2023	(2.72%)	(630.93)	(3.51%)	72.31	0.00%	-	(3.92%)	72.31
<b>9 Spice VAS Kenya Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	(0.12%)	(29.13)	(9.39%)	(109.68)	0.00%	-	(9.35%)	(109.68)
Balance as at 31 <sup>st</sup> March, 2023	0.35%	80.77	(2.23%)	46.03	0.00%	-	(2.49%)	46.03

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount (in ₹ lakhs)	As % of consolidated profit and loss	Amount (in ₹ lakhs)	As % of consolidated other comprehensive income	Amount (in ₹ lakhs)	As % of total comprehensive income	Amount (in ₹ lakhs)
<b>10 Digispice Uganda Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	0.01%	1.83	1.02%	11.88	0.00%	-	1.01%	11.88
Balance as at 31 <sup>st</sup> March, 2023	(0.04%)	(9.78)	(0.42%)	8.72	0.00%	-	(0.47%)	8.72
<b>11 Digispice Ghana Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	(0.90%)	(220.53)	(20.18%)	(235.54)	0.00%	-	(20.07%)	(235.54)
Balance as at 31 <sup>st</sup> March, 2023	(0.09%)	(21.38)	10.80%	(222.50)	0.00%	-	12.05%	(222.50)
<b>12 Digispice Zambia Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	0.03%	7.07	(6.19%)	(72.24)	0.00%	-	(6.16%)	(72.24)
Balance as at 31 <sup>st</sup> March, 2023	0.34%	79.44	(0.71%)	14.55	0.00%	-	(0.79%)	14.55
<b>13 Digispice Tanzania Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	(2.69%)	(660.04)	(3.28%)	(38.31)	0.00%	-	(3.26%)	(38.31)
Balance as at 31 <sup>st</sup> March, 2023	(2.96%)	(687.25)	3.59%	(73.98)	0.00%	-	4.01%	(73.98)
<b>14 Spice Digital RDC Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	0.00%	-	1.46%	17.05	0.00%	-	1.45%	17.05
Balance as at 31 <sup>st</sup> March, 2023	(0.07%)	(16.29)	0.03%	(0.66)	0.00%	-	0.04%	(0.66)
<b>15 S Mobility (HK) Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Balance as at 31 <sup>st</sup> March, 2023	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>16 Spice Digital FZCO</b>								
Balance as at 31 <sup>st</sup> March, 2024	(3.62%)	(888.44)	(2.21%)	(25.77)	0.00%	-	(2.20%)	(25.77)
Balance as at 31 <sup>st</sup> March, 2023	(3.67%)	(851.91)	5.42%	(111.65)	0.00%	-	6.05%	(111.65)
<b>17 Fast Track IT Solutions Ltd</b>								
Balance as at 31 <sup>st</sup> March, 2024	0.00%	0.30	(1.72%)	(20.03)	0.00%	-	(1.71%)	(20.03)
Balance as at 31 <sup>st</sup> March, 2023	0.09%	20.07	(0.44%)	8.98	0.00%	-	(0.49%)	8.98
<b>18 Digispice Nepal Private Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	(0.21%)	(52.48)	(3.02%)	(35.28)	(257.59%)	(15.85)	(4.36%)	(51.13)
Balance as at 31 <sup>st</sup> March, 2023	(0.01%)	(1.34)	(1.07%)	22.11	(9.82%)	(21.00)	(0.06%)	1.11

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(₹ in Lakhs unless otherwise stated)

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount (in ₹ lakhs)	As % of consolidated profit and loss	Amount (in ₹ lakhs)	As % of consolidated other comprehensive income	Amount (in ₹ lakhs)	As % of total comprehensive income	Amount (in ₹ lakhs)
<b>Non-controlling interests:</b>								
Balance as at 31 <sup>st</sup> March, 2024	(0.61%)	(150.84)	(1.09%)	(12.70)	(263.76%)	(16.23)	(2.47%)	(28.93)
Balance as at 31 <sup>st</sup> March, 2023	(0.53%)	(121.91)	(5.03%)	103.65	(0.59%)	(1.26)	(5.55%)	102.39
<b>Associates:</b>								
<b>1 Creative Functionapps Lab Private Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	0.00%	-	0.05%	0.62	0.00%	-	0.05%	0.62
Balance as at 31 <sup>st</sup> March, 2023	0.00%	-	(0.06%)	1.30	0.00%	-	(0.07%)	1.30
<b>2 Sunstone Learning Private Limited</b>								
Balance as at 31 <sup>st</sup> March, 2024	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Balance as at 31 <sup>st</sup> March, 2023	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Eliminations:</b>								
Balance as at 31 <sup>st</sup> March, 2024	(50.80%)	(12,466.57)	(349.02%)	(4,074.69)	(1084.44%)	(66.73)	(352.87%)	(4,141.42)
Balance as at 31 <sup>st</sup> March, 2023	28.75%	6,664.75	(21.59%)	444.83	153.78%	328.77	(41.90%)	773.60
<b>Total</b>								
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>100.00%</b>	<b>24,540.43</b>	<b>100.00%</b>	<b>1,167.47</b>	<b>100.00%</b>	<b>6.15</b>	<b>100.00%</b>	<b>1,173.62</b>
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>100.00%</b>	<b>23,185.40</b>	<b>100.00%</b>	<b>(2,060.01)</b>	<b>100.00%</b>	<b>213.79</b>	<b>100.00%</b>	<b>(1,846.22)</b>

### 42. Share-based payments

#### 1) DTL Employees stock option Plan (ESOP) 2018 of the Parent company

The Parent company has granted stock options under the DTL - Employee Stock Option Plan 2018 (ESOP) to the eligible employees of the Parent company. Under ESOP, the Parent company has granted 2,13,81,000 options on 18<sup>th</sup> September, 2018, 34,39,000 options on 5<sup>th</sup> February, 2019 and 25,25,000 options on 1<sup>st</sup> August, 2022. 40%, 30% and 30% of total options granted would vest in after one year, two years and three years from the date of respective grant subject to fulfilment of vesting conditions. The maximum period for exercise of options is five years from the date of vesting. Also, the Nomination and Remuneration Committee approved the increase in exercise period to 5 (Five) years from the respective vesting from 3 (Three) years earlier, in relations to options granted on 18<sup>th</sup> September, 2018 and 5<sup>th</sup> February, 2019 which still remain unexercised on 1<sup>st</sup> August, 2022. Each option when exercised would be converted into one fully paid-up equity share of ₹ 3 each of the Parent company. The options granted under ESOP carry no rights to dividends and voting rights till the date of exercise.

The fair value of the options are estimated at the grant dates using Black and Scholes Model, taking into account the terms and conditions upon which the options were granted.

Certain unvested options were cancelled on non-fulfilment of certain vesting conditions under ESOP. As at the end of the financial year, details and movements of the outstanding options are as follows:

Particulars	For the year ended 31 <sup>st</sup> March, 2024		For the year ended 31 <sup>st</sup> March, 2023	
	No of Options	Weighted Average exercise price (₹)	No of Options	Weighted Average exercise price (₹)
<b>ESOP Plan Grant Date (18<sup>th</sup> September, 2018 &amp; 5<sup>th</sup> February, 2019)</b>				
<b>Options outstanding at the beginning of the year</b>	61,43,900	13.25	70,58,659	13.25
Options exercised during the year	(6,81,700)	-	(6,06,800)	-
Options cancelled during the year	(7,28,500)	13.25	(3,07,959)	13.25
<b>Options outstanding at the end of the year</b>	<b>47,33,700</b>	<b>13.25</b>	<b>61,43,900</b>	<b>13.25</b>
<b>Options exercisable at the end of the year</b>	<b>47,33,700</b>	<b>13.25</b>	<b>61,43,900</b>	<b>13.25</b>
<b>ESOP Plan Grant Date (1<sup>st</sup> August, 2022)</b>				
<b>Options outstanding at the beginning of the year</b>	8,50,000	29.00	-	-
Options granted under ESOP 2018	-	-	25,25,000	29.00
Options cancelled during the year	(3,05,000)	29.00	(16,75,000)	29.00
<b>Options outstanding at the end of the year</b>	<b>5,45,000</b>	<b>29.00</b>	<b>8,50,000</b>	<b>29.00</b>
<b>Options exercisable at the end of the year</b>	<b>2,18,000</b>	<b>29.00</b>	<b>-</b>	<b>29.00</b>

Range of exercise price of outstanding options (₹)

Range of exercise price of outstanding options (₹)	13.25 - 29.00	13.25 - 29.00
Remaining contractual life of outstanding options granted on 18 <sup>th</sup> September, 2018	0.47 years (40% vesting) 1.47 years (30% vesting) 2.47 years (30% vesting)	1.47 years (40% vesting) 2.47 years (30% vesting) 3.47 years (30% vesting)
Remaining contractual life of outstanding options granted on 5 <sup>th</sup> February, 2019	0.85 years (40% vesting) 1.85 years (30% vesting) 2.85 years (30% vesting)	1.85 years (40% vesting) 2.85 years (30% vesting) 3.85 years (30% vesting)
Remaining contractual life of outstanding options granted on 1 <sup>st</sup> August, 2022	4.33 years (40% vesting) 5.33 years (30% vesting) 6.33 years (30% vesting)	5.33 years (40% vesting) 6.33 years (30% vesting) 7.33 years (30% vesting)

The above options include following options held by Employees of holding and subsidiary companies:

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Employees of Holding Company	Employees of Subsidiary companies	Employees of Holding Company	Employees of Subsidiary companies
<b>Options outstanding at the beginning of the year</b>	40,08,700	2,87,000	44,30,500	2,97,000
Options exercised during the year	(5,03,000)	-	(4,21,800)	-
Options cancelled during the year	-	(2,77,000)	-	(10,000)
<b>Options outstanding at the end of the year</b>	<b>35,05,700</b>	<b>10,000</b>	<b>40,08,700</b>	<b>2,87,000</b>

The fair value of each option is estimated on the date of grant based on the following assumptions:

Particulars	As at 31 <sup>st</sup> March, 2024		
	18 <sup>th</sup> September, 2018	5 <sup>th</sup> February, 2019	1 <sup>st</sup> August, 2022
No of options outstanding at the end of the year	4,723,700 (31 <sup>st</sup> March, 2023: 61,33,900)	10,000 (31 <sup>st</sup> March, 2023: 10,000)	545,000 (31 <sup>st</sup> March, 2023: 850,000)
Dividend yield (%)	Nil	Nil	Nil
Expected life	2.50, 3.50 and 4.50 yrs.	2.50, 3.50 and 4.50 yrs.	3.50, 4.50 and 5.50 yrs.
Risk free interest rate (%)	8.06% (2.50 yrs.) 8.11% (3.50 yrs.) 8.23% (4.50 yrs.)	7.02% (2.50 yrs.) 7.27% (3.50 yrs.) 7.42% (4.50 yrs.)	6.83% (3.50 yrs.) 6.98% (4.50 yrs.) 7.09% (5.50 yrs.)
Expected Volatility (%)			63.43% (40% vesting) 65.32% (30% vesting) 66.10% (30% vesting)
Market price on date of grant/re-pricing (₹)	13.25	9.70	29.00
Weighted Average Fair Value of option at grant date	6.73	4.43	16.67

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(₹ in Lakhs unless otherwise stated)

### 2) 'SML Employee Stock Option Plan 2015' of Spice Money Limited, a subsidiary company

In May 2018, in order to motivate the employees of the Fintech Business Undertaking (designated employees), the Nomination and Remuneration Committee granted Options ("originally issued options") to the designated employees pursuant to the Group's stock option plan namely, 'SML Employee Stock Option Plan 2015' ('ESOP 2015'). The Options so granted will vest over a period of 3 years, 4 years as well as over a period of 5 years from the date of grant in the manner given below:

Time Period (3 years)	% of Options granted	Time Period (4 years)	% of Options granted	Time Period (5 years)	% of Options granted
1 <sup>st</sup> Vesting	40	1 <sup>st</sup> Vesting	25	1 <sup>st</sup> Vesting	10
2 <sup>nd</sup> Vesting	30	2 <sup>nd</sup> Vesting	25	2 <sup>nd</sup> Vesting	15
3 <sup>rd</sup> Vesting	30	3 <sup>rd</sup> Vesting	25	3 <sup>rd</sup> Vesting	20
		4 <sup>th</sup> Vesting	25	4 <sup>th</sup> Vesting	25
				5 <sup>th</sup> Vesting	30

The maximum period for exercise of options is 3 years, 4 years or 5 years from end of each vesting date. Each option, when exercised, would be converted into one fully paid-up equity share of 10 each of the Group. The options granted under ESOP 2015 carry no rights to dividends and no voting rights till the date of exercise.

The fair value of the share options is estimated at the grant date using Black and Scholes Model, taking into account the terms and conditions upon which the share options were granted.

During the year, certain unvested options were cancelled on non-fulfilment of certain vesting conditions under ESOP 2015. As at the end of the financial year, details and movements of the outstanding options are as follows:

#### 3 Year Vesting Plan

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No of Options	Weighted Average exercise price (₹)	No of Options	Weighted Average exercise price (₹)
<b>Options outstanding at the beginning of the year</b>	42,67,200	33.80	45,54,200	33.80
	11,35,700	34.10	11,94,740	34.10
	45,000	82.27	-	-
Options granted under ESOP 2015	-	-	3,06,600	33.80
	-	-	45,000	82.27
Options cancelled during the year	(17,72,200)	33.80	(5,93,600)	33.80
	(1,90,440)	34.10	(59,040)	34.10
	(15,000)	82.27	-	-
Change in vesting period*	(4,50,000)	33.80		
<b>Options outstanding at the end of the year*</b>	20,45,000	33.80	42,67,200	33.80
	9,45,260	34.10	11,35,700	34.10
	30,000	82.27	45,000	82.27
<b>Options exercisable at the end of the year</b>	18,36,800	33.80	21,37,428	33.80
	9,45,260	34.10	11,35,700	34.10
	12,000	-	-	-

#### 4 Year Vesting Plan

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No of Options	Weighted Average exercise price (₹)	No of Options	Weighted Average exercise price (₹)
Options outstanding at the beginning of the year	-	-	-	-
Options granted under ESOP 2015	5,25,000	82.27	-	-
Options outstanding at the end of the year	5,25,000	82.27	-	-
Options exercisable at the end of the year	-	-	-	-

### 5 Year Vesting Plan

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No of Options	Weighted Average exercise price (₹)	No of Options	Weighted Average exercise price (₹)
Options outstanding at the beginning of the year	16,42,880	34.52	-	-
	1,62,400	82.27	-	-
Options granted under ESOP 2015	-	-	16,62,120	34.52
	-	-	1,62,400	82.27
Options exercised during the year	-	-	-	-
Options cancelled during the year	(13,26,920)	34.52	(19,240)	34.52
	(67,400)	82.27	-	-
Options expired during the year	-	-	-	-
Change in vesting period*	4,50,000	33.80		
Options outstanding at the end of the year*	4,50,000	33.80	-	-
	3,15,960	34.52	16,42,880	34.52
	95,000	82.27	1,62,400	82.27
Options exercisable at the end of the year	31,596	34.52	-	-
	9,500	82.27	-	-

The fair value of each option is estimated on the date of grant based on the following assumptions:

Particulars	ESOP 2015				
	Issued in FY 2018-19	Issued in FY 2020-21, 2021-22, 2022-23	Issued in FY 2022-23	Issued in FY 2022-23	Issued in FY 2023-24
Valuation dated	April 2018	August 2020	May 2022	June 2022	January 2024
Dividend Yield (%)	Nil	Nil	Nil	Nil	Nil
Expected Life	2.5 yrs for 1 <sup>st</sup> vesting 3.5 yrs for 2 <sup>nd</sup> vesting	2.5 yrs for 1 <sup>st</sup> vesting 3.5 yrs for 2 <sup>nd</sup> vesting	2.5 yrs for 1 <sup>st</sup> vesting 3.5 yrs for 2 <sup>nd</sup> vesting 4.5 yrs for 3 <sup>rd</sup> vesting 5.5 yrs for 4 <sup>th</sup> vesting	2.5 yrs for 1 <sup>st</sup> vesting 3.5 yrs for 2 <sup>nd</sup> vesting 4.5 yrs for 3 <sup>rd</sup> vesting 5.5 yrs for 4 <sup>th</sup> vesting	2.5 yrs for 1 <sup>st</sup> vesting 3.5 yrs for 2 <sup>nd</sup> vesting 4.5 yrs for 3 <sup>rd</sup> vesting
Risk free Interest Rate(%)	6.82% for 1 <sup>st</sup> vesting 7.04% for 2 <sup>nd</sup> vesting	5.28% for 1 <sup>st</sup> vesting 5.66% for 2 <sup>nd</sup> vesting	6.50% for 1 <sup>st</sup> vesting 6.79% for 2 <sup>nd</sup> vesting 6.99% for 3 <sup>rd</sup> vesting 7.12% for 4 <sup>th</sup> vesting	6.67% for 1 <sup>st</sup> vesting 6.94% for 2 <sup>nd</sup> vesting 7.11% for 3 <sup>rd</sup> vesting 7.22% for 4 <sup>th</sup> vesting	7.10% for 1 <sup>st</sup> vesting 7.12% for 2 <sup>nd</sup> vesting 7.14% for 3 <sup>rd</sup> vesting 7.14% for 4 <sup>th</sup> vesting
	7.21% for 3 <sup>rd</sup> vesting	5.94% for 3 <sup>rd</sup> vesting	7.23% for 5 <sup>th</sup> vesting	7.29% for 5 <sup>th</sup> vesting	
Volatility(%)	24.90%	31.35%	35.50%	35.44%	33.91%
Fair Value on date of grant/ re-pricing (₹)	34.10	33.80	34.52	82.27	93.53
Fair Value Per Option (₹) - 3 Years	9.81	10.26	-	28.41	-
Fair Value Per Option (₹) - 4 Years	-	-	-	-	39.61
Fair Value Per Option (₹) - 5 Years	-	-	14.85	35.51	-

\*During the year, vesting period of 4,50,000 options issued to Mr. Ramesh Venkataraman has been amended from 3 years to 5 years. Accordingly number of options outstanding at the end of the year have been changed shown under 3 years vesting plan and 5 years vesting plan respectively.



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### 43. Discontinuing and discontinued operations

#### A. Discontinued operations

- A. The Board of Directors of the Group had approved the sale of entire stake in Omniventures Private Limited (OVPL), a wholly owned subsidiary of the Group, subsequently, the shareholders of the Group have also approved the same through postal ballot. Consequent to sale of stake in OVPL, OVPL and its subsidiary companies i.e. Spice Online Private Limited and Hotspot Sales & Solutions Private Limited have ceased to be the subsidiaries of the Group with effect from 13<sup>th</sup> February, 2018. These subsidiaries were operating in retail business.
- B. Pursuant to decision of board of directors of a step down subsidiary company on 10<sup>th</sup> February, 2017, the said Group has discontinued "Spice" Brand mobile handset business.

Both the above being discontinued operation, Device segment is no longer presented in the segment note. Accordingly, assets and liabilities of the business have been classified separately as assets/liabilities related to discontinued operations.

The details of assets and liabilities as at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 classified separately as assets/liabilities related to discontinued operations are given below:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Assets</b>		
<b>Financial assets</b>		
Other financial assets	-	0.20
Other assets	-	0.29
<b>Total non-current assets</b>	-	0.49
<b>Current assets</b>		
<b>Financial assets</b>		
Trade receivables	-	11.76
Cash and cash equivalents	-	3.66
Other bank balances	-	11.71
Loans	-	1.49
Others	-	5.12
Other current assets	-	336.44
<b>Total current assets</b>	-	370.18
<b>Assets directly associated with assets pertaining to discontinued operations</b>	-	370.67
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial Liabilities</b>		
Other financial liabilities	-	91.09
<b>Total non-current liabilities</b>	-	91.09
<b>Current liabilities</b>		
<b>Financial Liabilities</b>		
Trade payables	-	58.84
Others	-	8.89
Other liabilities	-	111.95
Provisions	-	0.15
<b>Total current liabilities</b>	-	179.83
<b>Liability directly associated with assets pertaining to discontinued operations</b>	-	270.92
<b>Net assets directly associated with discontinued operations</b>	-	99.75

The following statement shows the revenue and expenses of discontinued operations:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Income</b>		
Revenue from operations	-	-
<b>Revenue from operations (net)</b>	-	-
Other income	1.52	3.31
<b>Total revenue (i)</b>	1.52	3.31
<b>Expenses</b>		
Employee benefits expense	-	0.02
Other expenses	0.48	11.66
<b>Total (ii)</b>	0.48	11.68
<b>Profit/(loss) before exceptional items and tax from discontinued operations (i) - (ii)</b>	1.04	(8.37)
Exceptional items	134.70	-
<b>Profit/(loss) before tax</b>	(133.66)	(8.37)
<b>Profit/(loss) for the year from discontinued operations</b>	(133.66)	(8.37)
<b>Other comprehensive income from Discontinued operations</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Remeasurement gain of defined benefit plan	-	-
<b>Total comprehensive income/(loss) for the year from discontinued operations</b>	(133.66)	(8.37)

The Net cash flow incurred by discontinued business are, as follows;

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Operating	134.22	25.76
Investing	1.52	-
Financing	-	-
<b>Net cash (outflow)/inflow</b>	135.74	25.76

#### Earning Per Share:

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Basic, computed on the basis of profit/(loss) from discontinued operations (₹)	(0.06)	(0.00)
Diluted, computed on the basis of profit/(loss) from discontinued operations (₹)	(0.06)	(0.00)

#### B. Discontinuing operations

The Board of directors of DiGiSpice Technologies Limited, in its meeting held on 7<sup>th</sup> April, 2023 has approved, in principle, to exit Digital Technology Services Business. This is in keeping with the repositioning of the overall group strategy to focus on Financial Technology Services opportunities, mainly through its subsidiary Spice Money Limited ('Spice Money') and other group entities.

The major classes of assets and liabilities of Digital Technology service business held for sale of the Company as at 31<sup>st</sup> March, 2024 were, as follows:

Particulars	Note	As at 31 <sup>st</sup> March, 2024
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3	94.42
<b>Total non-current assets</b>		94.42
<b>Current assets</b>		
<b>Financial assets</b>		
Trade receivables	10	494.38
Cash and cash equivalents	11	1,008.39
Other financial assets	9	0.10
Current tax assets (net)	13	563.27
Other current assets	14	126.20
<b>Total current assets</b>		2,192.34
<b>Assets directly associated with assets pertaining to discontinuing operations</b>		2,286.76

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Particulars	Note	As at 31 <sup>st</sup> March, 2024
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Provisions	21	38.68
<b>Total non-current liabilities</b>		<b>38.68</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	18	406.60
Trade payables	19	
Total outstanding dues of micro enterprises and small enterprises		-
Total outstanding dues of creditors other than micro and small enterprises		1,638.43
Other financial liabilities	20	32.26
Provisions	21	36.16
Current tax liabilities (net)	22	147.19
Other current liabilities	23	92.33
<b>Total current liabilities</b>		<b>2,352.97</b>
<b>Liability directly associated with assets pertaining to discontinuing operations</b>		<b>2,391.65</b>
<b>Net assets directly associated with discontinuing operations</b>		<b>(104.89)</b>

The following statement shows the revenue and expenses of discontinuing operations, of the Group:

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Income</b>		
Revenue from operations	3,889.75	6,650.95
Other income	132.76	750.46
<b>Total revenue</b>	<b>4,022.51</b>	<b>7,401.41</b>
<b>Expenses</b>		
Cost of goods and services procured	89.21	144.93
Cost of services rendered	3,036.96	3,612.66
Employee benefits expense	991.44	2,036.59
Finance costs	65.76	58.32
Depreciation and amortisation expense	414.50	371.69
Other expenses	1,030.29	2,417.55
<b>Total</b>	<b>5,628.16</b>	<b>8,641.74</b>
<b>Loss before exceptional items and tax from discontinuing operations</b>	<b>(1,605.65)</b>	<b>(1,240.33)</b>
Exceptional items	517.96	-
<b>Loss before tax</b>	<b>(2,123.61)</b>	<b>(1,240.33)</b>
<b>Tax expense:</b>		
Current tax	2.73	109.12
Tax adjustment related to an earlier years	209.58	(7.04)
Deferred tax credit	1,341.21	300.00
<b>Loss for the year from discontinuing operations</b>	<b>(3,677.13)</b>	<b>(1,642.41)</b>
<b>Other comprehensive income from discontinuing operations</b>		
<b>Items that will not be reclassified to profit or loss:</b>		
Remeasurement gain of defined benefit plan	-	(32.38)
<b>Items that will be reclassified to profit or loss:</b>		
Exchange differences on translations of foreign operations	(84.26)	288.08
<b>Total comprehensive income for the year from discontinuing operations</b>	<b>(3,761.39)</b>	<b>(1,386.71)</b>

The Net cash flow incurred by discontinuing business are, as follows;

Particulars	31 <sup>st</sup> March, 2024
Operating	(3,987.01)
Investing	517.69
Financing	(875.24)
<b>Net cash outflow</b>	<b>(4,344.56)</b>

### Earning Per Share:

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Basic, computed on the basis of profit/(loss) from discontinuing operations (₹)	(1.59)	(0.71)
Diluted, computed on the basis of profit/(loss) from discontinuing operations (₹)	(1.59)	(0.71)

The major classes of assets and liabilities of Digital Technology service business held for sale of the Company as at 31<sup>st</sup> March, 2023 were, as follows:

Particulars	31 <sup>st</sup> March, 2023
<b>Assets</b>	
<b>Non-current assets</b>	
Property, plant and equipment	204.26
Other intangible assets	373.79
<b>Financial Assets</b>	
Other financial assets	47.23
Other non-current assets	123.92
<b>Total non-current assets</b>	<b>749.20</b>
<b>Financial assets</b>	
Trade receivables	1,535.70
Cash and cash equivalents	1,540.46
Other Bank Balances	80.41
Other current assets	229.98
<b>Total current assets</b>	<b>3,386.55</b>
<b>Total Assets</b>	<b>4,135.75</b>
<b>Liabilities</b>	
<b>Non-current liabilities</b>	
Provisions	180.07
<b>Total non-current liabilities</b>	<b>180.07</b>
<b>Current liabilities</b>	
<b>Financial liabilities</b>	
Borrowings	1,216.08
Trade payables	
Total outstanding dues of micro enterprises and small enterprises	3.72
Total outstanding dues of creditors other than micro and small enterprises	3,362.93
Other financial liabilities	155.24
Provisions	11.78
Current tax liabilities (net)	672.92
Other current liabilities	326.79
<b>Total current liabilities</b>	<b>5,749.46</b>
<b>Total Liabilities</b>	<b>5,929.53</b>
<b>Net assets</b>	<b>(1,793.78)</b>

### 44A. Fair value

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments (including discontinuing operations)

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial assets</b>				
<b>Non current assets</b>				
- Investments measured at FVTPL - unquoted	3,819.00	3,819.00	5.00	5.00
- Loans	7.94	7.94	148.81	148.81
- Other financial assets	4,441.75	4,441.75	4,410.21	4,410.21
<b>Total non current assets</b>	<b>8,268.69</b>	<b>8,268.69</b>	<b>4,564.02</b>	<b>4,564.02</b>

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Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial assets</b>				
<b>Current assets</b>				
- Trade receivables	2,653.23	2,653.23	3,393.80	3,393.80
- Cash and cash equivalents	13,197.47	13,197.47	14,046.09	14,046.09
- Bank balances other than above	25,319.12	25,319.12	24,268.17	24,268.17
- Loans	149.96	149.96	1.97	1.97
- Other financial assets	1,360.19	1,360.19	1,942.96	1,942.96
<b>Total current assets</b>	<b>42,679.97</b>	<b>42,679.97</b>	<b>43,652.99</b>	<b>43,652.99</b>
<b>Total financial assets</b>	<b>50,948.66</b>	<b>50,948.66</b>	<b>48,217.01</b>	<b>48,217.01</b>
<b>Financial liabilities</b>				
<b>Non current liabilities</b>				
- Lease liabilities	17.48	17.48	-	-
- Other financial liabilities	0.02	0.02	0.02	0.02
<b>Total non current liabilities</b>	<b>0.02</b>	<b>0.02</b>	<b>0.02</b>	<b>0.02</b>
<b>Current liabilities</b>				
- Borrowings	2,982.89	2,982.89	8,370.61	8,370.61
- Lease liabilities	10.20	10.20	-	-
- Trade payables	3,053.20	3,053.20	5,302.85	5,302.85
- Other financial liabilities	1,925.71	1,925.71	2,323.01	2,323.01
<b>Total current liabilities</b>	<b>7,972.00</b>	<b>7,972.00</b>	<b>15,996.47</b>	<b>15,996.47</b>
<b>Total financial liabilities</b>	<b>7,972.02</b>	<b>7,972.02</b>	<b>15,996.49</b>	<b>15,996.49</b>

### Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 are as shown below:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
FVTPL asset in unquoted equity shares	Price paid at the time of right issue of shares issued by the investee	Share price	<b>31<sup>st</sup> March, 2024:</b> Not Applicable <b>31<sup>st</sup> March, 2023:</b> Not Applicable	1% (31 <sup>st</sup> March, 2023: 0%) increase (decrease) in the share price rate would result in increase (decrease) in fair value by ₹ 38.14 lakhs (31 <sup>st</sup> March, 2023: ₹ Nil lakhs)

### 44 B. Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The Group has assessed that the fair value of trade receivables, cash and cash equivalents, other bank balances, other current financial assets, trade payables and other current financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined present value. Similarly, unquoted equity instruments in associate Group has been considered at cost less impairment, if any, and has been excluded in the fair value measurement disclosed below.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Borrowings are evaluated by the Group based on parameters such as interest rates and specific country risk factors.
- The fair value of other financial liabilities, obligations under finance leases, is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

### Quantitative disclosures fair value measurement hierarchy for assets as at 31<sup>st</sup> March, 2024:

#### Fair value measurement using

Particulars	Total	Level 1	Level 2	Level 3
<b>Assets measured at fair value:</b>				
- Investments measured at FVTPL - unquoted (excluding investment in associates)	3,819.00	-	-	3,819.00
<b>Total</b>	<b>3,819.00</b>	<b>-</b>	<b>-</b>	<b>3,819.00</b>
<b>Assets for which fair values are disclosed :</b>				
Investment properties (refer note 4)	3,667.00	-	-	3,667.00
<b>Total</b>	<b>3,667.00</b>	<b>-</b>	<b>-</b>	<b>3,667.00</b>
<b>Non current assets</b>				
- Loans	7.94	-	-	7.94
- Other financial assets	4,441.75	-	-	4,441.75
<b>Total</b>	<b>4,449.69</b>	<b>-</b>	<b>-</b>	<b>4,449.69</b>
<b>Current assets</b>				
- Trade receivables	2,653.23	-	-	2,653.23
- Cash and cash equivalents	13,197.47	-	-	13,197.47
- Bank balances other than above	25,319.12	-	-	25,319.12
- Loans	149.96	-	-	149.96
- Other financial assets	1,360.19	-	-	1,360.19
<b>Total</b>	<b>42,679.97</b>	<b>-</b>	<b>-</b>	<b>42,679.97</b>

There have been no transfers between Level 1 and Level 2 during the year.

### Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2024:

Particulars	Total	Level 1	Level 2	Level 3
<b>Liabilities measured at fair value:</b>				
<b>Non current liabilities</b>				
- Lease liabilities	17.48	-	-	17.48
- Other financial liabilities	0.02	-	-	0.02
<b>Total non current liabilities</b>	<b>17.50</b>	<b>-</b>	<b>-</b>	<b>17.50</b>
<b>Current liabilities</b>				
- Borrowings	2,982.89	-	-	2,982.89
- Lease liabilities	10.20	-	-	10.20
- Trade payables	3,053.20	-	-	3,053.20
- Other financial liabilities	1,925.71	-	-	1,925.71
<b>Total current liabilities</b>	<b>7,972.00</b>	<b>-</b>	<b>-</b>	<b>7,972.00</b>

There have been no transfers between Level 1 and Level 2 during the year.



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### Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023:

#### Fair value measurement using

Particulars	Total	Level 1	Level 2	Level 3
<b>Assets measured at fair value:</b>				
- Investments measured at FVTPL - unquoted (excluding investment in associates)	5.00	-	-	5.00
<b>Total</b>	<b>5.00</b>	<b>-</b>	<b>-</b>	<b>5.00</b>
<b>Assets for which fair values are disclosed:</b>				
Investment properties (refer note 4)	4,413.00	-	-	4,413.00
<b>Total</b>	<b>4,413.00</b>	<b>-</b>	<b>-</b>	<b>4,413.00</b>
<b>Non current assets</b>				
- Loans	148.81	-	-	148.81
- Other financial assets	4,410.21	-	-	4,410.21
<b>Total</b>	<b>4,559.02</b>	<b>-</b>	<b>-</b>	<b>4,559.02</b>
<b>Current assets</b>				
- Trade receivables	3,393.80	-	-	3,393.80
- Cash and cash equivalents	14,046.09	-	-	14,046.09
- Bank balances other than above	24,268.17	-	-	24,268.17
- Loans	1.97	-	-	1.97
- Other financial assets	1,942.96	-	-	1,942.96
<b>Total</b>	<b>43,652.99</b>	<b>-</b>	<b>-</b>	<b>43,652.99</b>

There have been no transfers between Level 1 and Level 2 during the year.

### Quantitative disclosures fair value measurement hierarchy for liabilities as at 31<sup>st</sup> March, 2023:

Particulars	Total	Level 1	Level 2	Level 3
<b>Liabilities measured at fair value:</b>				
<b>Non current liabilities</b>				
- Other financial liabilities	0.02	-	-	0.02
<b>Total non current liabilities</b>	<b>0.02</b>	<b>-</b>	<b>-</b>	<b>0.02</b>
<b>Current liabilities</b>				
- Borrowings	8,370.61	-	-	8,370.61
- Trade payables	5,302.85	-	-	5,302.85
- Other financial liabilities	2,323.01	-	-	2,323.01
<b>Total current liabilities</b>	<b>15,996.47</b>	<b>-</b>	<b>-</b>	<b>15,996.47</b>

There have been no transfers between Level 1 and Level 2 during the year.

## 45. Financial risk management objectives and policies

The Group's principal financial liabilities, comprise borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance and support the Group's operations. The Group's principal financial assets include loans, trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations. The Group also holds FVTPL investments and investment in subsidiary companies, associates measured using the equity method.

The Group is exposed to market risk, credit risk and liquidity risk. The senior management of the Group advises on financial risks and the appropriate financial risk governance framework. The senior management provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees on policies for managing each of these risks, which are summarised below.

### 1) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments. The Group is not effected by commodity risk.

The sensitivity analysis in the following sections relate to the position as at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023.

### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the loan given, Security deposits received/paid and borrowings.

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected, with all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, present rate is FDR+1% (P.Y. 7.12%), the impact of change in rate is as follows:

#### Interest rate sensitivity calculated on borrowing. The impact of change in interest rate is given below:-

Particulars	Increase decrease in basis points	Effect on profit before tax and equity before tax
<b>31<sup>st</sup> March, 2024</b>		
₹ Lakhs	50	(14.91)
₹ Lakhs	(50)	14.91
<b>31<sup>st</sup> March, 2023</b>		
₹ Lakhs	50	(41.85)
₹ Lakhs	(50)	41.85

#### Fair value sensitivity analysis for fixed-rate instruments:

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, the group shall not be affected a change in interest rates at the reporting date.

### b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

#### Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, IDR, LKR, AFN and BDT exchange rates, with all other variables held constant. The impact on the Group's Continuing profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to other foreign currency is not material.

Particulars	Currency	Change in rates	Effect on profit before tax	Effect on pre-tax equity
31 <sup>st</sup> March, 2024	AFN (Afghanistan Afghani)	5%	3.68	3.68
		-5%	(3.68)	(3.68)
	USD (US Dollar)	5%	(35.78)	(35.78)
		-5%	35.78	35.78
	LKR (Sri Lankan Rupee)	5%	0.01	0.01
		-5%	(0.01)	(0.01)
31 <sup>st</sup> March, 2023	BDT (Bangladeshi Taka)	5%	49.53	49.53
		-5%	(49.53)	(49.53)
	USD (US Dollar)	5%	29.18	29.18
		-5%	(29.18)	(29.18)
	IDR (Indonesian Rupiah)	5%	0.52	0.52
		-5%	(0.52)	(0.52)
	LKR (Sri Lankan Rupee)	5%	0.04	0.04
		-5%	(0.04)	(0.04)
	AFN (Afghanistan Afghani)	5%	3.44	3.44
		-5%	(3.44)	(3.44)
	BDT (Bangladeshi Taka)	5%	85.44	85.44
		-5%	(85.44)	(85.44)

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### c) Equity price risk

The Groups listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group don't engage in active trading of equity instruments. Reports on the equity portfolio are submitted to the Group senior management on a regular basis. The Board of Directors of Group reviews and approves all equity investment decisions.

At the reporting date, the exposure to listed and unlisted equity securities at fair value is not material (excluding investment in subsidiaries).

### d) Other risk

The Group operates in a service sector on revenue sharing model. There is downward revision of revenue shares frequently, as a result, the revenue of Group may reduce depending upon percentage decrease in revenue share of Group with the telecom operators.

## 2) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The Group has used a practical expedient and analysed the recoverable amount of the receivables on an individual basis by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information's.

The following table provides information about exposure to credit risk and expected credit loss for trade receivables (excluding unbilled) for customers for the year ended 31<sup>st</sup> March, 2024:

Particulars	Gross Carrying Amount	Weighted-Average Loss Rate	Loss Allowance
Not due	287.60	0%	-
1- 90 days	388.48	0%	-
91-180 days	159.57	0%	-
181-360 days	298.43	37%	110.89
More than 360 days	2,700.75	100%	2,700.75
	<b>3,834.83</b>		<b>2,811.64</b>

The following table provides information about exposure to credit risk and expected credit loss for trade receivables for customers for the year ended 31<sup>st</sup> March, 2023:

Particulars	Gross Carrying Amount	Weighted-Average Loss Rate	Loss Allowance
Not due	709.48	0%	0.06
1- 90 days	237.30	4%	9.02
91-180 days	368.79	14%	50.36
181-360 days	256.56	76%	195.69
More than 360 days	2,953.75	95%	2,812.72
	<b>4,525.88</b>		<b>3,067.85</b>

### Movement in the expected credit loss allowance of receivables

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Balance at the beginning of the year</b>	3,067.85	2,877.76
Provided/reversals of provision/adjusted with bad debts (net)	(256.21)	190.09
<b>Balance at the end of the year</b>	<b>2,811.64</b>	<b>3,067.85</b>

### - Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the Group policy. Investments of surplus funds are made only with approved counterparties and based on the Investment Policy of the Group. All investments are reviewed by the Group Board of Directors on a quarterly basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

## 3) Liquidity risk

The Group monitors its risk of a shortage of funds using a liquidity planning tool.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bill discounting facility. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group financial liabilities based on contractual undiscounted payments.

Particulars	Carrying value	Less than 3 Months	3-12 Months	1-5 Years	> 5 years	Total
<b>As at 31<sup>st</sup> March, 2024</b>						
Borrowings	2,982.89	2,982.89	-	-	-	2,982.89
Other financial liabilities (current)	1,925.71	1,922.08	-	-	-	1,922.08
Lease liabilities	27.68	1.55	9.94	19.77	-	31.26
Trade and other payables	3,053.20	2,058.59	20.30	974.32	-	3,053.20
<b>Total</b>	<b>7,989.48</b>	<b>6,965.11</b>	<b>30.24</b>	<b>994.11</b>	<b>-</b>	<b>7,989.45</b>

Particulars	Carrying value	Less than 3 Months	3-12 Months	1-5 Years	> 5 years	Total
<b>As at 31<sup>st</sup> March, 2023</b>						
Borrowings	8,370.61	8,370.61	-	-	-	8,370.63
Other financial liabilities (current)	2,323.01	2,215.73	107.28	-	-	2,323.01
Trade and other payables	5,302.85	4,246.81	290.87	765.17	-	5,302.85
<b>Total</b>	<b>15,996.47</b>	<b>14,833.15</b>	<b>398.15</b>	<b>765.19</b>	<b>-</b>	<b>15,996.51</b>

### - Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

### - Collateral

The Group has pledged part of its fixed deposits with bank as margin money against issuance of bank/corporate guarantees in order to fulfil the collateral requirements for its various contracts. At 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023, the fair values of fixed deposits pledged were ₹ 18,785.22 Lakhs and ₹ 17,597.30 lakhs respectively. The Group has an obligation to repay the deposit to the counterparties upon settlement of the contracts. There are no other significant terms and conditions associated with the use of collateral (refer note 11 and 12).

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### 46. Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital. The Group's policy is to keep the gearing ratio less than 50%. The Group includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Borrowings	3,010.57	8,370.61
Less: cash and cash equivalents	13,197.47	14,046.09
<b>Net debt</b>	<b>(10,186.90)</b>	<b>(5,675.48)</b>
Equity	6,184.65	6,164.20
Other equity attributable	18,355.78	17,021.20
<b>Total equity attributable to owner of the Group</b>	<b>24,540.43</b>	<b>23,185.40</b>
<b>Capital and net debt</b>	<b>14,353.53</b>	<b>17,509.91</b>
<b>Gearing ratio</b>	<b>Nil</b>	<b>Nil</b>

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023.

### 47. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	20.69	58.88
- Interest due on above	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	-	-

48. The Holding Company and its 4 subsidiaries which are companies incorporated in India and whose financial statements have been audited under the Act have complied with the requirements of audit trail except for the Holding Company and its 1 subsidiary, where audit trail feature is not enabled for direct changes to SAP and Oracle database for users with privileged access rights. Further, Company is taking steps to ensure feature of audit trail is enabled along with audit trail at database level and maintain log of such configuration changes. Additionally, discussions are underway with the vendor to ensure that a log is kept for the daily backup of the financial records in SAP, aligning with the requirements set by the Ministry of Corporate Affairs (MCA).

49. Disclosure required under Schedule V read with Regulation 34 (3) and 53 (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and disclosure required under section 186 (4) of the Companies Act, 2013

**Particulars of disclosures as required under Schedule V read with Regulation 34 (3) and 53 (f) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and disclosure required under section 186 (4) of the Companies Act, 2013:**

Name of Loanee	Purpose	Rate of Interest	Outstanding balance as at 31 <sup>st</sup> March, 2024	Maximum balance in FY 2023-24	Outstanding balance as at 31 <sup>st</sup> March, 2023	Maximum balance in FY 2022-23
Bharat BPO Services Limited	General Corporate purposes	10.50%	-	-	-	-
Bharat BPO Services Limited	Advances against supply	NA	-	-	-	400.00

The Company has provided ₹ Nil (Previous year- ₹ 1,039.32 lakhs) against above loans as doubtful. During the year, the Company has written off ₹ 1,039.32 lakhs (31<sup>st</sup> March, 2023: ₹ 400 lakhs).

**Loan to body corporate, the particulars of which are disclosed below as required by Section 186(4) of Companies Act, 2013:**

The Group has provided ₹ Nil (Previous year - ₹ Nil) against above loans as doubtful. During the year, the Group has written off ₹ Nil (31<sup>st</sup> March, 2023: ₹ 4,945.14 Lakhs) of loans.

**Detail of loans or advances in nature of loans granted either repayable on demand or without specifying any terms or period of repayment.**

Type of Borrower	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Total loans & advances in nature of loans	Percentage to total loans & advances in nature of loans	Total loans & advances in nature of loans	Percentage to total loans & advances in nature of loans
Other related parties	-	-	-	-

### 50. Significant accounting judgements, estimates and assumptions

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



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### Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

### Lease liability and Right of Use assets

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

### Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

### Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can

be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Group has short term and long term capital losses under the Income Tax Act, 1961 and certain provision for loss allowances against doubtful debts and impairment of investment which allowability under Income Tax Act is ambiguous. These losses may not be used to offset taxable income within prescribed time. The Group neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on these tax losses carried forward.

### Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. 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.

### Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan 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 for the specific countries. 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 37.

### Intangible asset under development

The group capitalises intangible asset under development for project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

### Provision and contingent liability

On an ongoing basis, Group reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognised until the contingency has been resolved and amounts are received or receivable.

### Allowance for bad and doubtful debts and advances

Trade receivables do not carry any interest and are stated at their amortised cost as reduced by appropriate allowances for estimated irrecoverable

amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

### Useful lives of depreciable assets

The management estimates the useful life and residual value of depreciable assets based on technical evaluation. These assumptions are reviewed at each reporting date.

### Share based payments

The Group measures the cost of equity-settled transactions with employees using Black Scholes model to determine the fair value of options. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions relating to vesting 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 42.

### Revenue recognition

The Group's revenue from the sale of digital financial services and other services is recognised and accrued based on the number of successful transactions and in accordance with the terms of agreements for such services. Due to high volume of transactions, the number of transactions are calculated pursuant to the reports from the database linked to the front end application for digital financial services and other services.

51. a) During the year, Parent company has not declared any dividend.  
b) Associate Companies has not paid and declared any dividend during the year.  
c) Spice Money Limited (subsidiary company) has declared and paid dividend as follows:

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Dividends on compulsorily convertible preference shares declared and paid:</b>		
Final dividend for the year	165.00	165.00
Final dividend per share	₹ 0.50	₹ 0.50
<b>Proposed dividends on Non convertible redeemable preference shares (31<sup>st</sup> March, 2023: Compulsorily convertible preference shares):</b>		
Proposed dividend for the year	160.41	165.00
Proposed dividend per share	₹ 0.50	₹ 0.50

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### 52. Additional regulatory information required by Schedule III to be disclosed in the financial statements:

- (i) No proceedings have been initiated or are pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.”
- (ii) The Group does not have any transactions with struck-off companies.
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (a) 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
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) 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
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

- (vii) The Group own immovable properties as on 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023. All the lease agreements are duly executed in favour of the Group for building and office premises where the Group is the lessee.
- (viii) There have been no acquisitions through business combinations and no change of amount due to revaluation of Property, Plant and equipment and other intangible assets during the year ended 31<sup>st</sup> March, 2024 & 31<sup>st</sup> March, 2023.
- (ix) The Group has complied with number of layers prescribed under the Companies Act, 2013.
- (x) There are no approved Scheme of Arrangements in terms of section 230 to 237 of the Companies Act, 2013 as on 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023.
- (xi) There have been no income or related assets which have not been recorded in the books of accounts, that have been surrendered or disclosed as income in the tax assessments under Income Tax Act, 1961 during the year or any previous years.
- (xii) The Group is not declared as a wilful defaulter by any bank or financial institutions or other lender, in accordance with the guidelines issued by the Reserve Bank of India, during the year ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023.

53. The following charge is appearing on the website of the Ministry of Corporate Affairs ('MCA'), against which the Parent Company has no loan outstanding as at reporting date. The charge stood satisfied as per records of the parent Company and the parent Company is taking up with the MCA to record satisfaction of this charges on its website.

S. No.	Lender Name	Amount (in lakhs)	Location of the Registrar
1	L.I.C. of India	100.00	Delhi

54. During the current year, the management of the Group has revised the accounting treatment of income from recharge of airtime coupons have determined that it should be recognised on net basis (instead of recognising sale of airtime coupons as income and purchase of airtime coupons as an expense). The accounting treatment has been applied in accordance with IND AS 8 and therefore the affected line items of the financial results of the year have been restated as per the table below. Such restatement does-not affect the Profit/(loss) for the year, cash flows and earnings per share and total assets of the Group.

**The restatement each of the affected financial results line items for the prior period as follows:**

Statement of Profit and Loss Extract	Year ended			
	31 <sup>st</sup> March, 2023 (as previously reported)	Increase/ (decrease) due to restatement	Classified as Discontinuing operations	31 <sup>st</sup> March, 2023 (restated)
<b>Income</b>				
<b>Revenue from operations</b>	1,01,532.88	(51,728.09)	(6,650.95)	43,153.84
Sale of hardware, traded goods, Air Time and software solution				
<b>Expenses</b>				
Cost of goods and services procured	(52,545.59)	51,728.09	-	(817.50)
<b>Total</b>	48,987.29	-	(6,650.95)	42,336.34

As per our report of even date.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

per **Anil Gupta**

Partner

Membership No.: 087921

Place: Noida

Date: 16<sup>th</sup> May, 2024

For and on behalf of the board of directors of

**DiGiSPICE Technologies Limited**

**Rohit Ahuja**

Executive Director

DIN: 00065417

**Vinit Kishore**

Chief Financial Officer

Place: Noida

Date: 16<sup>th</sup> May, 2024

**Subramanian Murali**

Director

DIN: 00041261

**Ruchi Mehta**

Company Secretary

M. No.: A16707

## Form AOC-1

### Statement containing salient features of the financial statement of subsidiaries/ associate companies

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Sl. No.	Name of subsidiary Company	Reporting period for the subsidiary*	Date when subsidiary was acquired	Reporting Currency	Exchange Rate on the last date of the FY (to be given only in case of foreign subsidiaries)	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment made in subsidiaries)	Turnover / Total Income	Profit/ (Loss) Before Tax	Tax expenses	Profit/ (Loss) after tax	Proposed Dividend	% of shareholding#
1	Spice Money Limited	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	4 <sup>th</sup> November, 2010	INR	1.00	4,408.99	6,276.23	51,145.26	51,145.26	-	45,977.51	2,280.67	974.48	1,306.19	-	96.83%
2	Kimaan Export Private Limited	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	24 <sup>th</sup> December, 2010	INR	1.00	2.00	852.47	965.67	965.67	-	289.88	(201.93)	18.51	(220.44)	-	100.00%
3	Hindustan Retail Private Limited (till 31 <sup>st</sup> May, 2023)	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	4 <sup>th</sup> November, 2010	INR	1.00	-	-	-	-	-	-	1.04	-	1.04	-	Nil
4	New Spice Sales & Solutions Limited (till 31 <sup>st</sup> May, 2023)	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	4 <sup>th</sup> November, 2010	INR	1.00	-	-	-	-	-	-	-	-	-	-	Nil
5	Cellucrom Retail India Private Limited (till 31 <sup>st</sup> May, 2023)	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	4 <sup>th</sup> November, 2010	INR	1.00	-	-	-	-	-	-	-	-	-	-	Nil
6	Spice Digital Bangladesh Limited	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	11 <sup>th</sup> August, 2012	BDT	0.75	795.90	(616.85)	286.13	286.13	-	20.49	9.94	36.93	(26.99)	-	100.00%
7	S Global Services Pte. Ltd	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	28 <sup>th</sup> February, 2008	SGD	61.67	9,704.40	(4,887.07)	4,867.71	4,867.71	-	3,862.25	3,802.92	3.44	3,799.48	-	100.00%
8	Spice VAS (Africa) Pte. Limited	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	4 <sup>th</sup> November, 2010	SGD	61.67	3,181.76	(750.23)	2,472.10	2,472.10	-	220.39	123.92	-	123.92	-	100.00%
9	Beoworld SDN. BHD (till 22 <sup>nd</sup> November, 2023)	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	2 <sup>nd</sup> December, 2010	MYR	46.04	-	-	-	-	-	-	-	-	-	-	Nil
10	Spice VAS RDC (till 16 <sup>th</sup> February, 2024)	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	8 <sup>th</sup> April, 2016	CDF	0.04	-	-	-	-	-	-	-	-	-	-	Nil
11	S Mobility (HK) Limited (Strike off w.e.f. April 28, 2023)	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	12 <sup>th</sup> May, 2011	USD	83.34	-	-	-	-	-	-	-	-	-	-	Nil
12	PT Spice Digital Indonesia	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	7 <sup>th</sup> April, 2016	IDR	0.01	163.42	(665.53)	(58.81)	(58.81)	-	32.66	(175.50)	33.26	(208.76)	-	100.00%
13	Omnia Pte. Ltd.	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	17 <sup>th</sup> February, 2017	SGD	61.67	15.73	(1,246.07)	(1,224.20)	(1,224.20)	-	3.35	(3.04)	-	(3.04)	-	100.00%
14	Spice Digital FZCO	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	26 <sup>th</sup> March, 2017	AED	22.69	-	(888.44)	(888.44)	(888.44)	-	11.99	(25.77)	-	(25.77)	-	100.00%
15	Digispice Nigeria Limited	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	4 <sup>th</sup> November, 2010	NAIRA	0.06	54.48	(222.67)	(134.39)	(134.39)	-	14.49	102.80	(1.54)	104.34	-	100.00%
16	Spice VAS Kenya Limited	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2011	KSH	0.63	0.95	(30.07)	(0.32)	(0.32)	-	184.05	(39.12)	70.56	(109.68)	-	100.00%
17	Digispice Uganda Limited	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	11 <sup>th</sup> November, 2010	UGX	0.02	0.34	1.48	35.45	35.45	-	-	12.20	0.32	11.88	-	75.00%
18	Digispice Ghana Limited	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	15 <sup>th</sup> April, 2011	GHS	6.28	45.36	(265.89)	(148.23)	(148.23)	-	157.85	(199.55)	35.99	(235.54)	-	70.00%
19	Digispice Zambia Limited	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	1 <sup>st</sup> September, 2011	ZMW	3.33	0.79	6.28	9.11	9.11	-	43.20	(72.24)	-	(72.24)	-	100.00%
20	Digispice Tanzania Limited	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	29 <sup>th</sup> November, 2011	TZS	0.03	92.90	(752.94)	(658.68)	(658.68)	-	(1.60)	(38.31)	-	(38.31)	-	100.00%
21	Fast Track IT Solutions Limited	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	27 <sup>th</sup> November, 2018	BDT	0.75	3.46	(3.16)	21.20	21.20	-	1.87	(28.39)	(8.36)	(20.03)	-	70.00%
22	Digispice Nepal Private Limited	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	21 <sup>st</sup> January, 2019	NPR	0.62	31.25	(83.73)	684.03	684.03	-	53.43	(21.92)	13.36	(35.28)	-	100.00%

## Form AOC-1

### Statement containing salient features of the financial statement of subsidiaries/ associate companies

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Sl. No.	Name of subsidiary Company	Reporting period for the subsidiary*	Date when subsidiary was acquired	Reporting Currency	Exchange Rate on the last date of the FY (to be given only in case of foreign subsidiaries)	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment made in subsidiaries)	Turnover / Total Income	Profit/ (Loss) Before Tax	Tax expenses	Profit/ (Loss) after tax	Proposed Dividend	% of shareholding#
23	E-Arth Travel Solutions Private Limited	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	6 <sup>th</sup> August, 2021	INR	1.00	1.50	7.18	17.89	17.89	-	0.63	(1.64)	4.07	(5.71)	-	100.00%
24	Vikasni Fintech Private Limited	1 <sup>st</sup> April, 2023 to 31 <sup>st</sup> March, 2024	1 <sup>st</sup> November, 2021	INR	1.00	1.00	(1.20)	1.49	1.49	-	11.49	(0.31)	(0.09)	(0.22)	-	100.00%

\*Subsidiaries whose reporting period is different from that of the Company, financial statements used for the purpose of consolidation are drawn upto the same reporting date as that of the Company i.e. 31<sup>st</sup> March, 2024.

#refer note no. 36 of Consolidated Financial Statements

## Part "B": Associates companies

Name of Associates / Joint Ventures	SunStone Learning Private Limited**	Creative Functionapps Lab Private Limited**
1 Latest audited Balance Sheet Date	Unaudited	Unaudited
2 Date on which the Associate was associated or acquired	12 <sup>th</sup> February, 2015	1 <sup>st</sup> July, 2015
3 Shares of Associate company held by the company on the year end No.	95,508	3,514
4 Amount of investment in Associates	814,88	100.00
5 Extent of Holding%	41.6%	26.00%
6 Description of how there is significant influence	Associate	Associate
7 Reason why the associate company is not consolidated	NA	NA
8 Networth attributable to Shareholding as per latest audited Balance Sheet	-	-
9 Profit / (Loss) for the year	-	2.40
(i) Considered in Consolidation	-	0.62
(ii) Not Considered in Consolidation	-	-

\*\* The investment has been fully impaired in the financials as the networth is fully eroded

### For and on behalf of the board of directors DiGiSPICE Technologies Limited

**Rohit Ahuja**  
Executive Director  
DIN:00065417

**Subramanian Murali**  
Director  
DIN: 00041261

Place: Noida  
Date: 16<sup>th</sup> May, 2024

**Vinit Kishore**  
Chief Financial Officer

**Ruchi Mehta**  
Company Secretary  
M. No.: A16707









# DIGISPICE

**DIGISPICE Technologies Limited**

Registered Office: 622, 6<sup>th</sup> Floor, DLF Tower A, Jasola Distt. Centre, New Delhi - 110025

CIN: L72900DL1986PLC330369

Tel.: 011 - 41251965; Email: [complianceofficer@digispice.com](mailto:complianceofficer@digispice.com); Website: [www.digispice.com](http://www.digispice.com)



# DiGiSPICE

## DiGiSPICE Technologies Limited

Registered Office: JA-122, 1<sup>st</sup> Floor, DLF Tower A, Jasola, New Delhi -110025

CIN: L72900DL1986PLC330369

Tel.: 011- 41251965; Email: [complianceofficer@digispice.com](mailto:complianceofficer@digispice.com)

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

## NOTICE

Notice is hereby given that the Thirty Sixth Annual General Meeting ('AGM') of DiGiSPICE Technologies Limited will be held on Saturday, the 28<sup>th</sup> September, 2024 at 3 P.M. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt:
  - a. the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2024 along with the Board of Directors' and Auditors' Report thereon;
  - b. the Audited Consolidated Financial Statements for the financial year ended 31<sup>st</sup> March, 2024 and the Auditors' Report thereon.
2. To consider and appoint a Director in place of Mr. Subramanian Murali (DIN: 00041261), Non-Executive Director, who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

3. To consider and approve the re-appointment of Mr. Mayank Jain (DIN: 00251609) as a Non-Executive Independent Director of the Company and in this regard to consider and, if thought fit, to pass the following resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Section(s) 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17 and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended, Remuneration Policy, the Code of Conduct for Directors and Senior Management Personnel, provisions of Articles of Associations of the Company and as recommended by the Nomination and Remuneration and the

Board of Directors of the Company, Mr. Mayank Jain (DIN: 00251609), who meets the criteria of independence as prescribed in Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director and who has given his consent to act as Director be and is hereby re-appointed as a Non-Executive Independent Director of the Company for second term of 5 (five) consecutive years from 1<sup>st</sup> October, 2024 to 30<sup>th</sup> September, 2029 (both days inclusive), not subject to retirement by rotation.

Resolved further that the Board of Directors (which term shall include any Committee of the Board authorized in this regard) be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be deemed proper, necessary or expedient, including filing the requisite forms or submission of documents with any authority, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto."

4. To consider and approve the alteration in the Object Clause of the Memorandum of Association (MOA) of the Company and in this regard to consider and, if thought fit, to pass the following resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Section(s) 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with the Companies (Incorporation) Rules, 2014 and other applicable provisions and rules made under of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable law(s) and prevailing statutory guidelines/circulars/notifications and subject to such other approval(s), consent(s), permission(s), and / or sanction(s) as may be necessary from the appropriate regulatory authority(ies) including Registrar of Companies, Delhi and such other terms, conditions, amendments or

## Notice

modifications, as may be prescribed / imposed by the appropriate regulatory authority(ies) while granting such approval(s), consent(s), permission(s) and / or sanction(s) and which may be agreed by Board of Directors of the Company(hereinafter referred to as the "Board", which term shall be deemed to include any Committee constituted or to be constituted by the Board or any person(s) duly authorised by the Board in this regard), the approval of the Members of the Company be and is hereby granted for alteration of the Object Clause of the Memorandum of Association of the Company by addition of the following new sub-clauses 14 to 24 after the existing sub-clause 13 of Clause IIIA of the Memorandum of Association of Company:

14. To provide, develop, design, establish, maintain, organize, undertake, facilitate, manage, operate, purchase, sell, resell, distribute, market, promote, import, export and deal in the business of all types of services and products for the enterprises and customers, including but not limited to all payment services in any manner, electronic and virtual payment systems services, payment gateway services, prepaid payment instruments, e-wallets, mobile wallets, cash cards, mobile and landline phone connection recharge and payments, Bharat Bill Payment System (BBPS) services, Bill payments for utility, school fees, taxes and other payments, services relating to data transfer and communication, transaction processing, systems and technologies, Information Technology, Computer hardware and software, Movie ticketing, Travel Bookings, Flower Delivery, all types of bullion and precious items, DVD Rental, Shopping, Entertainment services, Direct to Home(DTH) services, delivery/ provision of all consumer items and services through the medium of M-Commerce, E-Commerce or other technology platform or through any other mode/medium/channel and to act as GST Suvidha Provider (GSP) and consultant and to render all services in relation to Goods and Services Tax (GST) and to provide and manage all types of enterprise solutions and technology enablement with respect to GST and other financial services and products and to act as dealers, distributors, agents, representatives of Indian and foreign concerns dealing in said services and products and allied activities related thereto.
15. To act as business correspondent or an intermediary for banks, financial institutions and other organizations, in accordance with the guidelines rules and regulations prescribed by Reserve Bank of India or any other regulatory and / or governmental authority in India.
16. To own, establish, run, manage and develop training curriculum and course content, research centers, to provide quality learning spaces and opportunities to suitable candidates, to strengthen the theory-practice linkage, to help in local capacity building and to educate, train and equip them, by electronic mode or otherwise, with enhanced employability skills in the company or industry.
17. To act as Point of Presence (POP), Point of Service (POS), Collection Centre, Facilitation Centre, contact centre, contact points, Tax Information Network Centre (TIN-FC), PAN Centre, Central Recordkeeping Agency Facilitation Centre (CRA-FC) and any other intermediary (including but not limited to, as a contractor, sub-contractor, agent, or sub-agent) under or in relation to any services provided by the Central Government, State Government, Public Institutions, any regulatory authority or any other autonomous body of the state and any Government agency including but not limited to Pension Fund Regulatory Development Authority (PFRDA), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL), Central Recordkeeping Agency (CRA) and National Skill Registry and to render services relating to collecting, receiving, processing, recording & digitization of the specified data(s)/information in relation to the foregoing services and forwarding and transmitting of the same.
18. To provide, develop, establish, maintain, organize, undertake, facilitate, manage, operate, distribute, market, promote and deal in all types of services, products, system and solutions relating to governance, e-governance, m-governance or government to consumer products, services, system, solutions and projects of Central Government, State Government, Municipal authorities, Public Institutions, regulatory authority or any other autonomous body.

19. To carry on the business of dealing and facilitating the distribution of all types of loan products, Mutual Funds Schemes or any other financial or investment products issued by Banks, Mutual Funds or any other financial intermediary or entity, provide information on credit worthiness and screening borrowers, through any technology/online platform or through any other mode/medium/channel.
  20. To carry on all kinds of insurance business through any technology/online platform or through any mode/medium/channel and to solicit and procure insurance business either singly or in association with any other person or entity and to act as insurance agents or any insurance intermediary or associate relating to insurance business, to provide advisory, supervisory and administrative services and act as consultants or managers or agents in relation thereto and to undertake such other activities as are incidental or ancillary thereto.
  21. To promote, represent, organize, undertake, establish, conduct, handle, arrange, manage, own, operate, participate, facilitate, sponsor, encourage & provide the services relating to hospitality business including but not limited to managing and arranging tours for religious, educational, recreational or any other purposes; daily passenger service operators, conducted operators; booking and reserving accommodations, seats, berths, compartments, coupes, complete bogies on railways, motor ships, motor boats, airplanes, steamships, motor bus and omnibuses; vehicle booking, hotel booking services; authorised railway ticket booking, ship booking, airlines ticket booking, representatives of other travelling agencies, courier service, correspondents, parcel & postage booking and telephone booth.
  22. To develop and enable technology which facilitates lenders to evaluate borrower's credit worthiness including to develop and maintain e-portal, act as an intermediary or agent for banks, companies, firms and other financial institutions for distributing their products and services, to provide, design, test, train, support, maintain, market, provide online services throughout products and applications, cloud solutions, internet of things, mobile applications, web solutions and other related services.
  23. To advise, provide consultancy services, develop, implement products and provide services on all matters regarding implementation of computer software and hardware systems, management of data processing, financial data analysis, software useful for lending companies, banks and financial institutions and to evaluate banks and communication systems whether in India or abroad.
  24. To carry on the business of providing consultancy services, technical assistance, technology solutions to businesses and individuals and providing services relating to customer acquisition, customer management, enabling business operations, to act as advisors, financial institutions and similar organizations, banks, companies, firms, government, local authorities, to companies, firms or persons either by themselves or in partnership with others and to carry on any other business incidental or ancillary to the attainment of main objects.
- Resolved further that for giving effect to the above resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose including but not limited to execution of all necessary and required undertaking, documents, instruments, writings and papers, and settle all questions, difficulties or doubts that may arise in regard for implementation of the aforesaid resolution, without being required to seek any further consent or approval of the Members of the Company."
5. To consider and approve variation in DTL Employee Stock Option Plan -2018 and in this regard to consider and, if thought fit, to pass the following resolution as a Special Resolution:

"Resolved that in furtherance to the powers granted vide earlier special resolution passed by the Shareholders dated February 11, 2018 and pursuant to the provisions of Section 62(1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 7 and other applicable regulations of Securities and Exchange Board of India (Share Based Employee Benefit and Sweat Equity) Regulations,



## Notice

2021 ("SEBI (SBEB & SE) Regulations"), (collectively referred as 'applicable laws') the Memorandum of Association and Articles of Association of the Company and any other applicable law(s) and prevailing statutory guidelines/circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the consent of the Shareholders of the Company be and is hereby accorded to amend the DTL Employees Stock Option Plan – 2018 (erstwhile known as SML Employees Stock Option Plan – 2018) ("DTL ESOP-2018" or "Plan") as detailed in the explanatory statement attached to this resolution, on such terms and in such manner as the Board of Directors (hereinafter referred to as the ('Board') which term shall be deemed to include Nomination and Remuneration Committee of the Board or any other Committee constituted and empowered by the Board for the purpose, hereinafter also referred to as 'the Committee') may decide in accordance with the provisions of the applicable laws and for the purpose of implementation of the Plan and in due compliance with the provisions of the SEBI (SBEB & SE) Regulations, 2021.

Resolved further that the Board be and is hereby authorised to approve the amendments in the Vesting period, Exercise period in case of employment and extension of Exercise period in case of severance including Death, Permanent Disability, Resignation/termination and Retirement or Superannuation cases as mentioned in the Plan.

Resolved further that the changes/amendments to the Plan hereby approved will also be applicable on existing options which are granted but are neither exercised nor lapsed as on 1<sup>st</sup> September, 2024 and future grants made under the Plan considering, such changes are not prejudicial to the interest of the Employees.

Resolved further that the Plan shall be administered by the Committee who shall have all necessary powers as defined in the Plan and is hereby designated as Compensation Committee in pursuance to applicable laws, for the purpose of administration and implementation of the Plan.

Resolved further that the Board, subject to compliance of applicable Laws, be and is hereby

authorized to modify, change, vary, alter, amend, suspend or terminate the Plan not prejudicial to the interests of the identified employees and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Shareholders and to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modifications, changes, variations, alterations, amendments, suspension or termination of the Plan and do all other things incidental to and ancillary thereof.

Resolved further that the Board be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary for the effective implementation and administration of the Plan and to make applications to the appropriate authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

By Order of the Board  
For **DiGiSPICE Technologies Limited**

**Ruchi Mehta**

Date: 6<sup>th</sup> September, 2024  
Place: Noida

Company Secretary and  
Compliance Officer

### NOTES:

- The Ministry of Corporate Affairs ('MCA') vide its General Circular no. 09/2023 dated 25<sup>th</sup> September, 2023 read with circular no. 20/2020 dated 5<sup>th</sup> May, 2020, circular No. 17/2020 dated 13<sup>rd</sup> April, 2020, circular no. 14/2020 dated 8<sup>th</sup> April, 2020 ('MCA Circulars') has permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), without the physical presence of the members at a common venue. Further, SEBI circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7<sup>th</sup> October, 2023 read with SEBI Master circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11<sup>th</sup> July, 2023 ('SEBI Circulars') (**MCA Circulars and SEBI Circulars collectively referred as 'Circulars'**) has granted relaxation till 30<sup>th</sup> September, 2024, from requirements of sending physical copy of annual report, containing salient features of all the documents prescribed in provisions of Section 136 of the Companies Act, 2013 (the

Act'). Hence, in compliance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

2. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. HOWEVER, IN TERMS OF THE MCA CIRCULARS, SINCE THE PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM AND HENCE, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.
3. An explanatory statement pursuant to the provisions of Section 102(1) of the Act, relating to the item no(s). 3, 4 and 5 to be transacted at the AGM, are annexed hereto. Further, additional information as required under Listing Regulations and relevant provisions of the Act / Circulars issued thereunder are also annexed.
4. Details of Directors retiring by rotation/seeking re-appointment at this AGM are provided in the 'Annexure-I' to this Notice.
5. The Board of Directors of the Company appointed Mr. Kapil Dev Taneja (Membership No.F4019), failing him, Mr. Neeraj Arora (Membership No. F10781), Partners of M/s. Sanjay Grover & Associates, Company Secretaries, as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed.
6. In compliance with aforesaid Circulars, Annual Report for FY 2023-24, containing the Balance Sheet as at 31<sup>st</sup> March, 2024, Statement of Profit & Loss for the year ended on that date, Cash Flow Statement, Board's Report, Auditors' Reports etc., Notice of the AGM of the Company are being sent only through electronic mode to those Members whose Email IDs are registered with the Company's Registrar and Share Transfer Agent ('RTA')/ Depository Participant ('DP'). Members may note that Notice of the AGM and the Annual Report for FY 2023-24 will also be available on (a) the Company's website at [www.digispice.com](http://www.digispice.com); (b) websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com); and (c)

on the website of National Securities Depository Limited at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) (agency providing e-Voting facility). The Company will not dispatch a physical copy of Annual Report and Notice of AGM to any Member.

Members are requested to update their e-mail ID with their DP in case the equity shares are held in demat mode and with the RTA of the Company or the Company, along with duly filled in and completed Form ISR-1, in case the shares are held in physical mode to ensure that the documents reach them on their preferred email address. After registering their e-mail addresses, Members are entitled to receive the Notice of AGM and Annual Report in physical mode upon making a request for the same to the Company from their registered e-mail ID.

7. The members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. The Securities and Exchange Board of India ('SEBI') vide its circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7<sup>th</sup> May, 2024 ('SEBI KYC Circulars') has mandated furnishing of PAN, Choice of Nomination, Contact details (Postal Address with PIN and Mobile Number), Bank A/c details and Specimen signature for their corresponding folio numbers, by holders of physical securities to MAS Services Limited, the RTA of the Company.

The security holder(s) whose folio(s) do not have PAN, Choice of Nomination, Contact Details, Bank Account Details and Specimen Signature updated, shall be eligible:

- ♦ to lodge grievance or avail any service request from the RTA only after furnishing PAN, KYC details and Nomination.
- ♦ for any payment including dividend, interest or redemption payment in respect of such folios, only through electronic mode with effect from 1<sup>st</sup> April, 2024.

In view of the above, Members of the Company holding securities in physical form are requested to intimate the following directly to the RTA:

- a) PAN and details of KYC (using Form ISR-1);
- b) Contact details including postal address with PIN code, Mobile Number, E-mail address (using Form ISR-1);

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- c) Bank account details including bank name, branch, bank account number and IFS code (using Form ISR-1);
- d) Specimen signature (using Form ISR-2);
- e) Request for making nominations as per the provisions contained in Section 72 of the Act in the prescribed Form No. SH-13 or submit declaration to 'Opt-out' in Form ISR-3; and
- f) Any cancellation or change in nomination shall be provided in Form No.SH-14.

The Shareholders can download the forms prescribed in the SEBI KYC Circulars from the website of the Company, [www.digispice.com](http://www.digispice.com) or of the RTA, [www.masserv.com](http://www.masserv.com), as made available. Members holding shares in dematerialized mode are requested to intimate the aforesaid changes directly to their Depository Participant ('DP').

9. Pursuant to Section(s) 124 and 125 of the Act the dividend amount which remains unpaid/unclaimed for a period of seven years from the date of transfer to unpaid dividend accounts of the Company, is required to be transfer to the Investor Education and Protection Fund ('IEPF') of the Central Government. Accordingly, due unpaid or unclaimed amount liable to be transferred to IEPF have already been transferred to IEPF.

Kindly note that the Members whose unclaimed/unpaid dividend already transferred to IEPF can claim the unpaid / unclaimed dividend from IEPF Authority by making an application in the Form and the manner as prescribed under the IEPF (Accounting, Audit, Transfer and Refunds) Rules, 2016, as amended. Members who have not claimed their dividend related to financial year 2018-19 are requested to contact the Company's RTA, MAS Services Limited, as the said unpaid dividend lying in the unpaid dividend account maintained by the Company and the details of which have been filed with MCA and also uploaded on the website of the Company viz. [www.digispice.com](http://www.digispice.com).

10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and Certificate by the Secretarial Auditors of the Company regarding ESOP Scheme as required under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available for inspection electronically by the Members at the AGM upon log in to NSDL e-voting system.

- 11. Members desiring any information with regard to Accounts/Reports are requested to submit their queries addressed to the Company Secretary of the Company at least 5 days in advance of the AGM so that the information called for can be made available at the Meeting.
- 12. All documents, including those required to be kept for inspection, referred to in this Notice are available for electronic inspection up to the date of the AGM. Members seeking to inspect such documents can send an email to [investors@digispice.com](mailto:investors@digispice.com).
- 13. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders atleast two (2) days prior to the date of commencement of e-voting. Hence, Members are requested to update the mobile no./email ID with their respective DPs.
- 14. Since the AGM is being conducted through VC/OAVM, the no Route map is attached.
- 15. **Voting through electronic means:**
  - a. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the Listing Regulations, the Company is pleased to offer remote electronic voting facility to its Members for transacting all the businesses as stated in this Notice through e-voting services being provided by National Securities Depository Limited ('NSDL'). The Member may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
  - b. Pursuant to the relevant Circulars issued by MCA, the facility for voting through e-voting facility will also be available at the AGM for those Members who have not cast their vote through remote e-voting before the AGM and who are not otherwise debarred from doing so.
  - c. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - d. The remote e-voting period commences on **25<sup>th</sup> September, 2024 at 9:00 A.M. and ends on 27<sup>th</sup> September, 2024 at 5:00**



**P.M.** During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. on **21<sup>st</sup> September, 2024** may cast their votes electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast, the same shall not be allowed to be changed subsequently.

- e. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 21<sup>st</sup> September, 2024, unless the voting right is restricted due to any statutory/regulatory provisions or contractual obligations or any order of Court/Tribunal. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. Those who are not Members

on the cut-off date should accordingly treat this Notice as for information purposes only.

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE ASUNDER

### How do I vote electronically using NSDL e-Voting system?


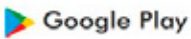


The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### Step 1: Access to NSDL e-Voting system

##### A. Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode

In terms of SEBI Master Circular dated 11<sup>th</sup> July, 2023 individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and DPs. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual Shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>     <b>Google Play</b></p> <p>    </p>

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Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL.	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their DPs	You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.

### B. Login method for Shareholders other than individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode

#### How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at

<https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 131273 then user ID is 131273001***.

5. Password details for Shareholders other than Individual Shareholders are given below:

- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c. How to retrieve your 'initial password'?
  - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.

- ii. If your email ID is not registered, please follow steps mentioned below in process for those Shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a. Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nSDL.com](http://www.evoting.nSDL.com).
- b. Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nSDL.com](http://www.evoting.nSDL.com).
- c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nSDL.co.in](mailto:evoting@nSDL.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.



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4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for Shareholders

1. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [sanjaygrover7@gmail.com](mailto:sanjaygrover7@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to (Pallavi Mhatre, Senior Manager) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

### Process for those Shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this Notice:

1. In case shares are held in physical mode please provide folio no., name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card),

AADHAR (self-attested scanned copy of Aadhar Card) by email to [investor@masserv.com](mailto:investor@masserv.com) or [investors@digispice.com](mailto:investors@digispice.com).

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investor@masserv.com](mailto:investor@masserv.com) or [investors@digispice.com](mailto:investors@digispice.com). If you are an Individual Shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode.
3. Alternatively Shareholder/Member may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.

### THE INSTRUCTIONS FOR MEMBERS/ SHAREHOLDER FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The

link for VC/OAVM will be available in Shareholder/Member login where the EVEN of the Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, Members will be required to allow Camera and use the Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [investors@digispice.com](mailto:investors@digispice.com). The same will be replied by the company suitably.
6. Members may register themselves atleast five (5) days in advance as a speaker by sending their request along with questions from their registered email address mentioning their name, DP ID and Client ID/Folio Number, PAN, mobile number at [investors@digispice.com](mailto:investors@digispice.com).
7. Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time as appropriate for smooth conduct of the AGM.
8. Members can login and join the AGM 15 (fifteen) minutes prior to the scheduled time to start the AGM and the window for joining shall be kept open till the expiry of 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 Members, on first-come-first-served basis. However, the participation of large Members (Members holding 2% or more shareholding), promoters, institutional

investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Auditors can attend the AGM without restriction of first-come-first served basis. Instructions and other information for Members for attending the AGM through VC/OAVM are given in this Notice.

### Other Instructions for Shareholders

1. Any person holding shares in physical form and non-individual Shareholders, who acquires shares of the Company and becomes Member of the Company after the Notice is sent through e-mail and holding shares as of the cut-off date i.e. 30<sup>th</sup> August, 2024, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the company at [investors@digispice.com](mailto:investors@digispice.com) or MAS Services Limited, RTA at [investor@masserv.com](mailto:investor@masserv.com). In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 30<sup>th</sup> August, 2024 may follow steps mentioned in the Notice of the AGM under 'Access to NSDL e-Voting system'.
2. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of 'E-voting' facility of NSDL for all those Members who are attending the AGM but have not cast their votes by availing the remote e-voting facility.
3. The Scrutinizer shall make, within 2 working days from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against whether through remote e-voting or through e-voting during AGM, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
4. Subject to receipt of requisite number of votes, the Resolution(s) shall be deemed to be passed on the date of AGM i.e. 28<sup>th</sup> September, 2024
5. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.digispice.com](http://www.digispice.com) and on the website of NSDL immediately after the declaration of result and communicated to the BSE Limited and National Stock Exchange of India Limited.

## Notice

# EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### Item No. 3

Mr. Mayank Jain (DIN: 00251609) was appointed as a Non-Executive Independent Director of the Company for first term of five consecutive years from 1<sup>st</sup> October, 2019 to 30<sup>th</sup> September, 2024, by the Members at 32<sup>nd</sup> Annual General Meeting held on 15<sup>th</sup> December, 2020. His first term as Non-Executive Independent Director of the Company will expire on 30<sup>th</sup> September, 2024.

The Nomination and Remuneration Committee ('NRC') and the Board of Directors at their respective Meetings held on 8<sup>th</sup> August, 2024 after taking into account the performance evaluation of Mr. Mayank Jain during first term and considering his knowledge, acumen, experience including proficiency, skills and based on declarations and consent received from him, has recommended his re-appointment for the second term of five consecutive years from 1<sup>st</sup> October, 2024 to 30<sup>th</sup> September, 2029 (both days inclusive), not subject to retirement by rotation. In opinion of the Board, he is a person of integrity and possesses the relevant expertise and experience and fulfills the conditions as specified in the Act and Rules made thereunder and the Listing Regulations for reappointment as an Independent Director, he is independent of the management and his re-appointment as an Independent Director for second term as mentioned would be of immense benefit to the Company.

In terms of provisions of Section 149(10) read with Section 152 of the Act, an Independent Director shall hold office for a term of up to five consecutive years on the Board of a company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. In compliance thereof, the approval of the Members for the re-appointment of Mr. Mayank Jain as a Non-Executive Independent Director by passing special resolution set forth in the Item No. 3 of the Notice for approval by the Members.

The Company has received a notice under provisions of Section 160(1) of the Act from a Member, proposing his candidature for the office of Director and the Company has also received from Mr. Mayank Jain:

- a. consent to act as a Director in form DIR-2, pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014;
- b. intimation in Form DIR-8 in terms of the Companies (Appointment and Qualification of

Directors) Rules, 2014, to the effect that he is stand free from any disqualification being a Director;

- c. a declaration that he is not debarred or disqualified from being appointed as a Director or continue as Director by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority;
- d. a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations; and
- e. he does not hold any equity shares by in his name or on beneficial basis for any other person in the Company as on date of this Notice.
- f. a declaration that he is in compliance with rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to inclusion of his name in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

Mr. Mayank Jain will be entitled to receive sitting fees for attending the Meetings of the Board of Directors and Committees thereof, reimbursement for expenses incurred in connection with attending Board/ Committee meetings, if any, as permitted under Law.

A Copy of the letter of re-appointment of Mr. Mayank Jain as an Independent Director setting out the terms and conditions of his appointment would be available for online inspection without any fee by the Members till the date of AGM. Members can request inspection of such documents by sending an e-mail to [complianceofficer@digispice.com](mailto:complianceofficer@digispice.com).

The information as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings, in relation to the Director seeking appointment /re-appointment is attached as Annexure - I hereto.

The Board recommends the special resolution set forth at Item No.3 of the Notice for approval by the Members.

None of the Directors (other than Mr. Mayank Jain, himself) and Key Managerial Personnel of the Company and their respective relatives are in any way, concerned or interested, in the proposed Resolution set out at Item No. 3 of the Notice.



**ITEM 4**

The Board of Directors, at their meeting held on 8<sup>th</sup> August 2024, approved the scheme of amalgamation by way of merger between DiGiSpice Technologies Limited ('DiGiSpice' or the 'Company'), Spice Money Limited ('SML'), E-arth Travel Solutions Private Limited ('E-arth') and Vikasni Fintech Private Limited ('Vikasni') and their respective shareholders and creditors (the 'Proposed Scheme').

The Proposed Scheme envisages merger of SML, E-arth and Vikasni with the Company and will be effective upon receipt of necessary approvals / NOC from regulatory bodies, including but not limited to BSE Limited, National Stock Exchange of India Limited, Reserve Bank of India, Insurance Regulatory and Development Authority of India and National Company Law Tribunal.

Consequent to above, the Memorandum of Association of the Company is required to be amended by addition of objects pertaining to financial technology service business, Insurance and other business being carried on by the entities being merged, in line with the Memorandum of Association of SML, E-arth and Vikasni.

In view of above, the Board of Directors at their Meeting held on 8<sup>th</sup> August, 2024, also approved the alteration of Objects Clause of MOA, subject to approval of the members of the Company by way of special resolution.

As per provisions of Section 13 of the Companies Act, 2013 (the 'Act') and rules framed thereunder, any alteration to the Object Clause of the Memorandum of Association of the Company requires approval of the Members by way of a special resolution and the alteration shall have effect once registered by Registrar of Companies, Delhi, as per provisions of the said Act.

Further, the proposal for alteration in Object Clause of the Company requires approval of members at a postal ballot or at a general meeting by a Company which is required to provide the facility to members to vote by electronic means under provisions of Section 108 of the Companies Act, 2013.

A copy of the Memorandum of Association of the Company together with the proposed alterations will be made available for inspection electronically, by the Members of the Company. Members seeking to inspect it can send an email to [investors@digispice.com](mailto:investors@digispice.com).

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested,

financially or otherwise, in the resolutions set forth in Item No.4 of this Notice except to the extent of their shareholdings in the Company, if any.

The Board recommends the special resolution set forth at Item No.4 of the Notice for approval by the Members.

**ITEM 5**

Equity-based remuneration plays a crucial role in aligning the personal goals of employees with the organizational objectives by involving them in the ownership of the Company. The Board of Directors recognizes the importance of enhancing employee engagement, rewarding employees for their performance and association with the Company, and motivating them to contribute to its growth and profitability.

Accordingly, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, in its meeting held on 22<sup>nd</sup> December 2017, approved SML Employees Stock Option Plan – 2018 (now known as DTL Employees Stock Option Plan – 2018 and hereinafter referred to as "DTL ESOP -2018" or "the Plan") for the present and/or future permanent employees and directors whether a whole-time director or not (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) of the Company and its holding and subsidiary company(ies) (referred to herein as 'Identified Employees'). The Plan was approved by Shareholders by way of resolution passed on 11<sup>th</sup> February, 2018.

Pursuant to the Plan, options were granted to the Identified Employees from time to time and some of those are granted and exercised. However, in view of changed business environment, propagation of start-up culture and resultant changes in work force expectations, and to align with the Employee Stock Options plans as implemented of other companies in the group, the management felt the need to amend the DTL ESOP -2018.

Further, the earlier approved Plan was in compliance with erstwhile Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 (hereinafter referred as SEBI (SBEB) Regulations), while the Securities and Exchange Board of India ("the SEBI") vide Notification No. SEBI/LAD-NRO/GN/2021/40 dated 13<sup>th</sup> August, 2021, issued the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("the SEBI (SBEB & SE) Regulations") by consolidating the SEBI (Share Based Employee Benefit) Regulations,

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2014 and the SEBI (Issue of Sweat Equity) Regulations, 2002. In view of the introduction of SEBI (SBEB & SE) Regulations w.e.f. 13<sup>th</sup> August, 2021, it was required to align the Plan with new provisions.

To align the Plan with the SEBI (SBEB & SE) Regulations, 2021 and with other subsisting Employee Stock Option Plans in the group, the Company has made the variation/amendments in the various provisions of the Plan including the terms earlier approved by the Shareholders vide special resolution dated 11<sup>th</sup> February, 2018 and in order to meet the regulatory requirements.

The Board of Directors has proposed the amendments in the definition of employees, terms of Vesting period, Exercise period in case of employment and extension of exercise period in case of severance including death, permanent disability, resignation/ Termination and Retirement or Superannuation cases as mentioned in the Plan, on the basis of recommendation of Nomination and Remuneration Committee ("Committee").

The Committee and the Board of Directors has considered in their meeting held on 8<sup>th</sup> August, 2024 and recommended the respective amendments in the DTL ESOP – 2018. In terms of Regulation 7(i) of "SEBI (SBEB & SE) Regulations" read with provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013, any variation in the terms of Plan offered pursuant to the earlier resolution requires approval of the Shareholders by way of a special resolution. The special resolution set out at Item No. 5 is to seek the approval of Shareholders for the said purpose.

The salient features and other details of the Plan and amendments proposed therein, as required pursuant to SEBI (SBEB & SE) Regulations, 2021, are as under:

### 1. Brief description of the Plan:

The Plan is called the "DTL Employees Stock Option Plan – 2018".

The Purpose of the Plan includes the followings:

- a) To motivate the employees to contribute to the growth and profitability of the Company.
- b) To retain the key employees and reduce the attrition rate of the Company.
- c) To provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company.
- d) To achieve sustained growth and the creation of Shareholder value by aligning

the interests of the employees with the long-term interests of the Company.

- e) To create a sense of ownership and participation amongst the employees to share the value they create for the Company in the years to come, and
- e) To provide additional deferred rewards to employees.

### 2. Total number of Options to be granted under the Plan:

The maximum number of options that may be issued pursuant to this plan is 2,53,18,220 (Two Crore Fifty-Three Lakh Eighteen Thousand Two Hundred Twenty Only) Options to be convertible into equal number of Equity Shares of the Company.

If any Option granted under the Plan lapses or forfeited or surrendered under any provision of the Plan, such Option shall be available for further grant under the Plan as per the discretion of the Committee.

Out of said options, 50,60,041 (Fifty Lakhs Sixty Thousand and Forty One) options have already been exercised till 31<sup>st</sup> August, 2024.

There is no change in total number of options to be offered and granted under the Scheme, as last approved by the members on 11<sup>th</sup> February, 2018.

### 3. Identification of classes of employees entitled to participate and be beneficiaries in the Plan:

The definition of 'Employees' is proposed to be aligned with the definition as prescribed in the SEBI (SBEB & SE) Regulations, 2021, as follows:

- i. An employee as designed by the Company is exclusively working in India or outside India; or
- ii. A director of the Company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or
- iii. An employee as defined in (i) or (ii) above, of a group company including subsidiary or its associate company, in India or outside India or of a holding company of the Company.

but does not include—

- i. an employee who is a promoter or a person belonging to the promoter group; or

- ii. a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company.

Further, "Eligibility Criteria" means the criteria, as may be determined from time to time by the Committee based on appraisal process as per the Human Resource Policy of the Company including loyalty, performance and designation of an Employee in the Company or its group company, as the case may be.

#### 4. Requirement of Vesting and period of Vesting:

Provisions related to requirement of Vesting shall be remain the same as last approved by the members on 11<sup>th</sup> February, 2018 as reproduced below :

The Options granted under this Plan would vest based upon the performance criteria or any other criteria as may be decided by the Committee and specified in the Grant Letter. The vesting period shall commence any time after the expiry of 1 (one) year from the Grant date of such options. The specific vesting schedule and vesting conditions subject to which vesting would take place would be outlined in the document given to the Option Grantee at the time of Grant of Options.

The vesting period is proposed to be amended, as under:

Old Provision	New Provision
Vesting period shall commence after 1 (One) year from the date of grant of Options and it may extend up to 3 years from the date of grant in the manner prescribed by the Committee.	Vesting period shall be as determined by the Committee at the time of grant but shall not be less than 1 year and it may extend upto 5 years from the Grant Date in the manner and as per the vesting schedule prescribed by the Committee.

#### 5. Maximum period within which Options shall be vested:

The maximum vesting period shall be amended as follows:

Old Provision	New Provision
Vesting period shall commence after 1 (One) year from the date of grant of Options and it may extend up to 3 years from the date of grant in the manner prescribed by the Committee.	Vesting period shall be as determined by the Committee at the time of grant but shall not be less than 1 year and it may extend upto 5 years from the Grant Date in the manner and as per the vesting schedule prescribed by the Committee.

#### 6. Exercise Price or Pricing Formula:

The Exercise price of the Options will be based on the Market Price of the Shares one day before the date of the meeting of the Committee wherein the grants of options will be approved.

Since the shares of the Company are listed on more than one Stock Exchange, the price of the Stock Exchange where there is highest trading volume shall be considered as the market price.

The Committee has the power to provide suitable discount or charge premium on such price as arrived above. However, in any case the Exercise price shall not go below the par value of Equity Share of the Company which is ₹ 3/- per share.

There is no amendment proposed in the provisions of the Plan with respect to Exercise Price or Pricing Formula.

#### 7. Exercise Period and Process of Exercise:

The Exercise period is proposed to be amended as follows:

Old Provision	New Provision
The Employee Stock Options granted may be exercised by the Option Grantee within a maximum period of 5 (Five) years from the date of vesting of respective Options in such tranches and proportion as may be decided by the Committee at the time of grant.	The Employee Stock Options granted may be exercised by the Option Grantee anytime after respective Vesting Date till date of cessation of employment of the relevant Grantee, in such tranches and proportion as may be decided by the Committee at the time of grant.
The mode and manner of the Exercise of the Options shall be communicated to the employees individually. On exercise of the Options, the employee shall forthwith pay to the Company the price which includes the grant price. The options shall lapse if not exercised within the specified exercise period.	The mode and manner of the Exercise of the Options shall be communicated to the employees individually. On exercise of the Options, the employee shall forthwith pay to the Company the price which includes the grant price. The options shall lapse if not exercised within the specified exercise period.

#### 8. Appraisal process for determining the eligibility of the Employees for the Plan:

The Committee shall on the basis of the following criteria, including but not limited to, decide on the Employees who are eligible for the grant / vesting of Options under the Plan and the terms and conditions thereof:

- i. Loyalty: It will be determined on the basis of tenure of employment of an Employee in the Company.



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- ii. Performance: Employee's performance during the financial year on the basis of the parameters decided by the management.
- iii. Designation: Employee's designation as per the work band in accordance with the HR Policy of the Company.
- iv. The present and potential contribution of the Employee to the success of the Company,
- v. High market value/difficulty in replacing the Employee,
- vi. High risk of losing the Employee to competition, and
- vii. Value addition by the new entrant, if any

New Joinees can also participate in the plan based upon the discretion of the Committee.

### 9. The Maximum number of Options to be offered and issued per employee and in aggregate:

The Committee may grant Options to any eligible employee during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and Conversions) of the Company at the time of grant of Options, for which approval of the Shareholders by way of a separate Resolution has been obtained by the Company.

The maximum number of options that may be issued pursuant to this plan is 2,53,18,220 (Two Crore Fifty Three Lakh Eighteen Thousand Two Hundred Twenty Only) Options to be convertible into equal number of Equity shares of the Company.

There is no amendment proposed in the above provision/ approval.

### 10. The Maximum quantum of benefits to be provided per employee under the Plan:

The maximum quantum of benefit that will be provided to every eligible Employee under the Plan will be the difference between the Market value of Company's Share on the Stock Exchange as on the date of exercise of options and the Exercise Price paid by the employee to the Company.

The above is proposed to be specifically included in the Scheme.

### 11. Whether the Plan(s) is to be implemented and administered directly by the Company or through a Trust:

The Plan shall continue to be implemented and administered directly by the Nomination & Remuneration Committee of the Company.

### 12. Whether the Plan involves new issue of shares by the company or secondary acquisition by the Trust or both.

New issue of Shares by the Company.

### 13. The amount of loan to be provided for implementation of the Plan by the company to the trust, its tenure, utilization, repayment terms, etc:

Not Applicable.

### 14. The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the Plan:

Not Applicable.

### 15. Disclosure and Accounting Policies:

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB & SE) Regulations or as may be prescribed by regulatory authorities from time to time.

### 16. The method which the Company shall use to value its Options:

The Company shall continue to comply with the requirements of IND – AS 102 and shall use Fair value method and the fair value of Options would be calculated as per the prescribed method under the applicable regulations.

### 17. Statement with regard to Disclosure in Director's Report:

As the company is adopting fair value method, presently there is no requirement for disclosure in director's report. However, if in future, the

Company opts for expensing of share based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ('EPS') of the company shall also be disclosed in the Directors' report.

**18. Period of lock-in:**

The Shares allotted to the employees pursuant to exercise of an Option will not be subject to any lock-in period.

**19. Terms & conditions for buyback, if any, of specified securities:**

The Committee has the powers to determine the procedure for buy-back of Options granted under the Plan, if to be undertaken at any time by the Company, and the applicable terms and conditions, in accordance with the applicable laws.

**20. Employees that will be benefitted from the amendments proposed**

All eligible employees to whom the Options may be granted in future and to whom Options have been granted and are neither exercised nor lapsed pursuant to the Plan will be benefitted from this proposed amendment.

None of the Directors, Manager, Key Managerial Personnel, or relatives of such Directors, Managers, Key Managerial Personnel are in any way concerned or interested, financially or otherwise, in passing of this resolution, except to the extent of options that have been or may be granted to any of them under the Plan and their shareholding in the Company.

The Board recommends the special resolution set forth at Item No.5 of the Notice for approval by the Members.

A copy of the amended "DTL Employees Stock Options Plan –2018" and other documents referred to in the aforesaid resolutions are available for inspection electronically.

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## 'Annexure-I'

**The information, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, in relation to the Director seeking appointment / re-appointment is given hereunder:**

Name of the Director	Mr. Subramanian Murali	Mr. Mayank Jain
DIN	00041261	00251609
Date of Birth	30.07.1959	12.04.1973
Date of First Appointment on the Board	07.05.2015	01.10.2019
No. of shares held as on 31 <sup>st</sup> March, 2024	7,80,049 shares	Nil
Qualifications	1. Chartered Accountant 2. Bachelor of Science (Math)	MBA from Richard Ivey School of Business at the University of Western Ontario in London and Bachelor in Engineering
Experience and expertise in specific Functional Area	A brief resume and nature of expertise in specific functional areas is given in the Annual Report.	
Terms and Conditions of appointment	He has been appointed as a Non-Executive Director of the Company w.e.f. 07.05.2015 and is liable to retire by rotation.	Re-appointed as an Independent Director of the Company for a period of 5 years w.e.f. 1 <sup>st</sup> October, 2024.
Detail of Remuneration sought to be paid and the remuneration last drawn	No remuneration is being paid to Mr. Subramanian Murali from the Company	The Company will pay sitting fees for attending meeting of Board of Directors/Committee thereof. The detail of sitting fee paid during 2023-24 is given in the Corporate Governance Report.
No. of Board Meetings attended during the year ended 31 <sup>st</sup> March, 2024	9 out of 9 meetings	9 out of 9 meetings
List of Directorship in Companies (Other than DiGiSPICE Technologies Limited)	1. Spice Connect Private Limited	1. BDM Projects Private Limited 2. Netvision Awadh Networks Private Limited 3. True North Visa and Immigration Services Private Limited 4. Technobile Systems Private Limited
Chairman / Member of the Committees of the Board of Directors of Companies (Other than DiGiSPICE Technologies Limited) on which she/he is a Director	He is a member of the Audit Committee, Nomination and Remuneration company and Chairman of the Stakeholders Relationship Committee	He is a member of Nomination and Remuneration Committee and Risk Management Committee of the Company
Name of the listed entities from which he has resigned in the past three years	Nil	Nil
Disclosure of relationships between Directors/KMP inter-se	None of the directors has any relationship with other directors and Key Managerial Personnel of the Company.	

By Order of the Board  
For **DiGiSPICE Technologies Limited**

**Ruchi Mehta**

Company Secretary and  
Compliance Officer

Date: 6<sup>th</sup> September, 2024  
Place: Noida