ZAGGLE PREPAID OCEAN SERVICES LIMITED

ANNUAL REPORT 2022-23

NOTICE

NOTICE is hereby given that the 12th Annual General Meeting of the members of ZAGGLE PREPAID OCEAN SERVICES LIMITED (Formerly known as ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED) will be held at the Registered Office of the Company situated at 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Rangareddi, Telangana-500081, India on Monday, the 4th day of September, 2023 at 05.00 PM IST to transact the following business at shorter notice.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Balance Sheet as at 31st March, 2023, Statement of Profit & Loss and Cash Flow Statement along with notes and annexures for the financial year ended on 31st March, 2023 and reports of the Board of Directors and the Auditors thereon

2. To receive, consider and adopt the Audited Consolidated Balance Sheet as at 31st March, 2023, Statement of Profit & Loss and Cash Flow Statement, along with notes and annexures for the financial year ended on 31st March, 2023 and report of Auditors thereon.

3. To appoint a director in place of Mr. Avinash Ramesh Godkhindi (DIN: 05250791) who retires by rotation at this Annual General Meeting and being eligible, seeks re-appointment.

By Order of the Board
For Zaggle Prepaid Ocean Services Limited

Sd/-
Raj P Narayanam
Executive Chairman
DIN: 00410032

Place: Hyderabad
Date: 30.08.2023

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. A proxy in order to be valid, must be signed, dated, properly stamped and deposited either in person or through the post so as to reach the Company at its Registered Office at least 48 hours before the commencement of the meeting.

3. Corporate members are requested to send a duly certified copy of the Board resolution authorizing their representative to attend and vote at the meeting.

4. Relevant documents referred to in the Notice and the accompanying Statement are open for inspection by the members at the registered office of the Company on all working days, during business hours up to the date of the Meeting and will also be made available at the Meeting.

5. In terms of the requirements of the Secretarial Standards -2 on "General Meetings" issued by the Institute of the Company Secretaries of India and approved & notified by the Central Government, Route Map for the location of the aforesaid meeting is enclosed.

6. The Company has received consents for holding the Annual General Meeting at shorter notice pursuant to the proviso to Section 101 (1) of the Companies Act, 2013 from both the shareholders and they are available for inspection during office hours before the meeting

7. The Certificate obtained from the Secretarial Auditors of the Company Mr. S S Reddy as per the regulation 13 of the SEBI (SBEBSE) Regulations, 2021 shall be placed before the members and be available for inspection at the Annual General Meeting of the Company.

The profile of Mr. Avinash Ramesh Godkhindi and other disclosures as required as per the Secretarial Standards are as below:

Sr. No.	Particulars	Details
1.	Name	Avinash Ramesh Godkhindi
2.	Date of Birth	14.06.1978
3.	Date of Appointment	07.05.2012
4.	Qualifications	Bachelors' degree in engineering from Bangalore University, Bengaluru and a masters' degree in business administration from the University of Chicago, Chicago
5.	Expertise in specific functional areas	He has a Bachelors' degree in engineering from Bangalore University, Bengaluru and a masters' degree in business administration from the University of Chicago, Chicago He has worked as an Assistant Vice President at Citibank N.A., India.
6.	Terms and conditions of appointment/reappointment	Proposed to be re-appointed as Director, liable to retire by rotation
7.	Remuneration proposed to be paid/Remuneration last drawn	Rs. 72,00,000/- payable monthly, together with annual performance variable remuneration of Rs. 20,00,000/-
8.	Directorships in Board of other companies	Nil
9.	Memberships/Chairmanships of Committee in the Board of other Companies	Nil
10.	No of Shares held in the Company	91,80,000
11	Relationship with other Directors/KMP's	Nil
12	Number of meetings of the Board attended during the year (01.04.2022-31.03.2023)	15

FORM NO MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U65999TG2011PLC074795

Name of the Company: **ZAGGLE PREPAID OCEAN SERVICES LIMITED**

Regd. Office: 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Rangareddi – 500081, Telangana, India.

Name of the Member(s) :	
Registered Address	
E mail Id :	
Folio No / Client Id	
DP ID :	

I/We, being the member(s) of shares of the above named company, hereby appoint:

(1) Name	
Address	
E mail Id	
Signature	

Or failing him

(1) Name	
Address	
E mail Id	
Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12th Annual General Meeting of the Company, to be held on Monday, the 4th day of September, 2023 at 05.00 PM IST, at the registered office of the company situated at 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Rangareddi – 500081 Telangana, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To receive, consider and adopt the Audited Standalone Balance Sheet as at 31st March, 2023, Statement of Profit & Loss and Cash Flow Statement along with notes and annexures for the financial year ended on 31st March, 2023 and reports of the Board of Directors and the Auditors thereon
2. To receive, consider and adopt the Audited Consolidated Balance Sheet as at 31st March, 2023, Statement of Profit & Loss and Cash Flow Statement, along with notes and annexures for the financial year ended on 31st March, 2023 and report of Auditors thereon.
3. To appoint a director in place of Mr. Avinash Ramesh Godkhindi (DIN: 05250791) who retires by rotation at this Annual General Meeting and being eligible, seeks re-appointment.

Signed this ________ day of __________ , 2023.

Signature of the Shareholder…………………………………………

Affix

Revenue

Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.

ZAGGLE PREPAID OCEAN SERVICES LIMITED
ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Name of the Member including joint holders, & Proxy (if any)	Folio No/DP & Client Id	No. of Shares held

I/We hereby record my/our presence at the Annual General Meeting of the Company, to be held on Monday, the 4th day of September, 2023 at 05.00 PM IST, at the registered office of the company situated at 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Rangareddi – 500081 Telangana, India

Signature of the Member or Proxy __________________

Why Haggle! When you can Zaggle!

ROUTE MAP TO THE VENUE

12th Annual General Meeting of **ZAGGLE PREPAID OCEAN SERVICES LIMITED** to be held on Monday, the 4th day of September, 2023 at 05.00 PM IST, at the registered office of the company situated at 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Rangareddi – 500081 Telangana, India

Note: The above has been extracted from Google Maps.

Why Haggle! When you can Zaggle!

DIRECTORS' REPORT

To

The Members,
ZAGGLE PREPAID OCEAN SERVICES LIMITED
(Formerly known as Zaggle Prepaid Ocean Services Private Limited)

The Board presents its 12th Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2023.

1. FINANCIAL RESULT

The Summary of the Company's financial result for the financial year 2022-2023 as compared to the previous financial year 2021-2022 is given below:

Particulars	31st March,2023	31st March,2022
Revenue from operations	5534.60	3712.55
Other Income	11.15	4.09
Total Income	5545.75	3716.64
Expenditure	5053.64	3114.01
Profit before exceptional items, finance costs, depreciation, and taxes	492.11	602.63
Less:		
Finance Cost	113.77	69.88
Depreciation and Amortization	61.99	20.97
Profits before exceptional items and tax	316.35	511.78
Exceptional Items	0	0
Net Profit for the year before Taxes	316.35	511.78
Less: Provision for Taxes		
Current Tax	85.97	10.79
Deferred Tax Assets	1.37	81.78
Prior Year tax	0	0
Profit after tax	229.01	419.21
Other Comprehensive Income	0.34	0.65
Total Comprehensive Income for the year	0.34	0.65
Appropriations		
Total Dividend *	0	0
Corporate Tax on dividend distribution	0	0
Total Appropriations	0	0
Retained Earnings after appropriation	74.57	-154.44
Retained Earnings Balance brought forward from previous years	-154.44	-479.90
Share based payment Reserve	144.13	0
Special Economic Re investment. Reserve	0	0

Add : Balance in Security Premium Account*	174.92	115.73
Add : Balance General Reserve	0	0
Balance carried forward to Balance Sheet	395.29	-37.38

Business Performance

Incorporated in 2011, we operate in a segment where we interact and interface with our Customers (*i.e.*, businesses) and end Users (*i.e.*, employees) and are among a small number of uniquely positioned players with a diversified offering of fintech products and services, having one of the largest number of issued prepaid cards in India in partnership with certain of our banking partners (which constituted approximately 16.0% of India's total prepaid transaction volume, as of March 31, 2023), a diversified portfolio of SaaS, including tax and payroll software, and a wide touchpoint reach. We are a leading player in spend management, with more than 50 million prepaid cards issued in partnership with banking partners and more than 2.27 million users served, as of March 31, 2023.

Corporates and Users added

We catered to 2411 customers in FY 23 compared to 1753 customers in FY 22. The number of users grew from 17,23,350 to 22,74,138

Zoyer launch

In September 2022, we launched 'Zoyer' to provide our customers with an integrated and seamless experience while covering a broad range of business spends, and we continue to build such new products.
Zoyer is an integrated data driven, SaaS based business spend management platform with embedded automated finance capabilities in core invoice to pay workflow.

Banking Partnerships for cards

We signed a partnership with Kotak bank for distribution of Kotak credit cards to Zaggle Enterprise customers. We also added IDFC First Bank for our Prepaid card offerings.

Business Partnerships

We partnered with Razorpay, GlobalLinker , Smazepay to offer our SaaS offerings to their customers. We also partnered with Fibe (Early Salary), Credit Mantri to offer their services to our Enterprise customers.

2. REVIEW OF BUSINESS OPERATIONS / STATE OF COMPANIES AFFAIR

The Company has recorded total gross revenue of Rs. 55,457.50 lakhs during the year as against Rs. 37,166.40 lakhs in the previous year, recording a quantum jump of over 49.21% in the total revenue. The net profit after provision for tax is Rs. 2,290.10 lakhs as against net profit after tax of Rs. 4,192.10 lakhs in the previous year.

Your Directors are optimistic about Company's business and hopeful of better performance with increased revenue in the current year.

3. AWARDS & RECOGNITION

During the year following awards, accreditations and recognitions received by our Company:

- Awarded "Best B2B Payment Solution Provider" at the 10th Payments Industry Awards
- Awarded "Winner" in the "Best Payments Solutions of the Year" category at the BW Businessworld Festival of Fintech Conclave Awards

4. TRANSFERR TO GENERAL RESERVE

During the year the Company has not transferred any amount to the General reserve of the Company.

5. DIVIDEND

Your directors have not recommended any dividend on equity shares for the year under review.

6. DIVIDEND DISTRIBUTION POLICY

Your Company has adopted Dividend Distribution Policy in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to set out parameters and circumstances that will be taken into account by the Board while determining the distribution of dividend to the shareholders for bringing transparency in the matter of declaration of dividend and to protect the interest of shareholders. The Policy is available on the website of the Company at www.zaggle.in

7. INITIAL PUBLIC OFFERING

Your Company is considering an Initial Public Offer (IPO) of Up To [●] Equity Shares Bearing Face Value Of ₹1 Each ("Equity Shares") of the Company for cash at a price of ₹[●] per equity share (including a premium of ₹[●] per equity share) (The "Offer Price") aggregating Up To ₹[●] Million (The "Offer") comprising a fresh issue of up to [●] equity shares by our company aggregating up to ₹3,920 Million (The "Fresh Issue") and an offer for sale of up to 10,449,816 equity shares aggregating up to ₹[●] Million (The "Offer For Sale"), comprising up to 1,529,677 equity shares aggregating up to ₹[●] Million by Raj P Narayanam and up to 1,529,677 equity shares aggregating up to ₹[●] Million by Avinash Ramesh Godkhindi (together referred to as the "Promoter Selling Shareholders"), up to 2,830,499 equity shares aggregating up to ₹[●] Million by VenturEast Proactive Fund LLC, up to 2,046,026 equity shares aggregating up to ₹[●] Million by GKFF Ventures Up To 538,557 equity shares aggregating up to ₹[●] Million by VenturEast Sedco Proactive Fund LLC and up to 118,040 equity shares aggregating up to ₹[●] Million by Ventureast Trustee Company Private Limited (acting on behalf of Ventureast Proactive Fund) (Collectively Referred To As The "Investor Selling Shareholders"), up to 1,765,540 equity shares aggregating up to ₹[●] Million By Zuzu Software Services Private Limited (Referred To As The "Corporate Selling Shareholder") and up to 91,800 equity shares aggregating up to ₹[●] Million By Koteswara Rao Meduri. The offer is being made in accordance with the regulation 6(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

To make the above initial public offer of its Equity Shares, company has filed the Draft Red Herring Prospectus (DRHP) dated December 19, 2022 with the Securities and Exchange Board of India on December 20, 2022.

Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated January 24, 2023 and January 25, 2023, respectively. The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges being NSE and BSE and also received final observations from SEBI dated March 29, 2023

8. PRE- IPO PRIVATE PLACEMENT:

The Company, in consultation with the BRLMs, has undertaken the Pre-IPO Placement of 59,75,609 Equity Shares at an issue price of Rs. 164 per Equity Share (including a premium of Rs. 163 per Equity Share) for an amount aggregating to Rs. 980.00 million, by way of a preferential issue in accordance with Section 42, 62 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rule, 2014, each as amended. The Pre-IPO Placement has been undertaken pursuant to the approval of our Board and Shareholders in their meeting held on August 10, 2023 and August 11, 2023, respectively. The amount raised from the Pre IPO Placement was reduced from the fresh issue, subject to compliance with the Rule 19(2)(b) of the Securities Contracts (Regulation) Act, 1957

Your Company has allotted Equity Shares in the Pre-IPO Placement pursuant to the resolution passed by the Board in its meeting held on August 16, 2023, in the manner as set forth below:

Date of allotment	Number of Equity Shares allotted	Issue price per Equity Share (Rs.)
August 16, 2023	44,51,219	164.
August 21, 2023	15,24,390	164
Total	**59,75,609**	

9. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**.**

During the financial year 2022-23, no significant change has taken place which could have an impact over the financial position of the Company. Further, except those disclosed in this Annual Report, there are no material changes and commitments affecting the financial position of the Company between the end of the financial year i.e., 31st March, 2023 and the date of this Report.

10. DEPOSITS

During the year under review, the Company has neither invited nor accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

Pursuant to the provisions of Rule 2(1) (c) (viii) of the Companies (Acceptance of Deposits) Rules, 2014, the Company has not accepted any Loas from Directors.

Since the Company has not accepted any fixed deposit covered under Chapter V of the Companies Act, 2013, there are no deposits remaining unclaimed or unpaid as on 31st March, 2023 and accordingly, the question of default in repayment of deposits or payment of interest thereon during the year does not arise.

11. COVERSION OF COMPANY INTO PUBLIC LIMITED COMPANY

The Company was converted into a public limited company under the Companies Act, 2013, pursuant to a special resolution passed by our Shareholders at the Extra Ordinary General Meeting held on August 22, 2022 and consequently, the name of our Company was changed to 'Zaggle Prepaid Ocean Services Limited' and a fresh certificate of incorporation dated September 13, 2022 was issued by the Registrar of Companies, Telangana at Hyderabad (the "RoC").

12. HOLDING COMPANY, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any, Joint venture or Associate Company during the year under review

Further, the Company does not have any subsidiaries other than Zaggle Technologies Limited, a private company incorporated as wholly-owned subsidiary in the United Kingdom under the UK Companies Act, 2006 on 12th January, 2023 with the Registrar of Companies, England and Wales

The Company number is 14589213 and the registered office is situated at 6th Floor 9 Appold Street, London, United Kingdom, EC2A 2AP. ZTL has not commenced any business operations.

On August 26, 2023, Zaggle Technologies Limited has applied to the registrar of companies in the United Kingdom to strike its name off the register, in compliance with applicable provisions of the UK Companies Act 2006

Form AOC 1 is attached as **Annexure- I** of the Director's Report.

13. SHARES CAPITAL

The Authorized Share Capital of your company as on 31st March, 2023 stood at Rs. 12,00,00,000/- divided in to 12,00,00,000 Equity Shares of face value of Rs. 1/- each.

During the year under review the Company has undertaken following transactions:

- Pursuant to a resolution passed by our Board at their meeting dated April 7, 2022 and the Shareholders at their extraordinary general meeting dated April 21, 2022, has approved to issue Equity Share on Preferential basis by way of private placement, Further the allotment details are as follow:

Sl No.	Date of Allotment	No. of Equity Shares Issued

1	18.05.2022	425
2	02.06.2022	216
3	21.06.2022	153
4	30.06.2022	27
	Total	**821**

- Pursuant to a resolution passed by our Board of Directors at their meeting dated July 14, 2022 and the Shareholders at their extraordinary general meeting dated July 27, 2022, the Company has increased its authorized share capital from Rs. 5,10,37,850/- to Rs. 12,00,00,000/-.

- Pursuant to a resolution passed by our Board of Directors at their meeting dated July 14, 2022 and the Shareholders at their extraordinary general meeting dated July 27, 2022, the Company has sub-divided its authorized and paid share capital from face value of ₹10 to face value of Rs.1 each aggregating to Rs. 12,00,00,000/-.

- Pursuant to a resolution passed by our Board of Directors at their meeting dated July 14, 2022 and the Shareholders at their extraordinary general meeting dated July 27, 2022, the Company has issued Bonus Share in the ratio of 50:1

- Pursuant to the Bonus issue, the Companies Paid up capital has increased to Rs. 9,22,18,710/-. As on March 31, 2023.

Subsequent to March 31, 2023, the following transaction took place:

- Pursuant to a resolution passed by our Board of Directors at their meeting dated August 10, 2023 and the Shareholders at their extraordinary general meeting dated August 11, 2023, the Company has increased its authorized share capital from Rs. 12,00,00,000/- to Rs. 15,00,00,000/-

- Pursuant to the Pre IPO-Placement as mention point no. 8of this report issue the Companies Paid up capital had increased to Rs. 9,81,94,319/-

14. DEBENTURES:

The Company has issued and allotted 500 secured, unlisted, rated non-convertible debentures (NCD) of face value of Rs. 10,00,000 each, aggregating to Rs. 50,00,00,000/- to Vivriti Capital Private Limited pursuant to Board resolution passed by Board of directors in its meeting held on November 30, 2022 in accordance with the terms specified under the private placement offer cum application letter dated November 30, 2022, and debenture trust deed dated November 30, 2022 among our Company and Catalyst Trusteeship Limited as the debenture trustee. As on 31st March, 2023, the NCDs are held by Vivriti Emerging Corporate Bond Fund.

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

Board of Directors

As on 31st March 2023, the Company's Directorate consisted of six Directors; three of them are Independent Directors. Mr. Raj P Narayanam is the Chairman of the Board. The composition of the Directorate is in conformity with the provisions of the Companies Act, 2013, allied rules and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement Regulations) 2015. The particulars of the Directorate and the Key Managerial Personnel are given under Part I of the Corporate Governance Report which forms part of this Annual Report.

The Directors of the Company are eminent persons of proven competencies and integrity. Besides experience, strong financial acumen, strategic astuteness and leadership qualities, they have a significant degree of commitment towards the Company and devote adequate time to the meetings. The Company recognizes and embraces the importance of a diverse board in its success.

The Company believes that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, industry experience and gender which will help the Company to retain its competitive advantage.

Appointments & Cessation of Directors & KMP

During the year under review, the Company has promoted Mr. Vidya Niwas Khetawat as Chief Strategy Officer (CSO) of the Company w.e.f. August 25, 2022 and Mr. Venkata Aditya Kumar Grandhi joined the Company on as vice president-finance and accounts on May 9, 2022 was appointed as Chief Financial Officer (CFO) w.e.f. August 25, 2022.

Further the Company has appointed Mr. Abhay Deshpande Raosaheb as Additional Director in the Board Meeting held on August 22nd 2022

Further the Company in its Board Meeting held on September 26, 2022 as appointed following Director on the Board of the Company:

Sl. No.	Name of Director(s)	Designation
1	Mr. Arun Vijaykumar Gupta	Additional Director
2	Mr. Abhay Deshpande Raosaheb	Independent Director
3	Mr. Aravamudan Krishna Kumar	Additional Director
4	Mr. Aravamudan Krishna Kumar	Independent Director
5	Mrs. Prerna Tandon	Additional Director
6	Mrs. Prerna Tandon	Independent Director

Further the shareholder of the Company has approved the appointment of the following Directors in its Extra Ordinary General Meeting held on September 27, 2022:

Sl. No.	Name of Director(s)	Designation
1	Mr. Arun Vijaykumar Gupta	Non Executive Director
2	Mr. Abhay Deshpande Raosaheb	Independent Director
3	Mr. Aravamudan Krishna Kumar	Independent Director
4	Mrs. Prerna Tandon	Independent Director

Subsequent to March 31, 2023 the following appointment took place:

On recommendation made by the Nomination, Remuneration Committee / Compensation Committee of Directors, Mr. Raj P Narayanam was reappointed as Wholetime Director with designation as Executive Chairman w.e.f. June 1, 2023, pursuant to Board Resolution passed at the meeting of Board of Directors and members special resolution passed at the Extra-Ordinary General Meeting of the Company held on May 24, 2023 and June 23, 2023 respectively.

Mr. Vidya Niwas Khetawat as Chief Strategy Officer (CSO) was promoted as a Chief Investor Relations Officer (CIRO) of the Company w.e.f. August 25, 2023.

In accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the following are the Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) of the Company as on March 31, 2023 .

Sl. No.	Name of KMP/SMP	Designation
1	Mr. Raj P Narayanam	Executive Chairman
2	Mr. Avinash Ramesh Godkhindi	Managing Director & Chief Executive Officer
3	Mr. Venkata Aditya Kumar Grandhi	Chief Financial Officer
4	Mr. Vidya Niwas Khetawat	Chief Strategy Officer
5	Mrs. Hari Priya	Company Secretary & Compliance Officer

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Avinash Ramesh Godkhindi, Managing Director & Chief Executive Officer, will retire by rotation at the ensuing Annual General Meeting and being eligible offered herself for reappointment. Brief profile of Mr. Avinash Ramesh Godkhindi and other related information is detailed in the Notice convening the 12th AGM of your Company. The Board recommends the same to the shareholders for their approval at the forthcoming AGM.

On the basis of the written representations received from the directors, none of the above directors are disqualified under Section 164 (2) of the Companies Act, 2013 and are also not debarred by SEBI or any other Statutory authority for holding office of a Director.

16. COMMITTEES OF THE BOARD OF DIRECTORS

As required under the Company Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted the following committees:

(i) Audit Committee
(ii) Nomination, Remuneration Committee/ Compensation Committee
(iii) Stakeholders Relationship Committee
(iv) Corporate Social Responsibility Committee
(v) Risk Management Committee
(vi) IPO Committee
(vii) Executive Committee

The Board had constituted ‘Audit Committee’, Nomination, Remuneration Committee/ Compensation Committee, ‘Stakeholders Relationship Committee’ and ‘Corporate Social Responsibility Committee’ in its Board Meeting held on September 29, 2022, in terms of respective provisions of the Companies Act, 2013' and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further the Board has constituted 'Risk Management Committee', IPO Committee and Executive Committee of Directors in its Board Meeting held on November 19, 2022, in terms of respective provisions of the Companies Act, 2013' and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of constitution, terms of references and policies of these committees have been discussed in detail in the Corporate Governance section of the Annual Report.

There were no instances where the Board did not accept the recommendations of the Audit Committee.

17. DECLARATION OF INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director of the Company stating that:

(i) they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("said declarations").
(ii) they have registered their names in the Independent Directors' Databank.

Based on the declarations received from the Directors, the Board confirms, that the Independent Directors fulfill the conditions as specified under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

The declarations were placed and noted by the Directors present in the meeting of the Board held on May 24, 2023

18. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

Considering the requirement of skill sets on the Board, persons having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions, for appointment, as an Independent Director on the Board. The Board, inter alia, considers qualification, positive attributes, area of expertise, integrity and experience (including proficiency) and number of Directorship(s) and Membership(s) held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence and recommends to the Board their appointment. In the opinion of the Board, the Independent Directors possess the attributes of integrity, expertise and experience as required to be disclosed under Rule 8(5)(iiia) of the Companies (Accounts) Rules, 2014 (as amended). The Independent Directors have also confirmed that they have complied Company's Code of Conduct.

19. MEETINGS OF THE BOARD AND COMMITTEES

The Board meets at regular intervals to discuss and decide on the Company's policies and strategy apart from other Board matters.

The Company has conducted Twenty Two (22) Board meetings during the financial year under review. The Intervening gap between the two Board Meetings did not exceed 120 days. The composition of the Board of Directors, Committees, attendance of the Directors in the Board and Committees is summarized in **Annexure II** of this Report.

20. FAMILIARIZATION PROGRAM OF INDEPENDENT DIRECTORS

In compliance with Regulation 25(7) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013 the Company has a structured program for orientation and training of Directors so as to enable them to understand the nature of the industry in which the Company operates, business model of the Company and roles, rights, and responsibilities of independent directors.

The Program aims to provide insights into the Company to enable the Independent Directors to be in a position to take well-informed timely decisions and contribute significantly to the Company. The Independent Directors of the Company are given every opportunity to familiarize themselves with the Company, its management, and its operations so as to understand the Company, its operations, business, industry and environment in which it functions.

Independent Directors are also issued an appointment letter detailing their role, duties and responsibilities, remuneration and performance evaluation process.

21. EVALUATION OF BOARD'S PERFORMANCE

In terms of section 134 (3) of the Companies Act, 2013 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had laid down the criteria for reviewing the performance of the Board, its Committees and individual Directors. The evaluation process of Directors inter alia considers attendance of the Directors at Board and Committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy etc. The Nomination & Remuneration Committee at its meeting held on February 8, 2023 had carried out the evaluation of the Board, its committees, and Individual Directors on an annual basis and the committee has submitted their review/ recommendation to the Board of Directors.

The Board of Directors in its meeting held on February 8, 2023 has evaluated the performance of Independent Directors of the Company.

22. INDEPENDENT DIRECTORS MEETING

A separate meeting of the Independent Directors was convened on March 31, 2023, which reviewed the performance of the Board (as a whole), the non-independent directors and the Chairman.

23. REMUNERATION POLICY

The Board has on the recommendation of the Nomination, Remuneration Committee/Compensation Committee, framed a policy for nomination and remuneration of directors, key managerial personnel, Senior Management and other employees The policy named as Nomination and Remuneration Policy.

24. ADEQUECY OF INTERNAL FINANCIAL CONTROLS AND COMPLIANCE WITH LAWS

As per Section 134(5)(e) of the Companies Act 2013, the Directors have an overall responsibility for ensuring that the Company has implemented a robust system and framework of Internal Financial Controls. This provides the Directors with reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks. The Company has procedures for ensuring orderly and efficient conduct of its business, including the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial disclosures, which are reviewed by the Board and Audit Committee from time to time.

Further, Statutory Auditors in its report expressed an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial.

25. RISK MANAGEMENT

Pursuant to Section 134(3)(n) of the Companies Act, 2013 and Regulation 17(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated and adopted a Risk Management Policy.

Furthermore, pursuant to the requirement of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Risk Management Committee (RMC), consisting of Board members of the Company.

The Company has in place a Risk Management framework to identify, evaluate business risks and challenges across the Company both at corporate level as also separately for each business division.

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Our internal control encompasses various managements systems, structures of organisation, standard and code of conduct which all put together help in managing the risks associated with the Company.

As of now, there are no risks which in the opinion of the Board that threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis Report which forms part of this Annual Report.

26. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Details pertaining to loans given, guarantees or securities provided or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review is forming part of the notes to the Financial Statements

27. RELATED PARTY TRANSACTIONS

As none of the transactions with related parties falls under the scope of Section 188(1) of the Companies Act, 2013, the information on transactions with related parties pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 does not apply to the Company for the FY 2022-23 and hence the same is not provided.

Further, suitable disclosures as required by the Accounting Standards (AS18) have been made in the notes forming part of the Financial Statements.

In line with the requirements of the Company Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy on Related Party Transactions and the same is available on the website of the Company at www.zaggle.in.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure-III** and is attached to this report.

29. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate social responsibility committee had formulated a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken and the Company propose to constitute any Corporate Social Responsibility Committee (CSR Committee). A copy of CSR Policy is available on the website of the Company and can be accessed on the Company's website at the link "www.zaggle.in". The policy encompasses the philosophy of the Company for delineating its responsibility as a corporate citizen and lays down the guideline and mechanism for undertaking socially useful programs for welfare of the community at large and for under privileged community in the area of its operation in particular.

The net profit of the Company was Rs. 41.92 Crores for the Financial Year ended 31st March, 2022 exceeded Rs.5 Crores. However, Average net profit of the company as per section 135(5) is Rs. 23,18,93,493. Accordingly, the CSR Spend for the Financial Year 2022-23 was Rs. 46,37,870.

The Annual Report on CSR containing the composition of the CSR Committee, salient features of the CSR Policy, details of activities, and other information as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided in **Annexure IV** attached to this Report.

30. ANNUAL RETURN

The Annual Return of the Company for the financial year 2022-23 as required under Section 92(3) & 134(3)(a) of the Companies Act, 2013 is available on the website of the Company and can be accessed on the Company's website at the link "www.zaggle.in".

31. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The company has efficiently built up its internal vigil mechanism to effectively manage breach of conduct, abuse containments, financial irregularities, sensitive information sharing other than for legitimate purposes, unethical or unfair business practices in regard to mala-fide manipulation of the business processes.

Your directors have adopted a Vigil Mechanism/Whistle Blower Policy. None of the company's personnel have been denied access to the Audit Committee. During the year under review, nothing has been reported under the policy.

The Whistle Blower Policy of the Company can be accessed on the website of the Company at www.zaggle.in.

32. MANAGEMENT DISCUSSION ANDs ANALYSIS REPORT

Pursuant to Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, a Management Discussion and Analysis Report is a part of Directors Report as **Annexure V**.

The Company has voluntarily disclosed the compliance with respect to the provisions of Management Discussion & Analysis Report pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

33. CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, a report on Corporate Governance, forms an integral part of this Directors Report and are given in **Annexure - VI**.

The Company has voluntarily disclosed the compliance with respect to the provisions of Corporate Governance pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

34. ZAGGLE EMPLOYEE STOCK OPTION SCHEME 2022

Grant of share based benefits to employees is a mechanism to align the interest of the employees with those of the Company, to provide them with an opportunity to share the growth of the Company and also to foster long-term commitment.

The members of the Company has approved the Zaggle Employee Stock Option Scheme 2022" (hereinafter referred to as the "Scheme" or "ZAGGLE ESOP 2022") pursuant to the resolution passed by our Board on September 26, 2022 and by the Shareholders on September 27, 2022, and amended pursuant to the resolution passed by the Board on November 19, 2022 and by the Shareholders on November 21, 2023 for the issue of options exercisable into Equity Shares not exceeding 46,10,936 (Forty Six Lakh Ten Thousand Nine Hundred and Thirty Six) options.

The Board of directors in its meeting held on September 29, 2022 has approved to issue grant letter to option grantees. Further The members of the Compensation Committee in its meeting held on February 8, 2023 recommended the Board of Directors of the Company for modifying the vesting conditions of Options granted under Zaggle ESOP 2022 to certain Option Grantees and issue modified grant letters to such Options Grantees.

The Compensation Committee has taken note that the amendments are in line with the following objectives of the Scheme and are not prejudicial to the interests of the Option Grantees:

- to retain talent, especially at the higher management levels
- to align the interest of the employees with the Company
- to motivate the employees to contribute to the Company's growth and profitability

A statement of disclosure as required under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014.

Sl No.	Particular(s)	**Details of Zaggle ESOP 2022**
(a)	options granted:	2,423,369
(b)	options vested	NIL
(c)	options exercised	NIL
(d)	the total number of shares arising as a result of exercise of option	2,423,369
(e)	options lapsed	NIL
(f)	the exercise price	₹1 per Equity Share for 1,248,511 options and ₹271 per Equity Share for 1,174,858 options
(g)	variation of terms of options	Exercise price is ₹1 per Equity Share for 1,248,511 options and ₹271 per Equity Share for 1,174,858 options, for different employees.
(h)	money realized by exercise of options	NA
(i)	total number of options in force	For the Financial Year 2022-23 - 1,959,731 For the period commencing from April 1, 2023 to the date of this Report - 1,788,803.
(j)	employee wise details of options granted to;-	
	(i) key managerial personnel	Venkata Aditya Kumar Grandhi - 27,701 Hari Priya- 27,701
	(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	NIL
	(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	NIL

A statement of disclosure as required under regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 read with Part F- Disclosures by the Board of Directors has been placed on the website of the Company at www.zaggle.in.

Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021, a Compliance certificate has been issued by S. S. Reddy & Associates.

35. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) and Section 134(5) of the Companies Act, 2013, your Directors hereby report that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d. the directors had prepared the annual accounts on a going concern basis;

e. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

36. AUDITORS

(a) Statutory Auditors

M/s P R S V & Co LLP, Chartered Accountants, Hyderabad (Firm Registration No.S-200016) had been reappointed as Statutory Auditors for the period of five years to hold office from the conclusion of 9th Annual General Meeting till the conclusion of 14th Annual General Meeting in the Annual General Meeting held on 24th December, 2020.

Further M/s. M S K A & Associates, Chartered Accountants, Hyderabad (Firm Registration No. 105047W) was appointed as a Joint Statutory Auditors of the Company along with M/s P R S V & Co LLP. to hold the office till the conclusion of 11th Annual General Meeting, in the Extra Ordinary General Meeting held on 19th May, 2022. The Company has received a Certificate from M/s M S K A & Associates confirming that they are not disqualified from continuing as Statutory Auditors of the Company.

Further in order to ensure smooth transition of the auditing process and seamless integration of the Auditors with the system and process of the Company, appoint the Company has reappointed M/s. M S K A & Associates, Chartered Accountants, Hyderabad (Firm Registration No. 105047W) as Joint Statutory Auditors of the Company along with M/s P R S V & Co LLP. to hold the office for a period of 4 (Four) consecutive years from the conclusion of this 11th (Eleventh) Annual General Meeting until the conclusion of 15th (Fifteenth) Annual General Meeting in the Annual General Meeting held on September 30, 2022.

Comments on Auditors Report

There are no qualifications, reservations or adverse remarks or disclaimers made by the Auditors in their report except an observation at vii (b) in the Annexure-B to the Auditors' Report stating the dues outstanding of service tax Rs. 24.73 Millions, which have not been deposited with the appropriate authorities on account of disputes.

The Company is confident of its claims on the disputed taxes and has exercised its right not to deposit the disputed tax unless and until adjudicated finally by the appropriate authorities.

b) Cost Auditor

The provisions of Section 148 of the Companies Act, 2013 read with rule 3 of the Companies (Cost Records and Audit) Rules, 2014 do not apply to the Company. Accordingly, the Company is not required to appoint a Cost Auditor.

c) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board has appointed M/s. S.S. Reddy & Associates, was appointed as a Secretarial Auditor of the Company for the financial year 2022-23 in its Board Meeting held on September 26, 2022.

The Secretarial Audit Report is attached with the Board' Report as **Annexure- VII.** There was no qualification, reservation, adverse remark, or disclaimer in the report.

d) Internal Auditor

M/s. R Y M & Co. LLP, Chartered Accountants, were appointed as an Internal Auditor of the Company for the Financial Year 2022-2023.

37. BUSINESS RESPONSIBILITY STATEMENT

During the year under review the Company was not required to file Business Responsibility Statement.

38. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force.

39. ACCOUNTING STANDARDS

The Company complied with the requirements of Indian Accounting Standards (Ind AS) while preparing the annual financial statements for the accounting year under review as envisaged in Companies (Indian Accounting Standard Rules) 2015 and its subsequent amendments and directive issued by Securities and Exchange Board of India in this regard.

40. CREDIT RATING

During the year under review, Acuité has assigned the long term rating of 'ACUITE BBB' (read as ACUITE Triple B) on the Rs. 100.00 Cr. on non convertible debentures of the Company. The outlook is 'Stable'.

41. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The statement of particulars of appointment and remuneration of managerial personnel 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 is in Annexure-VIII to this Report.

42. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted zero tolerance for sexual harassment at the workplace and has formulated a policy on prevention, prohibition, and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

The Company has constituted the various Internal Complaints Committee at various office locations of the Company in accordance with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder during the year under review .

There was no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act' 2013 during the year under review .

43. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCTION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 (the Act) do not apply as there was no amount in the unclaimed dividend account remaining unpaid under sub-section (5) of section 124 of the Companies Act, 2013.

44. CHANGE IN THE NATURE OF BUSINESS, IF ANY.
There is a no change in the nature of business of the Company for the year ended 31st March, 2023,

45. ALTERATION OF MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION (MOA & AOA):

During the year, the Company has undertaken the following transactions with respect to MOA & AOA of the Company:

a) Main Object 3rd(a) altered vide special resolution passed at the Extra Ordinary General meeting held on July 27, 2022.

b) Further the clauses comprised in these Memorandum of Association were adopted as per Table A of Companies Act, 2013 and pursuant to members special resolution passed at the Extra-Ordinary General Meeting of the Company held on July 27, 2022, in substitution for the earlier Memorandum of Association of the Company.

c) The Company was converted into a public limited company under the Companies Act, 2013, pursuant to a special resolution passed by our Shareholders at the Extra Ordinary General Meeting held on August 22, 2022 and consequently, the name of our Company was changed to 'Zaggle Prepaid Ocean Services Limited' and a fresh certificate of incorporation dated September 13, 2022 was issued by the Registrar of Companies, Telangana at Hyderabad (the "RoC").

d) In order to undertake the IPO, the Company was required to ensure that the articles of association of the Company conform to the requirements and directions provided by the Securities and Exchange Board of India (the "SEBI") and relevant stock exchanges prior to filing of the draft red herring prospectus with the SEBI and the relevant stock exchanges, and contain such other articles as required by a listed company under applicable laws (including the applicable provisions of the Companies Act, 2013 and the rules thereunder, each as amended (the "Companies Act"). The Company has adopted new set of Articles of Association pursuant to pursuant to members special resolution passed at the Extra-Ordinary General Meeting of the Company held on July 27, 2022, in substitution for the earlier Memorandum of Association of the Company.

46. COMPOUNDING

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

Further, in accordance with Section 77 of the Companies Act, 2013 our Company was required to register the charge created pursuant to availing certain loan facilities, with the RoC within 30 days or 60 days from the date of creation of charge by payment of normal fees or by paying additional fees, respectively. In the years 2020 and 2021, our Company availed two vehicle loans and one home loan from ICICI Bank and created charge on assets pursuant to such loan, without registering such charge with the RoC within the prescribed period. In this regard, we had filed a compounding application with the Regional Director, South East Region, Hyderabad on November 24, 2022. Pursuant to order dated June 15, 2023, our Company and certain of our Directors were directed by the Regional Director to pay an aggregate penalty of ₹300,000, which was paid by our Company and the relevant Directors.

47. STATEMENT ON COMPLIANCE WITH SECRETARIAL STANDARDS

During the financial year 2022-23, your Company has complied with applicable secretarial Standards issued by the Institute of the Company Secretaries of India.

48. DECLARATION BY THE COMPANY:

The Company has issued a certificate to its Directors, confirming that it has not made any default under Section 164(2) of the Companies Act, 2013, as on March 31, 2023.

49. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR

No applications have been made and no proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

50. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The disclosure under this clause is not applicable as the Company has not undertaken any one-time settlement with the banks or financial institutions.

51. ORDERS, IF ANY, PASSED BY REGULATORS OR COURTS OR TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

52. HUMAN RELATIONS

One of the key strengths of your Company is its employees. Relations with employees remained cordial and satisfactory throughout the period under review. Your Directors would like to place on record its appreciation to the contribution made by each of the employees of the Company towards the growth of the Company's business.

53. INSURANCE

The Company's assets are adequately insured against the loss of fire and other risk, as considered necessary by the Management from time to time. The Company has also taken adequate insurance cover for all movable & immovable assets and for all such types of risks, as considered necessary by the management from time to time.

54. ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of your Company. Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company for their continued support for the growth of the Company.

For and On Behalf of the Board of Directors
Zaggle Prepaid Ocean Services Limited

	Sd/-	**Sd/-**
	Avinash Ramesh Godkhindi	Raj P Narayanam
Place: Hyderabad	Managing Director & CEO	Executive Chairman
Date: 29.08.2023	DIN: 05250791	DIN: 0041003

ANNEXURE-I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1	Name of the subsidiary	*Zaggle Technologies Limited
2	The date since when subsidiary was acquired	12.01.2023
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	--
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	--
4	Share capital	0
5	Reserves & surplus	0
6	Total assets	0
7	Total Liabilities	0
8	Investments	0
9	Turnover	0
10	Profit before taxation	0
11	Provision for taxation	0
12	Profit after taxation	0
13	Proposed Dividend	0
14	% of shareholding	100%

Note: On August 26, 2023, Zaggle Technologies Limited has applied to the registrar of companies in the United Kingdom to strike its name off the register, in compliance with applicable provisions of the UK Companies Act 2006

1. Names of subsidiaries which are yet to commence operations: Zaggle Technologies Limited

2. Names of subsidiaries which have been liquidated or sold during the year.: Nil

Part ''B''

Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(i) The Company has no associate company in terms of Section 2(6) of the Companies Act, 2013. The Company has no joint ventures.

(ii) Names of associates or joint ventures which are yet to commence operations: Not Applicable

(iii) Names of associates or joint ventures which have been liquidated or sold during the year : Not Applicable

For and behalf of the Board of Directors of

	Sd/-	Sd/-
	Raj P Narayanam	Avinash Ramesh Godkhindi
Place: Hyderabad	Executive Chairman	Managing Director and CEO
Date: 29.08.2023	DIN: 00410032	DIN: 05250791

ANNEXURE II

Details of the Board Meetings and the Committees of the Board of the Company held during the Financial Year ended 31st March, 2023.

A. BOARD MEETING

During the reporting period i.e., for the financial year ended 31st March, 2023 Twenty Two (22) board meetings were held and the details are as follows:

Date of Meeting	Name and designation of Directors					
	Mr. Raj P Narayanam (Executive Chairman)	Mr. Avinash Ramesh Godkhindi (Managing Director and Chief Executive Officer)	Mr. Arun Vijaykumar Gupta (Non-Executive Director)	Mr. Abhay Deshpande Raosaheb (Independent Director)	Mr. Krishna Kumar Aravamudan (Independent Director)	Mrs. Prerna Tandon (Independent Director)
07.04.2022	P	P	N.A.	N.A.	N.A.	N.A.
09.05.2022	P	P	N.A.	N.A.	N.A.	N.A.
18.05.2022	P	P	N.A.	N.A.	N.A.	N.A.
02.06.2022	P	P	N.A.	N.A.	N.A.	N.A.
21.06.2022	P	P	N.A.	N.A.	N.A.	N.A.
30.06.2022	P	P	N.A.	N.A.	N.A.	N.A.
14.07.2022	P	P	N.A.	N.A.	N.A.	N.A.
28.07.2022	P	P	N.A.	N.A.	N.A.	N.A.
12.08.2022	P	P	N.A.	N.A.	N.A.	N.A.
22.08.2022	P	P	N.A.	N.A.	N.A.	N.A.
25.08.2022	P	P	N.A.	P	N.A.	N.A.
26.09.2022	P	P	N.A.	P	N.A.	N.A.
29.09.2022_1	P	P	P	LOA	P	LOA
29.09.2022_2	P	P	P	LOA	P	LOA
19.11.2022	P	P	LOA	P	P	P
30.11.2022_1	P	LOA	P	P	P	P
30.11.2022_2	P	LOA	P	P	P	P
14.12.2022	P	LOA	P	P	P	P
16.12.2022	P	LOA	P	P	P	P
19.12.2022	P	LOA	LOA	P	P	LOA
12.01.2023	P	LOA	P	P	P	P
08.02.2023	P	LOA	P	P	P	P

Note:
P – Present
LOA – Leave of absence
NA- Not applicable

B. AUDIT COMMITTEE MEETING

Audit Committee met two (2) times during the Financial Year ended on 31st March, 2023. The details are as follow:

Date of Meeting	**Name of Committee Members**		
	Mr. Abhay Deshpande Raosaheb (Chairman)	Mr. Krishna Kumar Aravamudan (Member)	Mr. Raj P Narayanam (Member)
14.12.2022	P	P	P
31.03.2023	P	P	LOA

Note:
P – Present
LOA – Leave of absence

C. NOMINATION AND REMUNERATION COMMITTEE/ COMPENSATION COMMITTEE MEETING

Nomination and Remuneration Committee/ Compensation Committee met three (3) times during the Financial Year ended 31st March, 2023. The details are as follows:

Date of Meeting	**Name of Committee Members**		
	Mr. Krishna Kumar Aravamudan (Chairman)	Mr. Abhay Deshpande Raosaheb (Member)	Mr. Arun Vijaykumar Gupta (Member)
29.09.2022	P	P	LOA
19.11.2022	P	P	LOA
08.02.2023	P	P	P

Note:
P – Present
LOA – Leave of absence

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE MEETING

Corporate Social Responsibility Committee met two (2) times during the Financial Year ended 31st March, 2023. The details are as follows:

Date of Meeting	**Name of Committee Members**		
	Mr. Raj P Narayanam (Chairman)	Mr. Abhay Deshpande Raosaheb (Member)	Mr. Avinash Ramesh Godkhindi (Member)
14.12.2023	P	P	LOA
12.01.2023	P	P	LOA

Note:
P – Present
LOA – Leave of absence

E. RISK MANAGEMENT COMMITTEE MEETING

Risk Management Committee met one (1) times during the Financial Year ended 31st March, 2023. The details are as follows:

Date of Meeting	Name of Committee Members		
	Mr. Raj P Narayanam (Chairman)	Mr. Abhay Deshpande Raosaheb (Member)	Mr. Avinash Ramesh Godkhindi (Member)
14.12.2022	P	P	LOA

Note:
P – Present
LOA – Leave of absence

For and On Behalf of the Board of Directors
Zaggle Prepaid Ocean Services Limited

	Sd/-	**Sd/-**
	Avinash Ramesh Godkhindi	Raj P Narayanam
Place: Hyderabad	Managing Director & CEO	Executive Chairman
Date: 29.08.2023	DIN: 05250791	DIN: 0041003

ANNEXURE III

[Pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014]

FORM – A

Form for Disclosure of particulars in the respect to conservation of energy

a. Energy conservation measures taken during the year:

The Company needs power towards running of computers and other office equipment and is not engaged in any manufacturing activities. Hence, the scope for adopting measures for conservation of energy is very limited and the Company has adopted measures to conserve consumption of energy.

b. Proposals being implemented for reduction of consumption of energy : **Not Applicable**

c. Impact of measures at a and b above for reduction of energy consumption and consequent impact on cost of production of goods: **Not Applicable**

d. Total energy consumption and energy consumption per unit as per Form A: **Not Applicable**

Form – B

Technology, Research and Development

Form for disclosure of particulars with respect to technology absorption

Technology absorption adaptation and innovation	NIL
Research and development (R&D)	NIL
Specific areas in which R&D was carried out by the Company	NIL
Benefits derived as a result of the above	NIL
Future plan of action	NIL

FORM - C

Particulars of Foreign Exchange Earning and Outgo (On cash basis)

Particulars	2022-23	2021-22
Foreign Exchange Earnings		
a. Sale of goods	-	-
b. Others	-	-
Foreign Exchange Expenditure		
a. Import of Raw Materials	-	-
b. Import of Capital Goods	-	-
c. Travel	-	-
d. Consultancy	-	-
e. Others	-	-

For and behalf of the Board of Directors of

Place: Hyderabad
Date: 29.08.2023

Sd/-
Raj P Narayanam
Executive Chairman
DIN: 00410032

Sd/-
Avinash Ramesh Godkhindi
Managing Director and CEO
DIN: 05250791

ANNEXURE IV
Annual Report on CSR

DETAILS OF CSR ACTIVITIES FOR ANNUAL REPORT FOR THE FINANCIAL YEAR 2022-23

1. A brief outline of the Company's CSR Policy:

The CSR policy, which encompasses the Company's philosophy for defining its social responsibility and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large. This policy shall apply to all CSR initiatives and activities taken up by the Company, for the benefit of society as per approach and direction given by the board taking in consideration the recommendations of the CSR committee. This policy includes guiding principles for selection of project as per Schedule VII of the relevant Act, implementation and monitoring of project activities as well as formulation of Annual Action Plan etc as per relevant provisions and Act.

2. Composition of the CSR Committee:

Sr. No.	Name of the Director	Designation	No. of meetings of the CSR committee held during the year	No. of meetings of the CSR committee attended during the year
1	Raj P Narayanam	Chairman	2	2
2	Abhay Deshpande Raosaheb	Member	2	2
3	Avinash Ramesh Godkhindi	Member	2	0

3. Web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company: www.zaggle.in

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8: Not Applicable

5. (a) Average net profit of the Company as per sub-section (5) of section 135: Rs. 23,18,93,493/-.

(b) Two percent of average net profit of the Company as per sub-section (5) of section 135:
Rs. 46,37,870/-

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:
Nil

(d) Amount required to be set-off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 46,37,870/-

6. **(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** Rs. 46,37,870/-

(b) Amount spent in Administrative overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Not Applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] : Rs.46,37,870/-

(e) CSR amount spent or unspent for the financial year:

	Amount Unspent (Rs): 0				
Total Amount Spent for the Financial Year (In Rs)	**Total Amount transferred to Unspent CSR Account as per Section 135(6)**		**Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).**		
2022-23	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
46,37,870	-	-	-	-	-

(f) Excess amount for set-off, if any:

Sr. No.	**Particulars**	**Amount (Rs.)**
(i)	Two percent of average net profit of the company as per section 135(5)	46,37,870
(ii)	Total amount spent for the Financial Year	46,37,870
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:** Nil

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1	2019-20	0	0	0	0	0	0
2	2020-21	0	0	0	0	0	0
3	2021-22	0	0	0	0	0	0
	Total	0	0	0	0	0	0

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner
(1)	(2)	(3)	(4)	(5)	(6)

Sl. No.	Short particulars of the property or asset(s)	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not applicable.

Your Company was conscious of its duties towards the community and our planet, and this year witness the Company in CSR areas.

For and On Behalf of the Board of Directors

	Sd/-	Sd/-
	Raj P Narayanam	Avinash Ramesh Godkhindi
Place: Hyderabad	Executive Chairman	Managing Director and CEO
Date: 29.08.2023	DIN: 00410032	DIN: 05250791

ANNEXURE-V
Management Discussion and Analysis Report

Overview

The company operates in a segment where interaction and interface with Customers (*i.e.*, businesses) and end Users (*i.e.*, employees) with a diversified offering of fintech products and services in prepaid spend management market. The company is one of the largest number of issued prepaid cards in India in partnership with certain of our banking partners, a diversified portfolio of SaaS, including tax and payroll software, and a wide touchpoint reach. The company is a leading player in spend management, with more than 50 million prepaid cards issued in partnership with banking partners and more than 2.27 million users served, as of March 31, 2023. We offer a differentiated value proposition and diversified user base. The company is sector-agnostic, and our network of Customers covers the banking and finance, technology, healthcare, manufacturing, FMCG, infrastructure and automobile industries and others.

We are placed at the intersection of the SaaS and fintech ecosystems, and our SaaS platform is designed for: (i) business spend management (including expense management and vendor management); (ii) rewards and incentives management for employees and channel partners; and (iii) gift card management for merchants, which we refer to as CEMS. Our core product portfolio include:

- '**Propel**', a corporate SaaS platform for channel rewards and incentives, employee rewards and recognition;
- '**Save**', a SaaS-based platform and a mobile application to offer expense management solution for business spend management facilitating digitised employee reimbursements and tax benefits;
- '**Zoyer**', an integrated data driven, SaaS based business spend management platform with embedded automated finance capabilities in core invoice to pay workflows.

'Propel', through its automated rewards and recognition platform, solves everyday business problems for our Customers, enabling them to drive growth and unlock value in their business operations. Propel allows our Customers to have an increased engagement with their employees and channel partners, contributing to their business performance. 'Save' enables our Customers to digitise, aggregate and manage their business and employee spends, enabling efficiencies through automated workflows. 'Zoyer' embeds automation, intelligence and payments into core invoice to pay workflows, providing insights into enterprise wide spends, allowing digitised management of cash outflows and improving business performance.

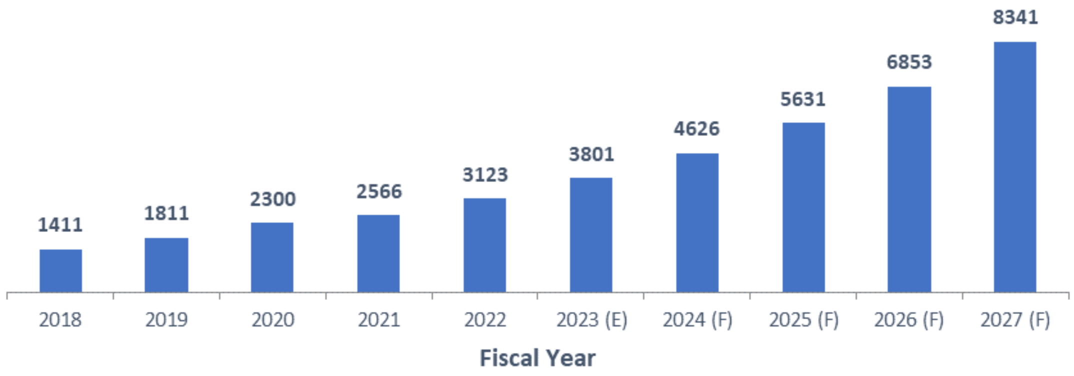
Fintech players in India are increasingly focusing on the employee-oriented services market as this segment of customers is easy to acquire and retain at lower costs. The company offers an ecosystem-based approach across SaaS and fintech, with low Customer Acquisition and Retention Costs in the B2B segment. The company approaches revolves around cross-selling, up-selling, and offering our products and services in partnership with other players in the operating ecosystems. Through company's arrangements with partner banks and fintechs, our Customers are able to offer their employees, channel partners and consumers a suite of SaaS and fintech solutions. The company offers an integrated value proposition through our SaaS platform, providing a combination of payment instruments as well as an integrated mobile application that digitises business and employee spends. API integrations on the platforms provided to our Customers offer them enhanced convenience and an efficient user experience through a simplified dashboard. This enables a clear, distinct and integrated access to our products, and gives us an opportunity to promote and offer our third-party associations through the same dashboard.

Industry Structure and Developments

India's fintech market revenue is estimated to reach approximately ₹8,341 billion in 2027 from ₹3,123 billion in 2022 as a result of supportive government policies, rising investments, and a fintech adoption rate of approximately 87%, the highest compared to other countries.

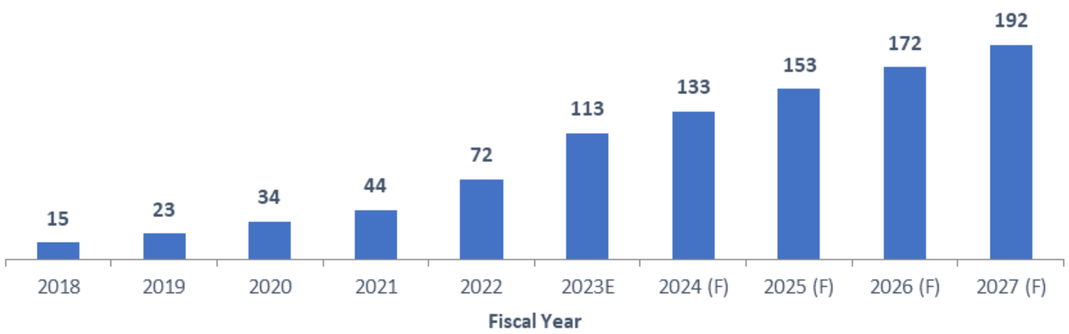
Overall Estimated Fintech Market size (5-year historical and 5-year forecasts) - Volume and Value

India's Fintech Market Revenues, FY2018-27 (INR Bn)



E-Estimated, F-Forecast Source: RBI, News Release, Frost & Sullivan Analysis

India's Fintech Transaction Volumes, FY2018-27 (Bn)



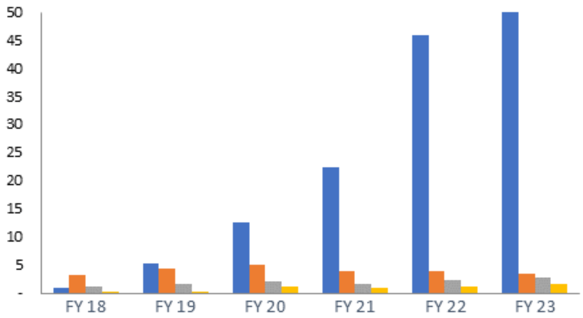
E-Estimated, F-Forecast Source: RBI, IRDAI, Frost & Sullivan Analysis

Overview of the Digital Payments Market in India

Overview of Digital Payments Landscape (UPI, Cards, Wallets, etc.)

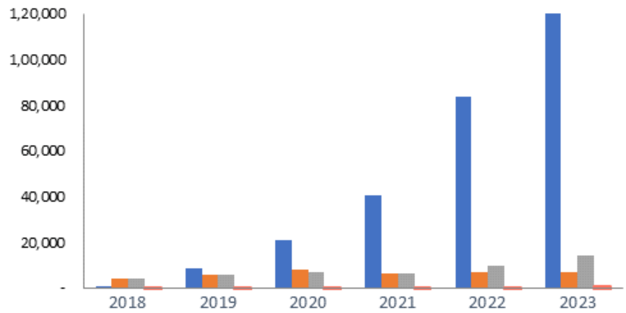
India has the fastest-growing digital payments industry in the world, with a five-fold increase in contactless payments from 2016 to 2023. To meet expanding customer demand, the number of businesses accepting contactless payments has increased six-fold in the past three years from 2018 to 2021, the sectors driving the growth are quick service restaurants, pharmacies, food and grocery. The RBI-DPI Index continues to show a considerable increase in digital payment usage and penetration across India. In Fiscal 2022, UPI is expected to account for approximately 86% of all consumer payments, with mobile wallets accounting for only approximately 2.4%. With the significant increase in UPI traffic, it is forecasted that digital payments (debit cards + credit cards + UPI) from consumers to merchants which climbed approximately 114% in Fiscal 2019 to more than 420% in Fiscal 2021 and is on track to reach 1,575% in Fiscal 2022 from Fiscal 2018.

Transaction Volume by Payment, FY2018-23 (Bn)



	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23
UPI	0.92	5.39	12.52	22.33	45.97	84.16
Debit card	3.34	4.41	5.06	4.01	3.94	3.4
Credit Card	1.14	1.76	2.18	1.76	2.24	2.9
Prepaid Payment Instrument	0.31	0.3	1.09	0.98	1.28	1.6

Transaction V



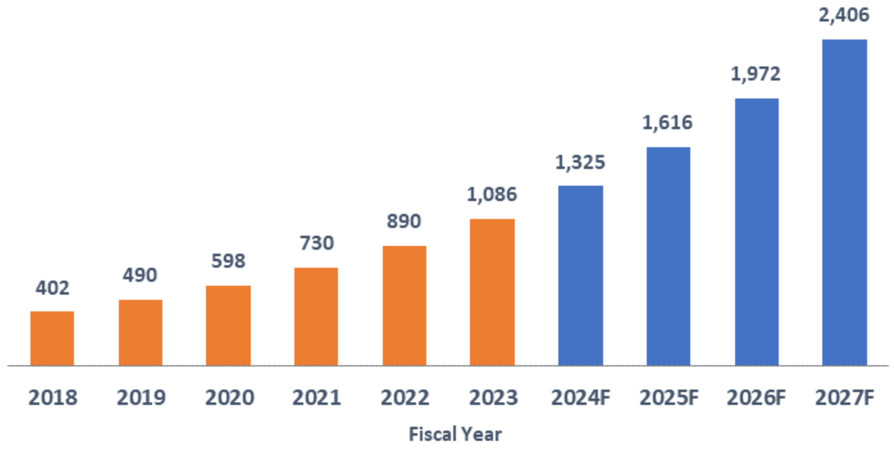
	2018	2019	2020	2021	2022	2023
UPI	1,098	8,770	21,317	41,037	84,176	1,39,150
Debit card	4,601	5,935	8,049	6,614	7,302	7,204
Credit Card	4,590	6,034	7,309	6,304	9,720	14,320
Prepaid Payment Instrument	433	466	332	456	592	791

Source: RBI

UPI is responsible for the largest transaction volumes among all payment methods, but UPI payments are not profitable because they are free of processing charges, whereas debit/credit card merchants and POS/gateway companies charge fees for the service.

Overall Estimated Market size (5-year historical and 5-year forecast)

India’s Digital Payments Market Revenue, Fiscals 2018-2027 (₹ billion)



Source: RBI, Frost & Sullivan Analysis

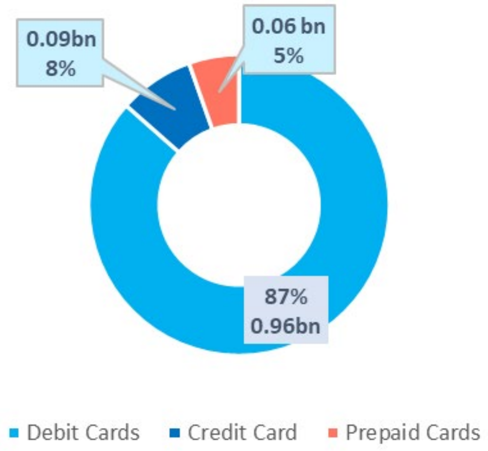
The digital payment market is expected to grow at a CAGR of approximately 22% from 2023 to 2027, boosted by digital currency and supporting technologies such as AI and ML.

Overview of Card Market in India

The usage of credit and debit cards for payment is gaining popularity. With the rise in the contactless transaction limit and credit cards providing quick and safe access to credit, customers have additional opportunities to utilize their cards for everyday payments. This is projected to accelerate in places other than metros because of legislative measures such as PIDF and offline payments, which aim to increase the usage of digital payments in locations with poor internet access.

Number of Cards and Split by Types

Total Cards Volume (Bn), and Share by Type (%), India, March 2023



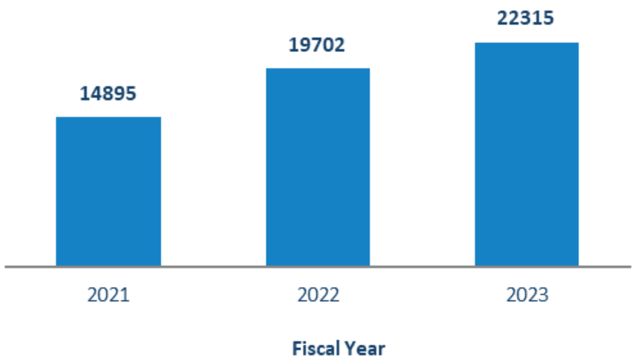
Source: RBI Bulletin, Frost & Sullivan Analysis

Payment card issuances are expected to reach a 16-month high as the economy recovers. Furthermore, banking activity has increased, and banks are increasingly aggressive in contacting their target clientele. Furthermore, with increasing mobility came a rise in access card issuances, which climbed significantly in 2023.

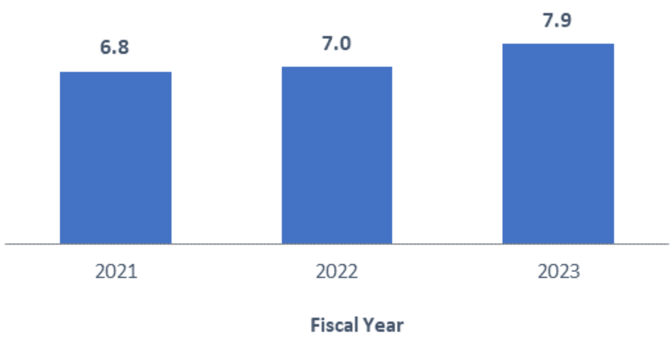
Value of Transactions (Debit Cards, Credit Cards and Prepaid Cards)

In Fisal 2023, the total card-based transactions surpassed ₹22 billion, which is approximately 13.3% growth compared to Fiscal 2022.

Cards Based Transaction Value, FY2021-23 (INR Bn)



Total Cards (Debit + Credit + Prepaid Cards) Based on Retail Transaction Volume, FY2021-23 (Bn)



Source: RBI Bulletin, Frost & Sullivan Analysis

Interchange Rate

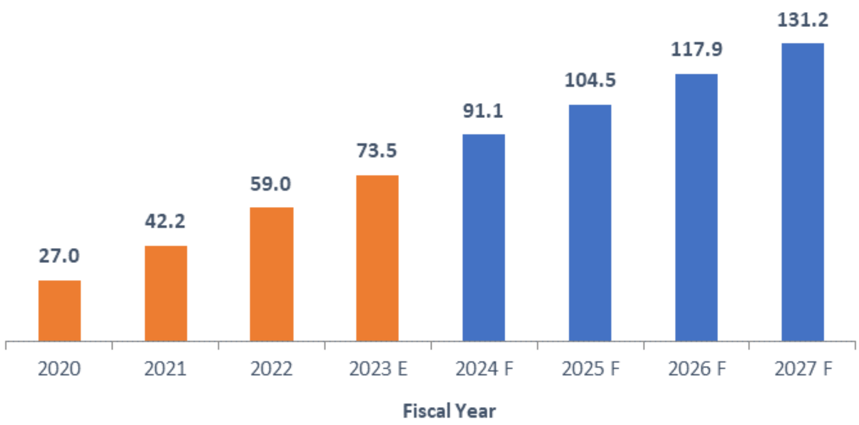
From April 2023, interchange at the rate of 1.1% of the transaction value/ amount will apply to payments made to all online merchants, large merchants and small offline merchants having transaction value/ amount greater than ₹2,000. In March 2023, the NPCI issued a circular on PPI Charges for Merchant Transactions in UPI and there have been a few changes with regard to the existing rates for other transactions as well.

Overview of Outsourced Spend and Human Capital Management Software and Services Market in India

Spend management tools help plan purchasing, procurement, employee travel, and expense-related activities across multiple business functions with the primary objective of saving money. An effective spend management system allows for real-time visibility of company spending across departments, aids in risk management, establishes and implements internal controls, and develops clear companywide expense-related policies.

Overall Estimated Market size

India Outsourced Spend Management Software and Services Market Revenue, FY2018-27 (INR Bn)



E-Estimated Revenue, F-Forecasted Revenue *Source: Annual Report, Company Websites, Frost & Sullivan Analysis*

India's spend management software and services market is expected to reach approximately ₹131 billion by 2027 from ₹73 billion in 2021, growing at a CAGR of approximately 25.3%. The overall market for spend management (in-house and outsourced; including procurement management, expense management, and payroll management) was estimated to be ₹82 billion in 2022 and is estimated to surpass ₹200 billion by 2027 with the share of outsourcing estimated approximately 60% in Fiscal 2022.

Opportunities and Threats

Opportunities

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

As of March 31, 2023, India's workforce was estimated to be approximately 528.0 million. From 2018 to 2023, approximately 55.9 million new subscribers joined the Employees' Provident Fund scheme. (*Source: Frost & Sullivan Report*), giving us significant opportunities and headroom for future growth. The number of new company registrations in India is expected to grow at a CAGR of approximately 28.0% from 2022 to 2027. India's prepaid market was expected to be approximately ₹3,000 billion by Fiscal 2027, growing at a CAGR of approximately 35.8% from approximately ₹791 billion in Fiscal 2023, with increased online payments for e-commerce. Further, India's digital payments industry is expected to grow at a CAGR of 22.0% from 2023 to 2027 (*Source: Frost & Sullivan Report*). We intend to continue to leverage our strong customer relationships, and invest in our direct and indirect sales and marketing capabilities, to continue to acquire new Customers in India

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

Our Customer base of approximately 2,411 organisations as of March 31, 2023 represents a growth opportunity for us through potential access to their employees, partners, and their customers. Expansion in these organisations is driven by adding Users, increasing adoption of our products by other departments within the organisation, displaying the offerings to our customers through a variety of third-party products, such as offerings from DBS Bank and Fibe (formerly, EarlySalary) that help increase User base penetration and loyalty towards our brand. Our multi-product platform offers significant cross-sell opportunities such as insurance, investments, loans, retail and corporate credit cards and purchase cards, among others.

Continue to innovate to introduce new products and use cases

Since inception, we have expanded our offerings from corporate gifting to digitizing corporate gifting, to reward and recognition of employees and channel partners of businesses, to employee tax benefits, to employee reimbursement, to employees' expense management solutions, to addressing a variety of spends that businesses incur including vendor payments, to reselling of software to banks and financial institutions. We cross-sell corporate credit cards and purchase cards along with other value-added services through our Preferred Banking Partners. Through our partnership with Fibe (formerly, EarlySalary), we are able to provide our Users with additional services on our platform such as availing advance salaries. Our partnerships with our Preferred Banking Partners enable our SMB Customers to seek access to working capital for their business operations.

Leverage strategic partnerships with financial institutions and merchants

Our partnerships are categorised into two broad categories: (i) growth; and (ii) VAS.
To drive growth, we have partnered with industry participants and financial institutions such as DBS Bank and Razorpay who offer our products 'Save', 'Propel' and 'Zoyer' to their customers. We intend to leverage on the insights of our partners to provide and build new solutions for our Customers and Users, while acquiring new Customers, merchants and Users with the support of our partners including the development of new technologies and ideas.
Going forward, we also intend to enable our Preferred Banking Partners to penetrate into large and small businesses, attracting a wider Customer base that provides an opportunity to cross-sell their offerings.

Pursue selective strategic acquisitions and investments to grow our business

We intend to actively pursue strategic investments and acquisitions that are complementary to our business and in the fintech space that we operate in. These acquisitions could include companies providing access to software for payroll management, vendor payments, corporate credit cards, gift and loyalty cards, other products and services that may be seen as a VAS for our Users to enhance their experience and increase User retention and loyalty, other SaaS companies and companies that provide us access to newer target demographics and markets within India and in international geographies that are positioned to support our business model and products.
While we intend to enhance our penetration in existing markets as they continue to grow, we are also working towards expanding our footprint globally. In June 2022, we commissioned a study by Aranca of 16 international markets for potential expansion and have shortlisted the United States, the United Kingdom and Brazil, each of which exhibits a large target audience, high fintech adoption, economic stability, and a large addressable market for our offerings. We may undertake certain investments in certain target markets by incorporating new entities, contingent on various factors including the regulatory requirements of such geographies, either in the form of equity or debt or a combination of both, or in any other manner as may be decided by our management. We also intend to collaborate with various vendors to expand our portfolio of offerings, increasing our acceptability with Customers.

Threats

Cyber Security Breaches

We and the third parties on which we rely may be subject to a variety of evolving threats, including but not limited to social-engineering attacks (including through phishing attacks), malicious code (such as viruses and worms), malware (including as a result of advanced persistent threat intrusions), denial-of-service attacks (such as credential stuffing), personnel misconduct or error, ransomware attacks, supply-chain attacks, software bugs, server malfunctions, software or hardware failures, loss of data or other information technology assets, adware, telecommunications failures and other similar threats

Disruption of Services

Shutdowns or service disruptions of our information systems or network caused by power outages, natural disasters, extreme weather, terrorist attacks, pandemics (such as the COVID-19 global pandemic), wars (such as Russia’s invasion of Ukraine), or other similar events pose increasing risks. Shutdowns or disruption from such events could have an adverse impact on us and our Customers, including degradation or disruption of service, loss of data, release or threatened release of data publicly, misuse or threatened misuse of data, and damage to equipment and data.

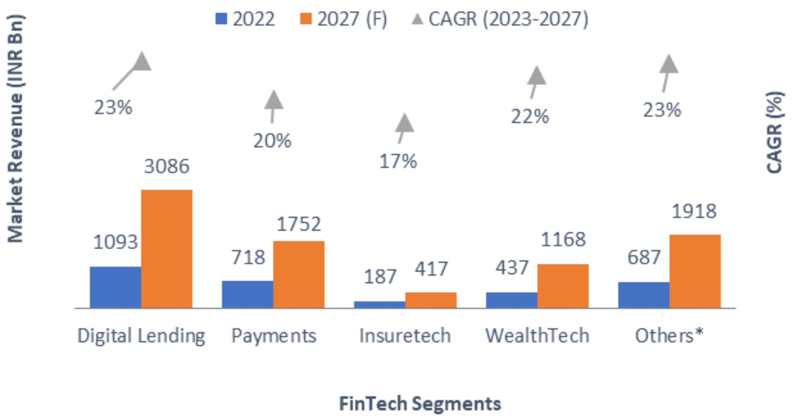
New Entrants

New domestic and Global players entering Indian markets, pose a potential threat to our business. The threat of new entrants varies by segment. Digital payments, mobile wallets, and prepaid payment interfaces saw a sizable number of new entrants in recent years, but neo-banking, blockchain, wealthtech, and insurtech saw fewer entrants due to strict regulatory barriers.

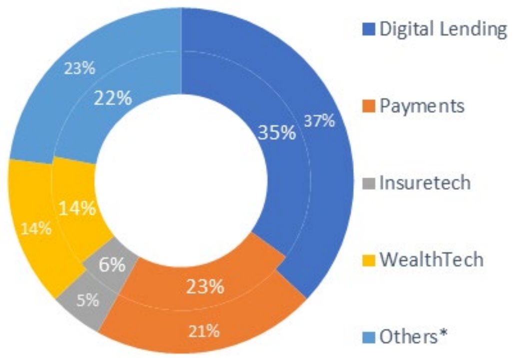
Outlook

India's Fintech market revenue is estimated to reach c. INR8341 Bn in FY2027 from c. INR3123 Bn in FY2022 due to supportive government policies, rising investments, and the highest Fintech adoption rate of c. 87% compared to other countries.

India Fintech Market Revenue, by Segments, FY2022 & FY2027 (INR Bn)



India Fintech Market Share, by Segments, FY2022 & FY2027 (INR Bn)



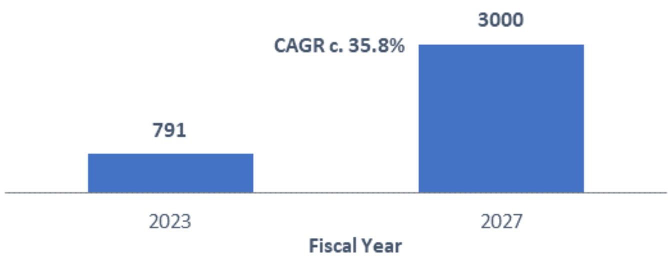
Source: RBI, Invest India, New Articles, Frost & Sullivan Analysis

Digital Payments Landscape (UPI, Cards, Wallets, etc)

India boasts the fastest-growing digital payments industry, with a 5x increase in contactless payments from FY2016 to FY2023. To meet expanding customer demand, the number of businesses accepting contactless payments increased 6x in the 3 years from FY2018 to FY2021. The sectors driving the growth are Quick Service Restaurants, Pharmacies, Food and Grocery. The RBI-DPI Index continues to show a considerable increase in digital payment usage and penetration across the country.
In FY2022, UPI accounted for c. 86% of all consumer payments, with mobile wallets accounting for only c. 2.4%. With the significant increase in UPI traffic, CLSA (formerly known as Credit Lyonnais Securities Asia) forecasted that digital payments (debit cards + credit cards + UPI) from consumers to merchants climbed c. 114% in FY2019 to more than 420% in FY2021 and is on track to reach 1575% growth in FY2022 from FY2018.

Corporate Credit Card / Prepaid Card market

Prepaid Card Number and Size
The Indian prepaid card market for transaction value has recently boomed and is predicted to grow at a CAGR of c. 35.8% from FY2022 to FY2027 as the commercial sector rapidly adapts to the usage of prepaid cards. Corporate prepaid cards offered improved cash flow management, quicker employee reimbursement, more security checks, and cash. They are commonly used as gift cards, meal cards, travel cards, and payday cards.
Prepaid Card Transaction Value, FY2023-27 (INR Bn)

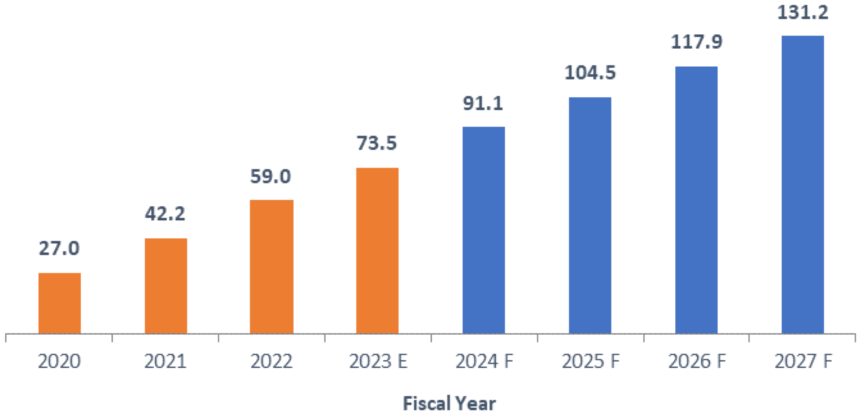


Source: RBI, Frost & Sullivan Analysis

SPEND AND HUMAN CAPITAL MANAGEMENT SOFTWARE AND SERVICES MARKET IN INDIA
India's spend management software and services market is expected to reach c. INR131 Bn by FY2027 from an estimated c. INR73 Bn in FY2023, growing at a CAGR of c. 25.3%. The overall market for spend management

(in-house & outsourced including procurement management, expense management, and payroll management) was estimated to be INR82 Bn in FY2022, which is estimated to surpass INR200 Bn by FY2027 with share of outsourcing estimated at around 60% in FY2022.

Overall Estimated Market size
India Outsourced Spend Management Software and Services Market Revenue, FY2018-27 (INR Bn)



E-Estimated Revenue, F-Forecasted Revenue *Source: Annual Report, Company Websites, Frost & Sullivan Analysis*

Risk and Concerns

1. Our recent revenue growth rates may not be indicative of our future financial performance. We have limited operating history at our current scale.
2. We may be unable to retain and attract Customers, convert Customers using our beta or trial versions into paying. Customers, or expand usage of our products within or across Customer organizations
3. Any termination of, or failure to maintain, our relationships with our banking partners, including our Preferred Banking Partners, or any changes to our interchange fees due to a variety of factors.
4. We are dependent on third-party Payment Networks, channel partners and third-party providers for various aspects of our business and our growth
5. We may encounter challenges with adoption and usage of our products if they are not able to successfully integrate with other software applications.
6. Failure to effectively develop and expand our direct sales capabilities could affect our ability to expand usage of our products within our Customer and User base and achieve broader market acceptance of our products
7. Our Company does not have any listed industry peers in India or abroad and it may be difficult to benchmark and evaluate our financial performance against other operators who operate in the same industry as us

Financial Risk

8. We experienced negative operating cash flows in Fiscal 2023 and negative net worth as of March 31, 2022 and March 31, 2021, which may make it difficult or expensive for us to obtain future financing or meet our liquidity needs.
9. One of our objects of the Offer is expenditure towards Customer acquisition and retention, the outcome of which cannot be ascertained. Further, our marketing efforts may not attract additional Customers on a cost-effective basis, or we may be unable to manage our marketing and advertising expenses

Legal and Regulatory Risk

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

Internal Control System and their Adequacy:

The company has adequate Internal Control System in place in order to mitigate any frauds, errors, misrepresentations etc., The company also in compliance with Internal Financial Controls over Reporting (ICFR) where all the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company policies, safeguarding its assets prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information. In addition to ICFR, the company appointed external audit firm "RYN & Company LLP" to conduct internal audits.

Segment –wise or product wise performance & Discussion on financial performance with respect to operational performance:

Income

Our revenue from operations increased by 49.08% to ₹5,534.60 million in Fiscal 2023 from ₹3,712.55 million in Fiscal 2022. This increase was primarily a result of the following factors:

- *'Propel' platform revenue/gift cards*: our 'Propel' platform revenue/gift cards increased by 133.74% from ₹1,539.22 million in Fiscal 2022 to ₹3,597.75 million in Fiscal 2023. This was primarily attributable to an increase in our User base from 1,723,350 Users as of March 31, 2022 to 2,274,138 Users as of March 31, 2023 and increase in our Customers from 1,753 as of March 31, 2022 to 2,411 as of March 31, 2023.
- *Platform fee/SaaS fee/service fees*: our platform fee/ SaaS fee /service fee increased by 45.71% from ₹166.30 million in Fiscal 2022 to ₹242.32 million in Fiscal 2023. This was primarily attributable to an increase of 31.96% in our User base from 1,723,350 Users as of March 31, 2022 to 2,274,138 Users as of March 31, 2023 and increase in our Customers from 1,753 as of March 31, 2022 to 2,411 as of March 31, 2023.
- *Program Fee*: our Program Fee decreased by 15.57% from ₹2,007.03 million in Fiscal 2022 to ₹1,694.53 million in Fiscal 2023. This was primarily attributable to a reduction in interchange fees on account of change in User spend behaviour from online outlets to offline outlets, as offline outlets entail lower interchange rates.

Other income

Our other income increased by 172.62% to ₹11.15 million in Fiscal 2023 from ₹4.09 million in Fiscal 2022, primarily due to an increase in liabilities no longer required to be written back and an increase in interest received on bank deposits and miscellaneous income.

Expenses

Our total expenses increased by 63.17% to ₹5,229.40 million in Fiscal 2023 from ₹3,204.86 million in Fiscal 2022. As a percentage of total income, our total expenses were 94.30% as compared to 86.23% in Fiscal 2022. The increased expenses were incurred due to a substantially higher cost of point redemption/gift cards and higher employee benefit expenses primarily due to (i) expenses towards employee stock option plan and (ii) an increase in the workforce required for expansion of our operations.

Cost of Point Redemption/Gift Cards

Our cost of point redemption/gift cards increased by 122.70% to ₹3,188.70 million in Fiscal 2023 from ₹1,435.08 million in Fiscal 2022 primarily due to a proportionate increase in our 'Propel' revenue as stated above, which is directly proportional to the cost of point redemption/gift cards.

Consumption of Cards

Our consumption of cards decreased marginally by 1.41% to ₹17.53 million in Fiscal 2023 from ₹17.78 million in Fiscal 2022 primarily due a decrease in expense of purchase of cards. The expense of purchase of cards decreased by 7.99% to ₹17.38 million from ₹18.89 million despite an increase of 31.96% in the User base of our Customers from 1,723,350 Users as of March 31, 2022 to 2,274,138 Users as of March 31, 2023.

Employee benefit expense

Our employee benefit expenses increased by 182.46% to ₹435.83 million in Fiscal 2023 from ₹154.30 million in Fiscal 2022 primarily due to (i) expenses towards employee stock option plan of ₹144.13 million and (ii) an increase of ₹133.89 million in salaries, wages and bonus resulting from an increase in our workforce from 203 employees as of March 31, 2022 to 273 employees as of March 31, 2023. The increase in salaries, wages and bonus was primarily due to an increase in hiring of personnel in our product development, information technology and sales teams, which require a higher compensation.

Finance costs

Our finance costs increased by 62.81% to ₹113.77 million in Fiscal 2023 from ₹69.88 million in Fiscal 2022, primarily due to an increase of ₹24.45 million in interest on loans and non-cumulative redeemable optionally convertible debentures.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by 195.61% to ₹61.99 million in Fiscal 2023 from ₹20.97 million in Fiscal 2022, primarily due to an increase in the depreciation of tangible assets to ₹6.96 million in Fiscal 2023 compared to ₹2.35 million in Fiscal 2022 and increase in amortisation of intangible assets to ₹32.75 million in Fiscal 2023 compared to ₹9.41 million in Fiscal 2022.

Other expenses

Our other expenses decreased by 6.32% to ₹1,411.58 million in Fiscal 2023 from ₹1,506.85 million in Fiscal 2022, primarily due to a decrease in incentives and cash back to Customers to ₹1,002.01 million in Fiscal 2023 from ₹1,176.43 million in Fiscal 2022. While we experienced an increase in our User base in Fiscal 2023, along with a reduction in interest rates, there was a shift in User behaviour with an increase in offline transactions leading to lower interchange fees. We therefore limited the incentives and cash backs offered to our Users in Fiscal 2023, in order to maintain our profitability.

The decreases above were partially offset by an increase in (i) advertisement and business promotion expenses to ₹200.64 million in Fiscal 2023 from ₹129.67 million in Fiscal 2022 primarily attributable to online advertisement/targeted ads/any other incentives or discounts to potential Customers; (ii) network charges to ₹23.30 million in Fiscal 2023 from ₹6.22 million in Fiscal 2022; and (iii) call centre and software support charges to ₹121.61 million in Fiscal 2023 from ₹102.32 million in Fiscal 2022.

Profit for the year

As a result of the foregoing factors, our restated profit for the year decreased to ₹229.01 million in Fiscal 2023 from a net profit of ₹419.21 million in Fiscal 2022

Material developments in Human Resources/ Industrial Relations front, including number of people employed.

Our headcount has grown from 199 to 273 during the 2023 fiscal. We have been able to strengthen our Product, Technology and Sales organisation particularly to launch and scale new products like Zoyer and Credit Cards. We have been able to roll out ESOP policy covering 100% of our employee base, at the time of roll out, i.e. on 29th September 2022. We have hired a fresh batch of campus recruit from esteemed institutes, within the tech organisation and train them to take up development roles in the technology team. We have streamlined HR processes and policies including Employee Branding, Talent Acquisition, Rewards & Recognition, Employee Policies, Employee engagement, HR Standard Operating Processes etc. and have launched a new HRMS (Keka) for employees. We have redesigned the organisation structure and managed to build a strong mid- senior leadership team across functions.

Details of significant changes (i. e change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore including:

S. No	Particulars	F.Y 2022-23	F.Y 2021-22	% of changes	Remarks
(i)	Debtors Turnover	5.39	8.64	-38%	Increase in trade receivables compare to last year resulted in decrease in ratio during the year.
(ii)	Inventory Turnover	18.07	15.88	14%	No Major change
(iii)	Interest Coverage Ratio	6.30	18.00	-65%	Interest Coverage ratio is healthy. The reduction in on account of reduced Operating Margins.
(iv)	Current Ratio	1.49	1.46	2%	No Major change
(v)	Debt Equity Ratio	2.48	(18.12)	-114%	Improved profitability and additional equity raised during the year has improved the ratio during the year.
(vi)	Operating Profit Margin (%)	8.69	16.12	-46%	Reduction in operating profit

					margin is due to increase in ESOP expenses and investment in new products.
	Net Profit Margin (%)	4.14	11.29	-63%	Reduced profitability due to higher salary and other costs due to expansion

Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.

Return on Net Worth ("**RoNW**") is a measure of profitability (expressed in percentage) and is defined as profit after tax for the year divided by our Total Equity for the year. The table below reconciles our profit after tax for the year to RoNW, for the periods indicated

Particulars	As of and for the financial year ended March 31,		
	2023	**2022**	**2021**
	(₹ million, unless otherwise specified)		
Profit after tax for the year (A)	229.01	419.21	193.30
Share Capital	92.22	1.80	1.80
Other Equity	395.29	(37.38)	(457.31)
Net Worth (B)	487.51	(35.58)	(455.51)
Return on Net Worth (A)/(B) *(%)**	**46.98**	**(1,178.22)**	**(42.44)**

Our RoNW turned positive during Fiscal 2023 with capital infusion coupled with profits earned during this period. In Fiscals 2022 and 2021, our Total Equity was negative on account of carry forward of losses despite there being steady state operational profitability.

Disclosure of Accounting Treatment

The statements made in this report describe the Company's objectives and projections that may be forward looking statements within the meaning of applicable laws and regulations. The actual results might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors, which are beyond the control of the Company.

For and On Behalf of the Board of Directors
Zaggle Prepaid Ocean Services Limited

	Sd/-	**Sd/-**
	Avinash Ramesh Godkhindi	Raj P Narayanam
Place: Hyderabad	Managing Director & CEO	Executive Chairman
Date: 29.08.2023	DIN: 05250791	DIN: 0041003

ANNEXURE VI

CORPORATE GOVERNANCE REPORT
for the Financial Year 2022-23

Company's Philosophy on Corporate Governance

The Company believes that good corporate governance consists of a combination of prudent business practices and ethics that enhances the value of the company to its various stakeholders. The Company's business objectives are governed in such a way to create value that can be sustained on a long-term basis.

In addition to timely compliance with the regulatory requirements, the Company ensures that moral and ethical standards at all levels within the organization are maintained.

The Company believes that such standards are inclusive of the core values of transparency, accountability, environmental consciousness, and independent monitoring. The Company makes its best efforts to uphold and maintain these core values in all facets of its business operations. The Board of Directors is responsible for and committed to ensure sound principles of corporate governance and plays a crucial role in overseeing how the management serves the short and long-term aspirations of the stakeholders.

A report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is given herein below:

I. BOARD OF DIRECTORS

i) Composition and Changes: The Board of Directors as on 31st March, 2023 consisted of six members, comprising of: a. Three independent directors b. One Non-executive director c. Two executive directors.

The particulars of the Directorate and changes in the composition during the financial year 2022- 23 (henceforth 'reporting period'/ 'year under review') are detailed below:

Name of Director	Category of Directorship	Particulars of Appointment/ Re-appointment
Mr. Raj P Narayanam	Executive Chairman	Re-appointed as Whole Time Director with designation as Executive Chairman for a term of five-year with effect from June 1,2023 in the Extraordinary General Meeting held on June 23, 2023.
Mr. Avinash Ramesh Godkhindi	Managing Director and Chief Executive Officer	Re-appointed as Managing Director and Chief Executive Officer or a period of three years with effect from May 7, 2021 in the Board Meeting held on April 30, 2021.
Mr. Arun Vijaykumar Gupta	Non-Executive Director	Appointed as Non- Executive

		Director in the Board Meeting held on September 26, 2023.
Mr. Abhay Deshpande Raosaheb	Independent Director	Appointed as Independent Director for a term of five-year with effect from September 26, 2022 in the Board Meeting held on September 26, 2023.
Mr. Krishna Kumar Aravamudan	Independent Director	Appointed as Independent Director for a term of five-year with effect from September 26, 2022 in the Board Meeting held on September 26, 2023.
Mrs. Prerna Tandon	Independent Director	Appointed as Independent Director for a term of three year with effect from September 26, 2022 in the Board Meeting held on September 26, 2023.

Meetings of the Board:

During the reporting period Twenty-Two (22) board meetings were held. In terms of section 149 of the Companies Act' 2013 (hereinafter the Act') read with Schedule IV of the Act' and Regulation 25(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the independent directors of the company was held on 31st March 2023 to discuss the matters as enumerated in the said schedule. The composition of the Board of Directors, attendance of the directors in the Board and Annual General Meeting and shareholding particulars in the company during the reporting period are detailed below:

Name	Designation	Board Meeting attended	Independent Director's Meeting attended	Whether attended the last Annual General Meeting	Directorship in other Indian Companies (*)	Committee Membership/ Chairmanship in other Indian Companies		No. of shares held in the Company (**)
						Member	Chairman	
Mr. Raj P Narayanam	Executive Chairman	22	N.A.	Yes	Nil	Nil	Nil	4,76,85,000
Mr. Avinash Ramesh Godkhindi	Managing Director and Chief Executive Officer	15	N.A.	Yes	Nil	Nil	Nil	91,80,000
Mr. Arun Vijaykumar Gupta	Non-Executive Director	8	N.A.	Yes	2	Nil	Nil	Nil
Mr. Abhay Deshpande Raosaheb	Independent Director	10	Yes	Yes	4	Nil	Nil	14,50,440

Mr. Krishna Kumar Aravamudan	Independent Director	10	Yes	No	7	2	1	Nil
Mrs. Prerna Tandon	Independent Director	7	Yes	No	Nil	Nil	Nil	Nil

Notes: *The Directorship/Committee Membership/Chairmanship in other companies exclude, foreign companies and companies formed under section 8 of the Act'. Committee Membership/Chairmanship in other companies includes Audit Committee and Stakeholder's Relationship Committee only.

None of the above mentioned Directors of the Board hold Directorships in more than ten Public Companies. Further none of them is a member of more than ten Committees or Chairman of more than five Committees as specified in the Regulation 26 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the Companies in which he/she is a Director. Necessary disclosures as required under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been made by the Directors.

None of the Directors is acting as an Independent Director in more than seven listed Companies. All the Directors of the Company hold Directorship in compliance with Regulation 17A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The names of the other Indian listed entities and category of directorship of the Directors on Board as on 31st March, 2023 are summarized below:

Name of the Director	**Name of the Listed Company**	**Category of Directorship**
Mr. Raj P Narayanam	Nil	N.A.
Mr. Avinash Ramesh Godkhindi	Nil	N.A.
Mr. Arun Vijaykumar Gupta	Route Mobile Limited	Director
Mr. Abhay Deshpande Raosaheb	Nil	N.A.
Mr. Krishna Kumar Aravamudan	MTAR Technologies Limited	Independent Director
Mrs. Prerna Tandon	Nil	N.A.

iii) Independent Director:

In the opinion of the Board, the independent directors on Board fulfil the conditions specified in these regulations and are independent of the management. During the year under review, no independent director has resigned from the Board.

Declarations of Independence

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149(6) of the Companies Act, 2013 along with rules framed thereunder. In terms of Regulation 25(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, they have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Companies Act, 2013 and that they are independent of the management.

iv) Familiarization Programs:
The Independent Directors have been familiarized through various programmes of their roles, rights, responsibilities in the company, nature of the industry in which the company operates etc.

v) Woman Director:
Mrs. Prerna Tandon (Independent Director) continue as woman directors on the Board. This is in compliance with Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Compliance Framework:
The Company has a robust and effective framework for monitoring compliances with applicable laws within the organization and providing updates to senior management and the Board periodically.

The Audit Committee and the Board of Directors periodically review the status of the compliances with the applicable laws.

vi) Code of Conduct:

Since the Company has not filed offer documents as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 with the Securities and Exchange Board of India, stock exchange(s) or registrar of companies in connection with the listing, as on the date of this Director's Report, the SEBI (Prohibition of Insider Trading) Regulations, 2015 is not applicable on it.

The Company formulated a Code of Conduct for its Directors and Senior Management Staff which include Code for Independent Directors as stipulated under Schedule IV of the Act'. As required under Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, affirmation to the compliance with the code of conduct from all Directors and Senior Management Personnel were obtained for the financial year ended 31st March, 2023 and a declaration from the Managing Director and Chief Executive Officer to this effect forms part of this Report.

vii) Terms and conditions of appointment to the Independent Directors

Letter of appointment issued to independent directors of the company is available at the website of the company at www.zaggle.in.

Information to Board:

We have placed the information as specified in Part A of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable, before the Board for its consideration.

viii) Materially significant business relationship:

As required under Ind AS 24, transactions with related parties have been furnished under Note 41 of the Notes to the Accounts appended to the Balance Sheet for the year ended 31st March 2023.There was no transaction of material nature with the Promoter, Directors or their relatives, etc. that might have potential conflict with the interest of the company, other than those, disclosed in the said note.

ix) CEO/CFO Certificate:

The certificate required pursuant to the Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

x) Disclosure of relationship between Directors interse: Not Applicable

xi) Key Managerial Personnel and Senior Management Personnel:

Key Managerial Personnel:

In accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the following are the Key Managerial Personnel (KMP) of the Company as on March 31, 2023 .

Sl. No.	Name of KMP/SMP	Designation
1	Mr. Raj P Narayanam	Executive Chairman
2	Mr. Avinash Ramesh Godkhindi	Managing Director & Chief Executive Officer
3	Mr. Venkata Aditya Kumar Grandhi	Chief Financial Officer
4	Mr. Vidya Niwas Khetawat*	Chief Strategy Officer
5	Mrs. Hari Priya	Company Secretary & Compliance Officer

*Mr. Vidya Niwas Khetawat as Chief Strategy Officer (CSO) was promoted as a Chief Investor Relations Officer (CIRO) of the Company w.e.f. August 25, 2023 and ceased to hold the position of key managerial personnel .

Senior Management

Except Venkata Aditya Kumar Grandhi, Chief Financial Officer and Hari Priya, Company Secretary and Compliance Officer, our Company does not have any persons forming part of Senior Management in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2015

xii) Matrix setting out the skills/expertise/ competence of the Board of Directors:

The Company is engaged in the business of business-to-business-to-customer segment and are among a small number of uniquely positioned players with a diversified offering of financial technology products and services, having one of the largest number of issued prepaid cards in India. The underlying matrix is mapped against individual directors on their skill set for business-to-business-to-customer segment where the company operates.

Industry knowledge/ experience	Mr. Raj P Narayanam	Mr. Avinash Ramesh Godkhindi	Mr. Arun Vijaykumar Gupta	Mr. Abhay Deshpande Raosaheb	Mr. Krishna Kumar Aravamudan	Mrs. Prerna Tandon
Industry experience	✓	✓	✓	✓	✓	✓
Knowledge of the sector	✓	✓	✓	✓	✓	✓
Knowledge of broad public policy direction	✓	✓	✓	✓	✓	✓
Understanding of government legislation/ legislative process	✓	✓	✓	✓	✓	✓

Core skills / expertise/ competencies	Mr. Raj P Narayanam	Mr. Avinash Ramesh Godkhindi	Mr. Arun Vijaykumar Gupta	Mr. Abhay Deshpande Raosaheb	Mr. Krishna Kumar Aravamudan	Mrs. Prerna Tandon
Accounting and Finance	W	W	W	E	E	W
Regulatory compliance	E	E	W	W	W	W
Strategy development	E	E	W	W	W	W
Human Resource Management	W	W	W	W	W	W

W- Working Knowledge; E- Expert Knowledge

II. COMMITTEES OF THE BOARD

1. AUDIT COMMITTEE

Terms of Reference:

(a) overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;

(b) recommending to the Board the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;

(c) reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;

(d) approving payments to the statutory auditors for any other services rendered by the statutory auditors;

(e) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) matters required to be included in the Director's responsibility statement and in the Board's report in terms of clause (c) of Sub-Section 3 of Section 134 of the Companies Act;

(ii) changes, if any, in accounting policies and practices and reasons for the same;

(iii) major accounting entries involving estimates based on the exercise of judgment by management;

(iv) significant adjustments made in the financial statements arising out of audit findings;

(v) compliance with listing and other legal requirements relating to financial statements;

(vi) disclosure of any related party transactions; and

(vii) qualifications and modified opinions in the draft audit report.

(f) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(g) scrutinizing of inter-corporate loans and investments;

(h) undertaking or supervising valuation of undertakings or assets of the Company, wherever it is necessary;

(i) evaluation of internal financial controls and risk management systems;

(j) formulating a policy on related party transactions, which shall include materiality of related party transactions;

(k) approving transactions of the Company with related parties, or any subsequent modification thereof and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

(l) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(m) reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;

(n) establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

(o) reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

(p) reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(q) discussing with internal auditors on any significant findings and follow up thereon;

(r) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(s) discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(t) looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(u) approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;

(v) reviewing the functioning of the whistle blower mechanism;

(w) ensuring that an information system audit of the internal systems and process is conducted at least once in two years to assess operational risks faced by the Company;

(x) formulating, reviewing and making recommendations to the Board to amend the Audit Committee charter from time to time;

(y) reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000.00 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

(z) considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

(aa) investigating any activity within its terms of reference, seeking information from any employee, obtaining outside legal or other professional advice and securing attendance of outsiders with relevant expertise, if it considers necessary;

(bb) reviewing compliance with the provisions of SEBI Insider Trading Regulations at least once in a financial year and verify that systems for internal control are adequate and are operating effectively;

(cc) Reviewing:

(i) any show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies;

(ii) any material default in financial obligations by the Company; and

(iii) any significant or important matters affecting the business of the Company.

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Why Haggle! When you can Zaggle!

(dd) Performing such roles as may be delegated by the Board and/or prescribed under the Companies Act and SEBI Listing Regulations or other applicable law.

The Audit Committee shall have powers, including the following:

(a) to investigate any activity within its terms of reference;

(b) to seek information from any employee;

(c) to obtain outside legal or other professional advice;

(d) to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and

(e) to have such powers as may be prescribed under the Companies Act and the SEBI Listing Regulations.

The Audit Committee shall mandatorily review the following information:

(a) management's discussion and analysis of financial condition and result of operations;

(b) statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

(c) management letters/letters of internal control weaknesses issued by the statutory auditors;

(d) internal audit reports relating to internal control weaknesses;

(e) the appointment, removal and terms of remuneration of the chief internal auditor;

(f) the examination of the financial statements and the auditors' report thereon;

(g) statement of deviations, including:

 (i) quarterly statement of deviation(s), including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

 (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations; and

(h) the financial statements, in particular, the investments made by any unlisted subsidiary.

Composition, Meetings and Attendance:

As on 31st March 2023 the Audit Committee comprised of Three directors; majority of them are independent directors. Audit Committee met Two times during the reporting period on 14.12.2022 and 31.03.2023 The composition of the Audit Committee and attendance of the members during the reporting period are as follows:

Name of Director	Category of Directorship	Designation	Number of Meetings attended
Mr. Abhay Deshpande Raosaheb	Independent Director	Chairman	2

Mr. Krishna Kumar Aravamudan	Independent Director	Member	2
Mr. Raj P Narayanam	Executive Chairman	Member	1

Note: The Audit Committee was constituted on September 29, 2022.

Mr. Abhay Deshpande Raosaheb has been appointed as Chairman of the Audit Committee by the Board in its meeting held on September 29, 2022. The Company Secretary acts as 'Secretary' to the Audit Committee. The Statutory Auditors were invited to attend the Audit Committee Meetings held on December 14, 2022. The Chairman of the Audit Committee did attend the Annual General Meeting and Extra-Ordinary General Meeting of the Company held on September 30th 2022 , November 21, 2022 and December 16, 2022 respectively.

2. NOMINATION AND REMUNERATION COMMITTEE /COMPENSATION COMMITTEE:

Terms of Reference:

(a) identifying and nominating, for the approval of the Board and ultimately the shareholders, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular with respect to the Chairman of the Board and the Chief Executive Officer;

(b) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;

(c) while formulating the above policy, ensuring that:

(i) the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

(d) formulating criteria for evaluation of independent directors and the Board;

(e) devising a policy on diversity of our Board;

(f) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance and specifying the manner for effective evaluation of performance of Board, its committees and individual directors, to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and reviewing its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(g) determining 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;

(h) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;

(i) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;

(j) recommending to the Board, all remuneration, in whatever form, payable to senior management;

(k) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;

(l) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;

(m) analyzing, monitoring and reviewing various human resource and compensation matters;

(n) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(o) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

  (i) The SEBI Insider Trading Regulations; or

  (ii) The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and

(p) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

Composition, Meetings and Attendance:

The Nomination and Remuneration Committee/ Compensation Committee comprises of Three directors all of them are non-executive and majority of them are independent. During the Financial Year 2022-23, three meetings of the Committee were held on 29.09.2022, 19.11.2022 and 08.02.2022. The Chairman of the Committee did not attend the Annual General Meeting and Extra-Ordinary General Meeting of the Company held on 30th September 2021, November 21, 2022 and December 16, 2022 respectively. The composition of the Committee and attendance of the members during financial year 2022-23 are as follows:

Name of Director	**Category of Directorship**	**Designation**	**Number of Meetings attended**
Mr. Krishna Kumar Aravamudan	Independent Director	Chairman	3
Mr. Abhay Deshpande Raosaheb	Independent Director	Member	3
Mr. Arun Vijaykumar Gupta	Non-Executive Director	Member	1

Note: The Nomination and Remuneration Committee/ Compensation Committee was constituted on September 29, 2022.

Remuneration Policy:

The Company formulated the Nomination and Remuneration Policy as recommended by Nomination and Remuneration Committee/ Compensation Committee of Directors and approved by the Board.

Performance evaluation of Independent Directors:
The criteria for performance evaluation of Independent Directors as recommended by Nomination and Remuneration Committee/ Compensation Committee of Directors and approved by the Board in its meeting held on November 19, 2022.

Details of Remuneration Paid to the Directors:
The Non-Executive Directors on the Board receive sitting fees for attending meetings of the Board of Directors and Committees thereof.

Besides sitting fees, the Non-Executive Directors of the Company were not paid any other remuneration or commission. Mr. Raj P Narayanam, Executive Chairman, Mr. Avinash Ramesh Godkhindi, Managing Director and CEO, were paid remuneration as approved by the Board as applicable. They are not entitled to any severance fees. Mr. Raj P Narayanam, Executive Chairman, Mr. Avinash Ramesh Godkhindi, Managing Director and CEO and Mr. Abhay Deshpande Raosaheb had waived off their Sitting fee for the Financial year 2022-23. None of the directors was offered any stock option during the financial year under review. Mrs. Hari Priya, Company Secretary acts as the Secretary of the Committee.

The details of the payments made to the Directors during the financial year ended 31st March, 2023 are given below:-

Remuneration received during the financial year 2022-23 (Rs. In Million)					
Name of the Director	**Category**	**Sitting Fees**	**Salary and Perquisites**	**Commission**	**Total**
Mr. Raj P Narayanam	Executive Chairman	N.A.	10.20	N.A.	10.20
Mr. Avinash Ramesh Godkhindi	Managing Director and Chief Executive Officer	N.A.	8.20	N.A.	8.20
Mr. Arun Vijaykumar Gupta	Non-Executive Director	0.35	N.A.	N.A.	0.35
Mr. Abhay Deshpande Raosaheb	Independent Director	N.A.	N.A.	N.A.	N.A.
Mr. Krishna Kumar Aravamudan	Independent Director	0.93	N.A.	N.A.	0.93
Mrs. Prerna Tandon	Independent Director	0.53	N.A.	N.A.	0.53

The total remuneration paid to the Directors during the period is within the threshold as prescribed under Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

3. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board constituted Stakeholders' Relationship Committee' in compliance with section 178 of the Companies Act, 2013 and in conformity with Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Stakeholders Relationship Committee comprises of Three directors. The Stakeholders Relationship Committee specifically looks into various aspects of interest of shareholders and oversees the process of grievance redressal of the Company. There was no Stakeholders' Relationship Committee meeting held during the reporting period. The composition of the Committee is as follows:

Name of Director	**Category of Directorship**	**Designation**
Mr. Arun Vijaykumar Gupta	Non- Executive Director	Chairman
Mr. Krishna Kumar Aravamudan	Independent Director	Member
Avinash Ramesh Godkhindi	Executive Director	Member

Note: This Committee has been constituted by the Board in its meeting held on September 29, 2023.

Terms of reference:-

The key objectives of the Committee are:-

(a) redressal of grievances of the shareholders, debenture holders and other security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

(b) reviewing measures taken for effective exercise of voting rights by the shareholders;

(c) investigating complaints relating to allotment of shares, approving transfer or transmission of shares, debentures or any other securities; reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent and recommending measures for overall improvement in the quality of investor services;

(d) reviewing 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;

(e) formulating procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(f) approving, registering, refusing to register transfer or transmission of shares and other securities;

(g) giving effect to dematerialisation of shares and re-materialisation of shares, sub-dividing, consolidating and/or replacing any share or other securities certificate(s) of the Company, compliance with all the requirements related to shares, debentures and other securities from time to time;

(h) issuing duplicate share or other security(ies) certificate(s) *in lieu* of the original share/security(ies) certificate(s) of the Company; and

(i) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations and the Companies Act or other applicable law.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Description, constitution and terms of reference:

The Board had constituted Corporate Social Responsibility (CSR) Committee in compliance with section 135 of the Companies Act, 2013. The role of CSR Committee includes recommending to the Board CSR policy, CSR activities to be undertaken and proper implementation of such initiatives.

Composition, Meetings and Attendance:

The CSR Committee comprises of three Directors. CSR Committee met two times during the reporting period on 14.12.2022 and 12.01.2023. The composition of the CSR Committee and attendance of the members during the year are given below:-

Name of Director	Category of Directorship	Designation	Number of Meetings attended
Mr. Raj P Narayanam	Executive Chairman	Chairman	2
Mr. Abhay Deshpande Raosaheb	Independent Director	Member	2
Mr. Avinash Ramesh Godkhindi	Managing Director & Chief Executive Officer	Member	-

Note: This Committee has been constituted by the Board in its meeting held on September 29, 2023.

Terms of reference:-

(a) formulating and recommending to the Board, the policy on CSR (the "**CSR Policy**"), indicating the CSR activities to be undertaken as specified in Schedule VII of the Companies Act;

(b) identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

(c) recommending the amount of expenditure to be incurred on the CSR activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(d) formulating the annual action plan of the Company;

(e) delegating responsibilities to the CSR team and supervising proper execution of all delegated responsibilities;

(f) monitoring the CSR Policy and CSR programmes and their implementation by the Company from time to time and issuing necessary directions as required for proper implementation and timely completion of CSR programmes; and

(g) performing such other activities as may be delegated by the Board and/or prescribed under any law to be attended to by the Corporate Social Responsibility Committee.

5. IPO COMMITTEE

During the year under review the Board has constituted the IPO Committee to take all decisions and approve, negotiate, finalize and carry out all activities relating to the initial public offer of the Company. The committee comprises of Three directors. there was no IPO Committee meeting held during the reporting period,-

The composition of the IPO Committee is given below:-

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Name of Director	Category of Directorship	Designation
Mr. Raj P Narayanam	Executive Chairman	Chairman
Mr. Abhay Deshpande Raosaheb	Independent Director	Member
Mr. Avinash Ramesh Godkhindi	Managing Director & Chief Executive Officer	Member

Note: This Committee has been constituted by the Board in its meeting held on November 19, 2023.

Terms of Reference-

a. approving amendments to the memorandum of association and the articles of association of the Company;

b. approving all actions and signing and/or modifying agreements or other documents required to dematerialize the Equity Shares, including seeking the admission of the Equity Shares into the Central Depository Services (India) Limited (the "**CDSL**") and the National Securities Depository Limited (the "**NSDL**") and signing and/or modifying, as the case may be, agreements and/or such other documents as may be required with NSDL, CDSL, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorize one or more officers of the Company to execute all or any of the aforementioned documents;

c. finalizing, settling, approving and adopting the draft red herring prospectus (the "**DRHP**"), the red herring prospectus (the "**RHP**"), the prospectus (the "**Prospectus**"), the preliminary and final international wraps, and any amendments, supplements, notices or corrigenda thereto, together with any summaries thereof (collectively, the "**Offer Documents**");

d. arranging for the submission, filing and/or withdrawal of the Offer Documents including incorporating such alterations, corrections or modifications as may be required by the Government of India, the Securities and Exchange Board of India (the "**SEBI**"), the Reserve Bank of India (the "**RBI**"), the Registrar of Companies, Telangana at Hyderabad (the "**RoC**"), the stock exchanges where the Equity Shares are to proposed be listed (the "**Stock Exchanges**"), or any other relevant governmental, statutory, regulatory and/or any other competent authorities (collectively, the "**Regulatory Authorities**") or in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by any Regulatory Authorities (collectively, "**Applicable Laws**"), and taking all such actions as may be necessary for submission, withdrawal and filing of the Offer Documents;

e. taking all actions as may be necessary or authorized, in connection with the offer for sale by certain existing shareholders of the Company ("**Selling Shareholders**"), including taking on record the approval of the Selling Shareholders for offering their Equity Shares pursuant to the Offer, including the quantum in terms of number of Equity Shares/amount offered by the Selling Shareholders in the Offer, allowing revision of the offer for sale portion in case any Selling Shareholder decides to revise it, in accordance with the Applicable Laws;

f. approving and issuing notices and/or advertisements in relation to the Offer as it may deem fit and proper in accordance with Applicable Laws and in consultation with the relevant intermediaries appointed for the Offer;

g. approving the relevant restated financial statements to be issued in connection with the Offer;

h. approving any steps towards compliance with corporate governance requirements, policies or codes of conduct of the Board, officers and other employees of the Company that may be considered necessary by it or as may be required under Applicable Laws or the listing agreements to be entered into by the Company with the Stock Exchanges, including, without limitation, policies on insider trading, whistle-blower mechanism, risk management and any other policies as may be required to be formulated under the Companies Act, 2013, as amended and the regulations prescribed by the SEBI including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;

i. appointing and instructing the book running lead managers, syndicate members, bankers to the Offer, the registrar to the Offer, underwriters, escrow agents, monitoring agency, accountants, auditors, legal counsel, depositories, custodians, credit rating agencies, advertising agencies and all such persons, agencies or intermediaries as may be involved in or concerned with the Offer and whose appointment is required in relation to the Offer, to the extent relevant, including any successors or replacements thereof, by way of commission, brokerage, fees or the like, and negotiating, finalizing and settling the respective terms of their appointment and executing and delivering or arranging the delivery of, and if deemed fit, terminating the various agreements for such appointment, including any syndicate agreement, underwriting agreement, share escrow agreement, cash escrow and sponsor bank agreement, agreement with registrar in relation to the Offer, and advertising agencies and any other intermediaries or parties in connection with the Offer;

j. opening and operating bank accounts, share/securities accounts, escrow or custodian accounts, in India or abroad, in Rupees or in any other currency, in accordance with the terms of any agreement entered into in this respect and subject to Applicable Laws;

k. opening and operating bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

l. authorizing and approving the incurring of expenditure and the payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer, in accordance with the terms of any agreement entered into in this respect and subject to Applicable Laws;

m. seeking the listing of the Equity Shares on the Stock Exchanges, submitting listing applications to the Stock Exchanges and taking all such actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into listing agreements with the Stock Exchanges;

n. seeking, if required, the consents, approvals and waivers of the Company's lenders, industry data providers, parties with whom the Company has entered into various commercial and other agreements, all concerned Regulatory Authorities in India or outside India, and any other consents, approvals or waivers that may be required in connection with the Offer;

o. submitting undertakings/certificates or providing clarifications to the SEBI and the Stock Exchanges;

p. deciding in consultation with the Investor Selling Shareholders and the book running lead managers the size and timing and all other terms and conditions, including any amendments thereto, of the Offer and/or the number of Equity Shares to be offered, transferred and/or allotted in the Offer, including any reservation of Equity Shares for any category or categories of persons as permitted under Applicable Laws any rounding off in the event of any oversubscription as permitted under Applicable Laws, and to accept any amendments, modifications, variations or alterations thereto;

q. determining in consultation with the Investor Selling Shareholders, the book running lead managers and/or any other advisors, the price at which the Equity Shares will be offered, transferred and/or allotted to investors in the Offer in accordance with Applicable Laws and determining the discount, if any, proposed to be offered to eligible categories of investors;

r. determining in consultation with the Investor Selling Shareholders, the book running lead managers and/or any other advisors, the price band and minimum bid lot for the purpose of bidding, any revision to the price band and the final Offer price (including the price at which Equity Shares are offered, transferred and/or allotted to anchor investors in the Offer, if any) after bid closure;

s. determining, in consultation with the Investor Selling Shareholders, the book running lead managers and/or any other advisors, the bid opening and closing dates (including the bidding date in case of anchor investors, if any), including extending the Bid/Offer period;

t. determining the utilization of proceeds of the fresh issue of Equity Shares by the Company and accepting and appropriating proceeds of the fresh issue in accordance with the Applicable Laws;

u. finalizing in consultation with the book running lead managers, the Stock Exchanges and/or any other advisors, the basis of allocation and allotment and transfer of Equity Shares to retail investors/non-institutional investors/qualified institutional buyers and any other investor permitted under Applicable Laws to purchase the Equity Shares pursuant to the Offer;

v. approving/taking on record the transfer of the Equity Shares pursuant to the offer for sale by the Selling Shareholders in the Offer;

w. issuing receipts/allotment letters/confirmation of allocation notes, either in physical or in electronic mode, representing the underlying Equity Shares, with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchanges;

x. taking all actions as may be necessary or authorized in connection with the Offer;

y. authorizing any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Offer;

z. doing all such acts, deeds, matters and things and execute all such other documents, etc., as it may, in its absolute discretion, deem necessary or desirable for the Offer, in consultation with the Investor Selling Shareholders and the BRLMs;

aa. taking such action, give such directions, as may be necessary or desirable as regards the Offer and to do all such acts, matters, deeds and things, including but not limited to the allotment of Equity Shares against the valid applications received in the Offer, as are in the best interests of the Company;

bb. authorizing any officers (the "**Authorized Officers**"), for and on behalf of the Company, to negotiate, finalize, execute, deliver and terminate, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that any such Authorized Officer considers necessary, desirable or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreements with the Stock Exchanges, the registrar's agreement, the depositories agreements, the offer agreement with the Selling Shareholders and the book running lead managers (and other entities as appropriate), the underwriting agreement, the share escrow agreement, the syndicate agreement, the cash escrow and sponsor bank agreement, confirmation of allocation notes, the advertisement agency agreement, [and any agreement or document in connection with any Pre-IPO Placement (including any placement agreement, escrow agreement and Offer documentation)], with, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offer by the book running lead managers, lead managers, syndicate members, placement agents, registrar to the Offer, bankers to the Offer, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, credit rating agencies, advertising agencies, monitoring agencies, and all such persons or agencies as may be involved in or concerned with the Offer; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing;

cc. authorizing any Authorized Officer, for and on behalf of the Company, to severally take any and all action in connection with making applications, seeking clarifications and obtaining approvals (or entering into any arrangement or agreement in respect thereof) in connection with the Offer, including, without limitation, applications to, and clarifications or approvals from the Regulatory Authorities, any lenders to the Company, any party with whom the Company has entered into commercial and other agreements or any other third parties and that any such action already taken or to be taken is hereby ratified, confirmed and/or approved as the act and deed of the Authorized Officer and the Company, as the case may be;

dd. severally authorizing the Authorized Officers, for and on behalf of the Company, to do or cause to be done any and all acts, deeds, matters or things as any such Authorized Officer may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Offer; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by any such Authorized Officer shall be conclusive evidence of the authority of such Authorized Officer and the Company in so doing and any such document so executed and delivered or acts, deeds, matters and things done or caused to be done by any such Authorized Officer prior to the date hereof are hereby ratified, confirmed and approved as the act and deed of the Authorized Officer and the Company, as the case may be; and

ee. executing and delivering any and all documents, papers or instruments and doing or causing to be done any and all acts, deeds, matters or things as it may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Offer; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.

6. RISK MANAGEMENT COMMITTEE:

Description & constitution

The Board had constituted the Risk Management Committee as per the provisions Regulation 21 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

Composition, Meetings & Attendance:-

The Risk Management Committee comprises of three Directors, Risk Management Committee met once during the reporting period on 14.12.2022. The composition of the Risk Management Committee and attendance of the members during the year are given below:-

Name of Director	Category of Directorship	Designation	Number of Meetings attended
Mr. Raj P Narayanam	Executive Chairman	Chairman	1

Mr. Abhay Deshpande Raosaheb	Independent Director	Member	1
Mr. Avinash Ramesh Godkhindi	Managing Director & Chief Executive Officer	Member	-

Note: This Committee has been constituted by the Board in its meeting held on November 19, 2023.

Terms of reference:-

a. (i) 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 risk management committee;
(ii)Measures for risk mitigation including systems and processes for internal control of identified risks; and
(iii) Business continuity plan.

b. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
c. To monitor and oversee implementation of the risk management policy of the Company, including evaluating the adequacy of risk management systems;
d. To periodically review the risk management policy of the Company, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
e. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
f. To set out risk assessment and minimization procedures and the procedures to inform the Board of the same;
g. To frame, implement, review and monitor the risk management policy for the Company and such other functions, including cyber security;
h. To review the status of the compliance, regulatory reviews and business practice reviews;
i. To review and recommend the Company's potential risk involved in any new business plans and processes;
j. To review the appointment, removal and terms of remuneration of the chief risk officer, if any; and
k. To perform such other activities as may be delegated by the Board and/or prescribed under any law to be attended to by the Risk Management Committee."

7. EXECUTIVE COMMITTEE.

Description & constitution

The Board had constituted the Executive Committee as per the provisions Regulation 21 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

Composition, Meetings & Attendance:-

The Executive Committee comprises of three Directors, There was no Executive Committee meeting held during the reporting period,-The composition of the Executive Committee is given below:-

Name of Director	Category of Directorship	Designation
Mr. Raj P Narayanam	Executive Chairman	Chairman
Mr. Abhay Deshpande Raosaheb	Independent Director	Member
Mr. Avinash Ramesh Godkhindi	Managing Director & Chief Executive	Member

	Officer	

Note: This Committee has been constituted by the Board in its meeting held on November 19, 2023.

Terms of reference:-

a. to open / close account with any bank and to authorize and reauthorize any employee of the Company to operate the account;
b. to apply for telephone/Internet connection or to disconnect;
c. to make applications for obtaining licenses, registrations, connections, clearances, services etc and to authorise/ appoint company directors/ employees/officers for signing applications, returns, forms, bonds, agreements, documents, papers etc.;
d. to consider and approve transfer of Share and split request;
e. to enter into Lease Agreement/Leave and License Agreement;
f. to authorize the Company officials for execution of agreements, deeds and documents on behalf of the Company;
g. to invest funds of the Company in Fixed Deposits to the extent necessary to avail credit facilities/ loans from the Banks/ Financial Institutions etc. and to invest surplus funds in liquid funds (i.e. mutual funds etc.) for the benefit of the Company;
h. to incur capital expenditure up to a limit of Rs. 2 Crore between two Board Meetings.
i. to appoint / authorize Company official/ s for execution of documents, agreement, deeds and papers as may be required from time to time in relation to day to day operations of the Company;
j. to review lease, assign, sell, transfer or otherwise dispose of, any assets whether by one transaction or by a series of transactions (whether related or not);

III. PROFILE OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT

Profile of Mr. Avinash Ramesh Godkhindi:

Avinash Ramesh Godkhindi is the Managing Director and Chief Executive officer of our Company. He has been on the Board of our Company since May 7, 2012. He holds a bachelors' degree in engineering from Bangalore University, Bengaluru and a masters' degree in business administration from the University of Chicago, Chicago. He has been awarded the "Inspiring CEO" award by the Economic Times in 2022. Prior to this, he worked as an Assistant Vice President at Citibank N.A., India.

IV. GENERAL BODY MEETINGS

1. Details of the last three Annual General Meetings:

Year	Date	Location	Time	Type of Meeting	Special Businesses
2019-20	24.12.2020	301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Rangareddi 500 081, Telangana,	10:30 AM	AGM	None

		India			
2020-21	27.09.2021	301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Rangareddi 500 081, Telangana, India	10:30 AM	AGM	None
2021-22	30.09.2022	301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Rangareddi 500 081, Telangana, India	5:30 PM	AGM	None

2. Postal Ballot:

No special resolution was passed through postal ballot during the reporting period. No special resolution is proposed to be passed in the ensuing annual general meeting through postal ballot scheme.

MEANS OF COMMUNICATION

(a) Financial Results

Not Applicable

(b) Newspaper Publication

Not Applicable

(c) Annual Report

Pursuant to the MCA circulars and SEBI Circular, the Annual Report for Financial Year 2022-23 containing the Notice of AGM was sent through email to all those Members whose email IDs were registered with the Company/ Depository Participants.

VII. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, a Management Discussion and Analysis Report is a part of Directors Report as **Annexure V**.

The Company has voluntarily disclosed the compliance with respect to the provisions of Management Discussion & Analysis Report pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VIII. GENERAL SHAREHOLDERS' INFORMATION

a. Annual General Meeting

Day, Date, and Time : Monday, September 4, 2023 at 5:00 pm

Venue/Mode : Registered office of the Company at 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Rangareddi 500 081, Telangana, India

As required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2, particulars of Directors seeking appointment/re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

b. Date of Book Closure:

Not Applicable

c. Dividend Payment Date: Not Applicable.

d. Financial Year: April 1 to 31st March

e. Address for correspondence for Stakeholders' queries:

Registrar and Transfer Agents:

As per directive of SEBI, the company appointed KFin Technologies Ltd. as its Registrar and Share Transfer Agents (RTA), to handle its entire share related work, both in physical and demat mode.

The investors can reach the RTA at the following address:

KFin Technologies Limited

Selenium, Tower B, Plot No. 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi 500 032 Telangana

Phone : (40) 6716 2222

E mail: einward.ris@kfintech.com

Website: www.kfintech.com

Name, designation & address of Compliance Officer and Investor Relations Officer

Hari Priya ,

Company Secretary & Compliance Officer,

Vidya Niwas Khetawat

Chief Investor Relation Officer

Zaggle Prepaid Ocean Services Ltd.

Registered Office:

301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Rangareddi 500 081, Telangana, India

E-mail: haripriya.singh@zaggle.in
Telephone: +91 40 2311 9049

Corporate Office:

B1-004, Ground Floor, Boomerang Building, C.T.S. No. 4A, Village Saki Naka, Andheri (East), Taluka Kurla, District Mumbai Suburban, Mumbai 400 072 Maharashtra, India

f. Share Transfer System:

The share transfer/transmission/issue of duplicate certificate process is handled by the secretarial department of the company. However it is pertinent to note that with effect from 1st April 2019 SEBI has mandated transfer of shares of listed entities in dematerialized mode only.

The Securities and Exchange Board of India ('SEBI') and Ministry of Corporate Affairs ('MCA') during FY 2018-19, has mandated that existing members of the Company who hold securities in physical form and intend to transfer their securities after April 1, 2019, can do so only in dematerialised form, except in case of requests received for transmission or transposition and relodged transfer of securities.

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 mandated all listed companies to issue securities in dematerialized form only while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

Now share transactions in electronic form can be effected in a much simpler and faster manner. After a confirmation of a sale/purchase transaction from the broker, shareholders should approach the Depository Participants ('DP') with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating the account. There is no need for a separate communication to the Company to register these share transfers.

Shareholders should communicate with the Company's Registrars and Transfer Agents ('RTA') quoting their folio number or Depository Participant ID ('DP ID') and Client ID number, for any queries relating to their securities at the above mentioned addresses or at their branch offices, addresses of which are available on their website or at the Registered Office of the Company.

Nomination Facility

Shareholders whose shares are in physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Companies Act, 2013, may submit to RTA the prescribed Forms SH-13/SH-14.

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, email ids, nomination and power of attorney should be given directly to the DP.

Shares held in Physical Form

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, e-mails ids, nomination and power of attorney should be given to the Company's RTA.

SEBI vide circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2021/655 dated November 3, 2021 had laid down common and simplified norms for processing Investor's Service request by RTAs and norms for furnishing

PAN, KYC details and nomination. As per the above said circular the shareholders holding physical securities are required to mandatory furnish PAN, KYC details and Nomination by holders and are also required to link PAN with Aadhaar. The said circular stipulates that folios wherein the required documents are not made available on or before April 1, 2023 shall be frozen by RTA.

Green Initiative

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, amongst others, to shareholders at their e-mail address previously registered with the DPs and RTAs.

Shareholders who have not registered their e-mail addresses so far, are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs.

Distribution of shareholding:

The distribution of shareholding of the company as on 31st March 2023 is as follows:

SNo	Category	Cases	% of Cases	Amount	% of Amount
1	20001- 30000	4	11.43	1,10,000.00	0.01
2	50001- 100000	1	2.86	1,00,000.00	0.01
3	100001& Above	30	85.71	92,19,77,100.00	99.98
	Total	35	100.00	92,21,87,100.00	100.00

Categories of Shareholders as at 31st March, 2023

Top Ten Shareholders other than Promoter/Promoter Group as on 31st March, 2023

S No	Dp id	Folio/Client id	Name	Shares	% Equity	Category
1	IN300214	26801198	ZUZU SOFTWARE SERVICES PRIVATE LIMITED	1,74,76,992	18.95	LTD
2	IN303622	10065189	VENTUREAST PROACTIVE FUND LLC	58,70,100	6.37	FB
3	IN300054	10063610	GKFF VENTURES	42,43,200	4.60	FB
4	36900	1203690000153313	SUDHAKAR TIRUNAGARI	16,68,986	1.81	PUB
5	12400	1301240002364349	ABHAY DESHPANDE	14,50,440	1.57	PUB
6	IN303622	10065197	VENTUREAST SEDCO PROACTIVE FUND LLC	11,16,900	1.21	FB
7	IN300159	11095671	ISHA MEHTA	10,22,982	1.11	PUB
8		ZAG0000016	SHREEKANTH DHOND	3,82,500	0.41	PUB
9		1204470022547962	RAJSEKHAR GOPISETTI	2,55,000	0.28	PUB
10	IN301151	27477935	UTTAM PATEL	2,55,000	0.28	PUB

h. Dematerialization of shares and liquidity:

The equity shares of the company are not listed in any Stock Exchange. The company has custodial arrangement with National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL) who acts as 'Depository' of the company's equity shares. Shareholders can approach any depository participant registered with either of the depositories to hold the shares in dematerialized form.

i. ISIN

The International Securities Identification Number (ISIN) of the company's shares in the dematerialized mode as allotted by NSDL and CDSL is INE07K301024.

The ISIN for Non Convertible Debenture is INE07K307013

j. Outstanding GDRs/ADRs/Warrants/ Convertible instruments:

The Company did not issue any GDR/ADR/Warrants/ Convertible instrument during the reporting period.

k. Disclosure as per Regulation 34(3) read with Para F of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Demat suspense account/unclaimed suspense account:

During the reporting period, no equity shares of the company were credited to demat suspense account/ unclaimed suspense account.

l. Plant Locations: Not Applicable

m. Credit Rating:

During the year under review, Acuité has assigned the long term rating of 'ACUITE BBB' (read as ACUITE Triple B) on the Rs. 100.00 Cr. on non convertible debentures of Zaggle Prepaid Ocean Services Limited. The outlook is 'Stable'.

V. DISCLOSURES

a. Compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015:

Since the Company has not filed offer documents as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 with the Securities and Exchange Board of India, stock exchange(s) or registrar of companies in connection with the listing, as on the date of this Director's Report, the SEBI (Prohibition of Insider Trading) Regulations, 2015 is not applicable on it.

b. Compliance with the Code of Conduct

As provided under Regulation 26 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 all directors and senior management personnel have affirmed compliance with the Code of Conduct of the company during the financial year ended 31st March, 2023.

c. The Financial and Cash Flow Statements of the company for the financial year ended 31st March 2023 as appended to the report have been prepared in compliance with the conditions as stipulated in regulation 17 (8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part B of the Schedule II of the said regulations.

d. The remuneration paid during the financial year ended 31st March, 2023 to the directors and key managerial personnel were in conformity with the Remuneration Policy of the company to the extent applicable.

e. The Company is in the process of listing its shares at the stock exchange, so all the necessary compliances to the extent applicable to the Company as on date has been complied with.

f. Preferential Allotment/ QI Placements:

During the reporting period, no convertible instruments were issued on preferential basis or as placement to qualified institutional buyers.

However Company has done preferential allotment and the details of same is provided in PRE IPO PLACEMENT and SHARE CAPITAL section.

g. Recommendations of the Board's Committees:

During the reporting period there were no instances where the Board of the company declined to act on the recommendation made by any Committee of the Board.

h. Related party transactions:

The Company adopted a policy on 'Related Party Transactions' for determining materially significant related party transactions, approval process and review of all related party transactions entered by the company. The Policy has been drafted in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the reporting period no related party transaction was entered by the company.

i. Establishment of vigil mechanism, whistle blower policy:

The Company had established a vigil mechanism for Directors and employees to report genuine concern by whistle blowers for instances of fraud and mismanagement with the objective of strengthening the governance mechanism and report to the Audit Committee for instances of illegal or unethical practices, behavior, actual or suspected fraud or violation of the company's Policies and Code of Conduct. All stakeholders including the Directors and individual employees are eligible to make protected disclosures under this Policy. The Policy has been drafted in terms of SEBI Regulations.

The following is the summary of complaints received and disposed of during the year:

Number of complaints filed during the financial year: Nil

Number of complaints disposed of during the financial year: Nil

Number of complaints pending as on the end of the financial year: Nil

j. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act' 2013.

The Company adopted an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women At Workplace (Prevention, Prohibition & Redressal) Act' 2013. Internal Complaints Committee (ICC) had been set up at offices at various location to redress complaints received regarding sexual harassment. All female employees (permanent, contractual, temporary and trainees) are covered under this Policy. The following is the summary of sexual harassment complaints received and disposed of during the year:

Number of complaints filed during the financial year: Nil

Number of complaints disposed of during the financial year: Not applicable

Number of complaints pending as on the end of the financial year: Nil

k. Risk Management

Risk Management : The Risk Management of the Company is overseen by the Risk Management Committee (RMC) and the Board at various levels. Please refer Management Discussion and Analysis Report section for the risks identified by the Board of Directors of the Company.

l. Details of non-compliance:

No penalties/strictures were imposed on the company by any Statutory Authority on any matter during the last three years.

m. Compliance with mandatory requirements:

The Company had complied with the requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent, as may be applicable to the Company on the date of this report.

n. Adoption of non-mandatory requirements:

The Company adopted several discretionary requirements of Corporate Governance as prescribed under sub regulation (1) of regulation 27 read with part E of schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

The Company presented unqualified financial statements for the year ended 31st March, 2023.

Further the firm of Chartered Accountants appointed as Internal Auditors of the company reports directly to the Audit Committee of Board. The Company will disclose in the annual report implementation of other non-mandatory requirements as and when adopted.

o. Compliance with Accounting Standard

Disclosure of Accounting Treatment: The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules , 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 read with Section 133 of the Companies Act, 2013.

p. Significant changes in the accounting policy:

There was no significant change in the accounting policies during the year under review.

q. Disclosure of Accounting Treatment:

While preparing the financial statements for the financial year ended 31st March, 2023 no treatment different from what had been prescribed in the Accounting Standards was followed.

r. Loans and advances to entities in which directors are interested:

Details of Loans, Guarantees, and Investments made by the Company are disclosed in the notes to the Financial Statements.

s. Auditors’ fees:

During the reporting period, the following fees were paid to P R S V & Co. LLP and M S K A & Associates, Joint Statutory Auditors of the company for various services rendered by them to the company on consolidated basis:

As Auditors	In million
Audit Fees	**2.36**
Payment for other services	
Out of pocket expenses	

Disclosure of commodity price risks and commodity hedging activities: Not Applicable

w. Details of Corporate Policies

During the year under review we have adopted the following policies :-

a. Policy on preservation of documents
b. Policy on archival of documents as well as website disclosures;
c. Policy on diversity of the board of directors;
d. Code of conduct for board members, key managerial personnel and senior management;
e. Policy for determining qualifications, positive attributes and independence of a director
f. Policy for risk management, including risk management plan and procedures for intimation of the board about risk assessment and minimization procedures;
g. Policy on vigil mechanism/whistleblower policy for directors and employees;
h. Policy on materiality of related party transactions;
i. Policy on familiarization programmes for independent directors;
j. Policy for determination of materiality of events or information;
k. Policy for determining material subsidiaries;
l. Policy on corporate social responsibility;
m. Nomination and remuneration policy ;
n. Policy on prevention of sexual harassment;
o. Code of practices and procedures for fair disclosure of unpublished price sensitive information; policy for determination of legitimate practices as a part of such code of fair disclosure; and code of conduct to regulate, monitor and report trading by designated persons, as required under the Insider Trading Regulations;
p. Dividend distribution policy;
q. Policy on Succession planning for the Board and senior management; and
r. Policy on evaluation of independent directors and board of directors.

For and behalf of the Board of Directors of

	Sd/-	Sd/-
	Raj P Narayanam	Avinash Ramesh Godkhindi
Place: Hyderabad	Executive Chairman	Managing Director and CEO
Date: 29.08.2023	DIN: 00410032	DIN: 05250791

Why Haggle! When you can Zaggle!

Declaration by the Managing Director & Chief Executive Officer under Regulation 17(5) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Regarding Adherence to the Code of Conduct

In accordance with Regulation 17 (5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended 31st March, 2023.

For Zaggle Prepaid Ocean Services Ltd

Sd/-
Avinash Ramesh Godkhindi
Managing Director & CEO
(DIN-05250791)

ANNEXURE VII
FORM MR-3
SECRETARIAL AUDIT REPORT
(*Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014*

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

To
The Members of
Zaggle Prepaid Ocean Services Limited
Hyderabad.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Zaggle Prepaid Ocean Services 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 financial year commencing from 1st April, 2022 and ended 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Zaggle Prepaid Ocean Services Limited** ("The Company") for the financial year ended on 31st March, 2023, according to the provisions of:

   (i) The Companies Act, 2013 (the Act) and the rules made there under.

   (ii) The Securities Contracts (Regulation) Act, and there after 1956 ('SCRA') and the Rules made there under;

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

   (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;

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

      a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

c) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable**

d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable**

e) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

g) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

h) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018;

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Moreover, it was noted that the Company has complied with the provisions of the laws to the extent applicable indicated at para (ii) and (v) mentioned hereinabove during the period under review.

2. We have relied on the representation made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations which are listed below and it was noted that the Company has complied with the said Laws to the extent applicable.

a) The Payment and Settlement Systems Act, 2007
b) The Information Technology Act, 2000
c) The Consumer Protection Act, 2019
d) The Trademarks Act, 1999
e) Copyright Act, 1957 and the rules thereunder
f) Contract Labour (Regulation and Abolition) Act, 1970;
g) Shops and Establishment Act, 1948
h) Employees' Compensation Act, 1923;
i) Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
j) Employees' State Insurance Act, 1948;
k) Minimum Wages Act, 1948;
l) Payment of Bonus Act, 1965;
m) Payment of Gratuity Act, 1972;
n) Payment of Wages Act, 1936;

o) Maternity Benefit Act, 1961;
p) Industrial Disputes Act, 1947l;
q) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
r) The Child Labor (Prohibition and Regulation) Act, 1986;
s) The Equal Remuneration Act, 1976;
t) The Code on Wages, 2019;
u) The Occupational Safety, Health and Working Conditions Code, 2020**;
v) The Industrial Relations Code, 2020;
w) The Code on Social Security, 2020;
x) Indian Stamp Act, 1899;

We have also examined compliance with the applicable provisions / clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The compliance by the Company of applicable financial Laws like Direct and Indirect tax laws have not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

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

a) During the year the Company has conducted 22 meetings of the Board of Directors, 2 meetings of the Audit committee, 3 meetings of Nomination and Remuneration Committee, 2 meetings of Corporate Social Responsibility Committee, 1 meeting of Risk Management Committee. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.

b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that

(i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:

✓ External Commercial Borrowings were not attracted to the Company under the financial year under report;

✓ Foreign Direct Investment (FDI) was attracted to the company under the financial year under report; However, in case of the Bonus Issue, Late Submission fee of Rs. 8,000/- was attracted and the same was paid within the specified time to RBI.

✓ Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was attracted to the company under the financial year under report. The Company has incorporated Zaggle Technologies Limited, a Wholly owned subsidiary in England and Wales on 12.01.2023.

(ii) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

We further report that: -

- The Company has Company Secretary namely Ms. Hari Priya and CFO namely Mr. GV Aditya Kumar;

- The Website of the company contains several policies as specified by SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and the provisions of the Companies Act 2013.

- 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 that took place during the period under review as mentioned below were carried out in compliance with the provisions of the Act.

  a) During the period under review, Mr. Arun Vijaykumar Gupta was appointed as a Non-Executive Director and Mr. Abhay Deshpande Raosaheb, Mr. Aravamudan Krishna Kumar and Mrs. Prerna Tandon were appointed as Independent Directors of the Company.

- 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.

- As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

- We further report that based on the review of the compliance/ certificates of the Company Secretary which were taken on record by the Board of Directors, 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 that during the audit period there was no event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc. except the following:

  A) The Company has raised funds of Rs. 149,604,262 by issuing 821 Equity Shares of Rs. 10/- each at an issue price of Rs.1,82,222/- per share by passing Special Resolution at the Extra Ordinary General Meeting of the Shareholders of the Company held on April 21, 2022.

  B) The Memorandum of Association of the Company has been altered to increase the authorised share capital to Rs. 12,00,00,000 divided into 1,20,00,000 Equity shares of Rs. 10/- by passing Special

Resolution at the Extra Ordinary General Meeting of the Shareholders of the Company held on July 27, 2022.

C) 1 (One) equity share of Rs. 10/- each of the Company has been sub-divided into 10 (Ten) equity shares of Re.1/- each by passing Special Resolution at the Extra Ordinary General Meeting of the Shareholders of the Company held on July 27, 2022.

D) The Memorandum of Association of the Company has been altered to insert sub-clauses 4 and 5 under Clause III (A) of main object clause of Memorandum of Association of the Company and has also adopted the Memorandum of Association as per Companies Act, 2013 by passing Special Resolution at the Extra Ordinary General Meeting of the Shareholders of the Company held on July 27, 2022.

E) The Company has issued Bonus Shares in the proportion of 50 Bonus Shares for every one Equity Share held in Company by passing Special Resolution at the Extra Ordinary General Meeting of the Shareholders of the Company held on July 27, 2022.

F) The status of the Private Company has been converted into Public Company by passing Special Resolution at the Extra Ordinary General Meeting of the Shareholders of the Company held on August 22, 2022 and consequently a fresh certificate of incorporation dated September 13, 2022 was issued by the Registrar of Companies, Telangana at Hyderabad.

G) The Company has revised and enhanced Borrowing powers of Board of Directors of the Company under Section 180(1)(c) of the Companies Act, 2013 upto an aggregate amount of Rs. 500 Crores (Rupees Five Hundred Crores) by passing Special Resolution at the Extra Ordinary General Meeting of the Shareholders of the Company held on September 27, 2022.

H) The Company has revised and enhanced limits for creation of charge over the assets of the Company under Section 180(1)(a) of the Companies Act, 2013 up to value not exceeding the limit approved by shareholders under Section 180(1)(c) of the Act by passing Special Resolution at the Extra Ordinary General Meeting of the Shareholders of the Company held on September 27, 2022.

I) The Company has revised and enhanced limits for making Investments, giving Loans, guarantee under Section 186 of the Companies Act, 2013 upto an aggregate amount of Rs. 1000 Crores (Rupees One Thousand Crores) by passing Special Resolution at the Extra Ordinary General Meeting of the Shareholders of the Company held on September 27, 2022.

J) The Company has approved Zaggle Employee Stock Options Scheme 2022 for employees of the Company by passing Special Resolution at the Extra Ordinary General Meeting of the Shareholders of the Company held on September 27, 2022.

K) The Company had filed a compounding application with the Regional Director, South East Region, Hyderabad on June 3, 2022 for non-compliance of section 12(9) of the Companies (Share Capital and Debentures) Rules, 2014. The Regional Director has issued an Order dated 10.01.2023 imposing a penalty of Rs. 30,000/- in aggregate on the Company and the Directors and the same was paid.

L) The Company had filed a compounding application with the Regional Director, South East Region, Hyderabad on November 24, 2022 for non- compliance of section 77 of the Companies Act, 2013. The Registrar of Companies, Telangana has issued an Order dated 15.06.2023 imposing a penalty of Rs. 3,00,000/- in aggregate on the Company and the Directors and the same was paid.

M) The Company has approved the Initial Public Offer of upto Rs. 4900 million by passing Special Resolution at the Extra Ordinary General Meeting of the Shareholders of the Company held on December 16, 2022. The Company had filed Draft Red Herring Prospectus (DRHP) with Securities and Exchange Board of India (SEBI) on December 20, 2022. SEBI had issued its Final observations letter bearing number SEBI/HO/CFD/RAC-DIL2/P/OW/2023/12944/1 dated March 29, 2023.

For S.S. Reddy & Associates

Sd/-
S. Sarveswar Reddy
Practicing Company Secretary
M. No. F12619, C.P. No: 7478
UDIN: F012619E000874854
Peer Review Cer. No.: 1450/2021

Place: Hyderabad
Date: 28.08.2023

Annexure-A

To
The Members of
Zaggle Prepaid Ocean Services Limited

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

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

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the 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 relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

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

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

For S.S. Reddy & Associates

Sd/-
S. Sarveswar Reddy
Practicing Company Secretary
M. No. F12619, C.P. No: 7478
UDIN: - F012619E000874854
Peer Review Cer. No.: 1450/2021

Place: Hyderabad
Date: 28.08.2023

P R S V & Co. LLP
Chartered Accountants
202, Saptagiri Residency,
1-10-98/A, Chikoti Gardens, Begumpet,
Hyderabad - 500 016.

M S K A & Associates
Chartered Accountants
1101/B, Manjeera Trinity Corporate,
JNTU-Hitech City Road, Kukatpally,
Hyderabad- 500 072.

INDEPENDENT AUDITORS' REPORT

To the Members of **Zaggle Prepaid Ocean Services Limited**
(formerly known as Zaggle Prepaid Ocean Services Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited) (the "Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report and Corporate Governance, but does not include the Standalone Financial Statements and our auditor's report thereon. The Director's report and Corporate Governance has not been made available to us.

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

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

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

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

   (f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 29 to the Standalone Financial Statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. 1. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 23222068BGTVXA2210

Place: Hyderabad
Date: August 29, 2023

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Kumar Agarwal
Partner
Membership No. 214198
UDIN: 23214198BGXCSZ4908

Place: Hyderabad
Date: August 29, 2023

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ZAGGLE PREPAID OCEAN SERVICES LIMITED (FORMERLY KNOWN AS ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED) FOR THE YEAR ENDED MARCH 31, 2023.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

____
Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 23222068BGTVXA2210

Place: Hyderabad
Date: August 29, 2023

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

____
Amit Kumar Agarwal
Partner
Membership No. 214198
UDIN: 23214198BGXCSZ4908

Place: Hyderabad
Date: August 29, 2023

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ZAGGLE PREPAID OCEAN SERVICES LIMITED (FORMERLY KNOWN AS ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED) FOR THE YEAR ENDED MARCH 31, 2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, and relevant details of right of use of assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) All the Property, Plant and Equipment and right of use of assets were physically verified by the management in the year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.

(b) During the year the Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of account.

iii. The Company has made investment in Companies during the year.

According to the information explanation provided to us, the Company has not provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) (a), (c), (d), (e) and (f) of the Order are not applicable to the Company.

(3) (iii) (b) - According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made are not prejudicial to the interest of the Company.

iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, service tax, duty of customs, cess, and other statutory dues have not been regularly deposited by the Company with appropriate authorities and there have been delay in a large number of cases.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, service tax, duty of customs, cess, and other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and examination of records of the Company, details of statutory dues referred to in sub clause (a) above which have not been deposited as on March 31, 2023 on account of any dispute, are as follows:

Name of the statute	**Nature of dues**	**Amount demanded Rs. in Million**	**Amount paid under protest Rs. in Million**	**Period to which the amount relates**	**Forum where dispute is pending**
Finance Act, 1994	Service tax	24.73	3.30	April 01, 2014 to June 30, 2017	CESTAT

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate, or joint venture. Hence reporting under the clause (ix)(e) and (f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of equity shares during the year and the requirements of Section 42 and Section 62 of the Act have been complied with. The amount raised has been used for the purposes for which they were raised.

xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.

(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Group does not have more than one CIC as a part of its group. Hence, the provisions stated in paragraph 3 (xvi)(d) of the Order are not applicable to the Company.

xvii. Based on the overall review of Standalone Financial Statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing project requiring a transfer to a Fund Specified in Schedule VII to the Companies Act in compliance with second proviso of sub-section (5) of Section 135 of the said act. Accordingly, reporting under clause (xx) (a) of the Order is not applicable for the year.

(b) In respect of ongoing project, unspent amount as at March 31, 2023, has been spent by the Company subsequent to year end i.e. before April 30, 2023, accordingly the Company has not transferred the unspent amount to a special fund within a period of thirty days from the end of the financial year.

xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 23222068BGTVXA2210

Place: Hyderabad
Date: August 29, 2023

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Kumar Agarwal
Partner
Membership No. 214198
UDIN: 23214198BGXCSZ4908

Place: Hyderabad
Date: August 29, 2023

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ZAGGLE PREPAID OCEAN SERVICES LIMITED (FROMERLY KNOWN AS ZAGGLE PREPAID OCEAN SERVICES PRIVATE LIMITED) FOR THE YEAR ENDED MARCH 31, 2023.

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of **Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)** on the Standalone Financial Statements for the year ended March 31, 2023]

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

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean services Private Limited) (the "Company") as of March 31, 2023, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2023, based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 23222068BGTVXA2210

Place: Hyderabad
Date: August 29, 2023

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Kumar Agarwal
Partner
Membership No. 214198
UDIN: 23214198BGXCSZ4908

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Standalone Balance Sheet as at March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Particulars	Note	March 31, 2023	March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	23.48	19.77
Right-of-use assets	4	196.73	55.15
Intangible assets	5 (a)	68.90	44.29
Intangible asset under development	5 (b)	108.68	15.00
Financial assets			
(i) Investments	6	4.85	-
(ii) Other financial assets	7	14.69	7.30
Other non-current assets	8	29.77	21.38
Income-tax assets (net)	9	119.01	123.59
Deferred tax assets (net)	10	23.10	24.59
Total non-current assets		**589.21**	**311.07**
Current assets			
Inventories	11	0.97	1.12
Financial assets			
(i) Investments	6	12.32	-
(ii) Trade receivables	12	1,026.59	429.51
(iii) Cash and cash equivalents	13 (a)	195.89	7.11
(iv) Bank balances other than (iii) above	13 (b)	30.07	29.00
(v) Other financial assets	7	1.15	-
Other current assets	14	491.39	148.72
Total current assets		**1,758.38**	**615.46**
Total assets		**2,347.59**	**926.53**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	15	92.22	1.80
Other equity	16	395.29	(37.38)
Total equity		**487.51**	**(35.58)**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	17	513.29	483.27
(ia) Lease liabilities	4	158.65	51.04
Provisions	20	11.43	7.22
Total non-current liabilities		**683.37**	**541.53**
Current liabilities			
Financial liabilities			
(i) Borrowings	18	697.44	161.45
(ia) Lease liabilities	4	44.10	7.35
(ii) Trade payables	19		
- Total outstanding dues of micro and		9.63	7.77
- Total outstanding dues of creditors other than micro and small enterprises		82.56	99.58
Provisions	20	0.22	0.14
Other current liabilities	21	294.96	144.29
Current tax liabilities (net)	9	47.80	-
Total current liabilities		**1,176.71**	**420.58**
Total liabilities		**1,860.08**	**962.11**
Total equity and liabilities		**2,347.59**	**926.53**
Corporate information & significant accounting policies	1&2		

See accompanying notes forming part of the Standalone Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Amit Kumar Agarwal
Partner
Membership No: 214198

Y. Venkateswarlu
Partner
Membership No: 222068

Raj P Naraya
Executive Chi
DIN: 0041003

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Sec
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
PAN : BGCPG2893L

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Standalone Statement of Profit and Loss for the year ended March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenues			
Revenue from operations	22	5,534.60	3,712.55
Other income	23	11.15	4.09
Total income		**5,545.75**	**3,716.64**
Expenses			
Cost of point redemption / gift cards		3,188.70	1,435.08
Consumption of cards	24	17.53	17.78
Employee benefits expense	25	435.83	154.30
Finance costs	26	113.77	69.88
Depreciation and amortisation expense	27	61.99	20.97
Other expenses	28	1,411.58	1,506.85
Total expenses		**5,229.40**	**3,204.86**
Profit before tax		**316.35**	**511.78**
Tax expenses			
Current tax	38	85.97	10.79
Deferred tax		1.37	81.78
Total tax expense		**87.34**	**92.57**
Profit after tax		**229.01**	**419.21**
Other comprehensive income			
Items that will not be reclassified subsequently to profit and loss			
Remeasurements of defined benefit liability		0.46	0.87
Deferred tax relating to these items		(0.12)	(0.22)
		0.34	0.65
Total comprehensive income		**229.35**	**419.86**
Earnings per share			
- Basic	31	2.48	4.57
- Diluted		2.46	4.57
Corporate information & significant accounting policies	**1&2**		

See accompanying notes forming part of the Standalone Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Kumar Agarwal
Partner
Membership No: 214198

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
PAN : BGCPG2893L

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Standalone Statement of Changes in Equity for the year ended March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

A. Equity share capital

	Note	No. of Shares	Amount
As at April 1, 2021		**1,80,000**	**1.80**
Addition during the year	15	-	-
As at March 31, 2022		**1,80,000**	**1.80**
Add: Issued during the year	15	821	0.01
Before adjustment of sub-division of shares	15	**1,80,821**	**1.81**
Adjusted No.of shares after sub-division of equity shares	15	18,08,210	1.81
Issue of bonus shares	15	9,04,10,500	90.41
As at March 31, 2023		**9,22,18,710**	**92.22**

B. Other equity

Particulars	Note	Reserves and surplus			Other comprehensive income	Total
		Securities premium account	Retained earnings	Share Based Payment Reserve	Remeasurement of defined benefit obligations	
Balance at April 1, 2021		**21.91**	**(479.90)**	**-**	**0.68**	**(457.31)**
Profit for the year		-	419.21	-	-	419.21
Other comprehensive income		-	-	-	0.65	0.65
Change on account of Scheme of Arrangement :	33			-		
- Security Premium from Business Combination		93.82	-	-	-	93.82
- Retained earnings from Business Combination		-	(85.17)	-	-	(85.17)
- Amalgamation Adjustment Deficit Account		-	(8.58)	-	-	(8.58)
Balance at March 31, 2022		**115.73**	**(154.44)**	**-**	**1.33**	**(37.38)**
Profit for the year		-	229.01	-	-	229.01
Security premium from issue of equity shares	**15**	149.60	-	-	-	149.60
Other comprehensive income		-	-	-	0.34	0.34
Share-based payments	**43**	-	-	144.13	-	144.13
Issue of bonus shares		(90.41)	-	-	-	(90.41)
Balance at March 31, 2023		**174.92**	**74.57**	**144.13**	**1.67**	**395.29**

See accompanying notes forming part of the Standalone Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of
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Membership No: 214198

Y. Venkateswarlu
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Managing Director & CEO
DIN : 05250791

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Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
PAN : BGCPG2893L

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Standalone Statement of cash flows for the year ended March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities			
Profit before tax		316.35	511.78
Adjustments for :			
Depreciation and amortization expense		61.99	20.97
Interest expense		102.87	66.88
Interest expense on lease liabilities		10.90	3.00
Liabilities no longer required written back		(2.26)	(1.17)
Provision for / reversal of credit impaired trade receivables		(16.23)	14.66
Interest income		(4.16)	(1.32)
Equity-settled share-based payment transactions		144.13	-
Operating profit before working capital changes		**613.59**	**614.80**
Change in assets and liabilities			
(Increase) in trade receivables		(580.85)	(217.36)
Decrease in inventories		0.15	1.57
(Increase) in other financial assets		(12.67)	(3.17)
(Increase) in other assets		(284.41)	(49.25)
(Decrease) in trade payables and other financial liabilities		(12.90)	(83.69)
Increase in provision		3.83	2.46
Increase/ (Decrease) in other liabilities		150.67	(4.63)
Cash (used in) / generated from operations		**(122.59)**	**260.73**
Income taxes paid (net of refund)		(33.59)	(59.92)
Net cash (used in) / flow from operating activities	**A**	**(156.18)**	**200.81**
B. Cash flows from investing activities			
Purchase of Property, Plant and Equipment and intangible assets		(161.71)	(75.72)
Deposits placed having original maturity of more than 3 months, net		(1.07)	(24.00)
Share issue expenses		(61.65)	-
Purchase of investments		(22.17)	-
Interest received		3.47	1.03
Net cash used in investing activities	**B**	**(243.13)**	**(98.69)**
C. Cash flow from financing activities			
Proceeds from issue of equity shares		149.61	-
Proceeds from long term borrowings		500.00	250.24
Repayment of long term borrowings		(130.00)	(335.96)
Payment of lease liabilities		(24.66)	(11.15)
Proceeds from short term borrowings (net)		196.01	4.67
Interest paid		(102.87)	(30.70)
Net cash flow from / (used in) financing activities	**C**	**588.09**	**(122.90)**
Net increase/(decrease) in cash and cash equivalents	**A+B+C**	188.78	(20.78)
Cash and cash equivalents at the beginning of the year		7.11	27.89
Cash and cash equivalents at end of the year [Refer Note 13 (a)]		**195.89**	**7.11**

Note: Cash Flow Statement has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements. Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.

See accompanying notes forming part of the Standalone Financial Statements.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

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Partner
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Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
PAN : BGCPG2893L

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

1 Corporate Information

Zaggle Prepaid Ocean Services Limited (formerly known as a Zaggle Prepaid Ocean Services Private Limited) ('the Company' / 'Zaggle') is a B2B2C Fintech SaaS Company, which is a leading player in spend management, with a differentiated value proposition and diversified user base. The Company offers a diversified portfolio of SaaS, including tax and payroll software.

The Company has been incorporated on June 2, 2011, under the provisions of the Companies Act, 1956 as a Private Limited Company. The Company was converted into a public limited company under the Companies Act, 2013 on September 13, 2022 and consequently, the name was changed to "Zaggle Prepaid Ocean Services Limited". The registered office of the Company is located at 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Telangana - 500081.

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of this standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation and measurement

(i) Statement of compliance & Basis for preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the 'Act'), the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act.

The standalone financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the standalone financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

(ii) Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in Indian rupees have been rounded-off to two decimal places to the nearest million except for share and per share data and where otherwise stated.

(iii) Basis of measurement

The financial information have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities : Measured at fair value
- Borrowings : Amortised cost using effective interest rate method
- Net defined benefit (asset)/ liability : Present value of defined benefit obligations less fair value of plan assets

(iv) Use of estimates and judgements

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

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 3, 4 and 5 - determining an asset's expected useful life and the expected residual value at the end of its life.
- Note 12 – impairment of financial assets;
- Notes 29 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 35 – measurement of defined benefit obligations: key actuarial assumptions;

(v) Measurement of fair values

Accounting polices and disclosures require measurement of fair value for financial assets and financial liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 36 - Financial instruments

(vi) Current and non-current classification:

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as a current when it is:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

- it is expected to be realised within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non current.

Liabilities

A liability is classified as a current when:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is due to be settled within twelve months from the reporting date;
- it is held primarily for the purposes of being traded;
- the Company does not have an unconditional right to defer settlement of liability for at least twelve months from the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and realisation in cash or cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.2 Summary of significant accounting policies

A. Revenue recognition

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

i) Program fees:

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

Banks and corporates are considered as customers of the Company. Any amounts receivable from the customers on account of normal course of business is classified as trade receivable. Further advance received from customers against which cards are yet to be activated is disclosed as liability under advances from customers.

ii) Propel platform revenue / Gift cards:

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

The Company recognises revenue on completion of the Company performance obligation being met on redemption of propel points against catalogue of gift cards / vouchers.

The Company acts as a principal and accordingly consideration for the supplies is recognized on gross basis with corresponding cost of supplies being recorded as an expense. Revenue on sale of gift cards / vouchers is recognized only to the extent the Company's performance obligation is met, at the point in time on transfer of the control of the respective gift cards / vouchers to the customers.

iii) Fees income/SaaS income:

The Company earns fees income/SaaS income/service fees income from various activities including user fees, platform fees, customization fees etc. The fee income is recognised when the control in services have been transferred by the Company i.e., as and when services have been provided by the Company and the Company's performance obligation is met. This fee is recognised as income in accordance with the terms of the arrangement with the respective customers.

iv) Interest income:

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

B. Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.

C. Financial instruments

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

i) Initial Recognition and measurement

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

ii) Classification and subsequent measurement

Financial assets

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

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

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

- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

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

− the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

− the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment‐by‐investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

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

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

Financial liabilities:

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

iii) Derecognition

Financial assets

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

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

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

iv) Offsetting

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

D. Property, plant and equipment

i) Recognition and measurement

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred. If an item of property, plant and equipment is purchased with deferred credit period from supplier, such asset is recorded at its cash price equivalent value.

ii) Depreciation

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

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

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

Asset category	Management estimate of useful life & Useful life as per Schedule II
Furniture and fixtures	10 years
Office equipment	5 years
Computers	3 years
Vehicles	8 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the statement of profit and loss.

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

E. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally developed intangibles are capitalized to the extent of direct cost related to the development of the respective intangible assets which mainly includes manpower cost. Intangible assets are amortized over the useful economic life assessed which ranges from 3-5 years and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets recognized in the restated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Asset category	Management estimate of useful life
R & R Software	3 - 4 years
Mobile Application	3 years
Software	3 - 5 years
Trademarks	5 years
Expense Management	4 - 5 years

F. Investment in Subsidiaries

Investment in Subsidiaries are valued at Cost. Dividend Income from subsidiaries is recognised when its right to receive the dividend is established.

G. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handing costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs necessary to make the sale.

H. Impairment of assets

i) **Impairment of financial instruments**

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

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses.

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

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

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

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

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

Measurement of expected credit losses

The Company applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:
i. Trade receivables
ii. Financial assets measured at amortised cost (other than trade receivables)
iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

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

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

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

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

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

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

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

ii) **Impairment of non-financial assets**

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

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

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

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

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

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

I. Employee benefits

(a) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme and other funds. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

(ii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by a qualified actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Compensated Absences: The Company has no policy of accumulation of compensated absences.

J. Leases

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

Company as a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The Company used the following practical expedients when applying Ind AS 116 :

• Applied a single discount rate to a portfolio of leases with similar characteristics.
• Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term and leases of low value.
• Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
• Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Right of use asset: The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease Liability: The Company measures the lease liability at present value of the future lease payments at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate as at the commencement of lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

K. Income-tax

Income-tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

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

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

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and

- temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

L. Provision, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised under finance costs. Expected future operating losses are not provided for. Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Contingent liabilities and contingent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognised in the standalone financial statements in the period in which if it is virtually certain that an inflow of economic benefits will

M. Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share sub-division.

If the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalisation, bonus issue or share sub-division, or decreases as a result of a reverse share sub-division, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the standalone financial statements are approved for issue, the per share calculations for those and any prior period standalone financial statements presented shall be based on the new number of shares.

N. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

O. Cash and cash equivalents

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

P. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

Q. Business Combination

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of an entity is calculated as the sum of the acquisition-date fair values of assets transferred and liabilities incurred. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values. Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred, the amount recognized for non-controlling interests and fair value of any previous interest held, over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net of identifiable assets acquired and liabilities assumed is in excess of the aggregate mentioned above, the resulting gain on bargain purchase is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities.

R. Recent accounting pronouncements:

The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standard) Amendment Rules, 2023 dated March 31, 2023 to amend certain Ind ASs which are effective from April 01, 2023. Below is a summary of such amendments:
(i) Disclosure of Accounting Policies - Amendment to Ind AS 1 Presentation of financial statements:

The MCA issued amendments to Ind AS 1, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(ii) Definition of Accounting Estimates – Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors:
The amendment to Ind AS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023. The amendments are not expected to have a material impact on the Company's standalone financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12 Income taxes:

The amendment to Ind AS 12, requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.
Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Company is currently assessing the impact of the amendments

(iv) The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Notes forming part of the standalone financial statements
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

3 Property, plant and equipment

Description	Office Equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost as at April 1, 2021	**0.28**	**0.11**	**2.37**	**9.03**	**11.79**
Additions	0.23	0.81	11.57	-	12.61
Disposals	-	-	-	-	-
Cost as at March 31, 2022	**0.51**	**0.92**	**13.94**	**9.03**	**24.40**
Additions	1.16	0.39	9.12	-	10.67
Disposals	-	-	-	-	-
Cost as at March 31, 2023	**1.67**	**1.31**	**23.06**	**9.03**	**35.07**
Accumulated depreciation as at April 1, 2021	**0.14**	**0.04**	**1.84**	**0.26**	**2.28**
Depreciation for the year	0.05	0.03	1.67	0.60	2.35
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2022	**0.19**	**0.07**	**3.51**	**0.86**	**4.63**
Depreciation for the year	0.10	0.11	5.57	1.18	6.96
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2023	**0.29**	**0.18**	**9.08**	**2.04**	**11.59**
Net carrying amount as at March 31, 2022	**0.32**	**0.85**	**10.43**	**8.17**	**19.77**
Net carrying amount as at March 31, 2023	**1.38**	**1.13**	**13.98**	**6.99**	**23.48**

Note: Refer Note 17 & 18 for details of property, plant and equipment subject to charge on secured borrowings.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

4 Right of use assets and Lease Liabilities

Right of Use Assets

Description	Right of use assets (Buildings)
Cost as at April 1, 2021	**45.65**
Additions	27.61
Disposals	-
Cost as at March 31, 2022	**73.26**
Additions	163.86
Disposals	-
Cost as at March 31, 2023	**237.12**
Accumulated amortisation as at April 1, 2021	**8.90**
Amortisation for the year	9.21
Disposals	-
Accumulated amortisation as at March 31, 2022	**18.11**
Amortisation for the year	22.28
Disposals	-
Accumulated amortisation as at March 31, 2023	**40.39**
Net carrying amount as at March 31, 2022	**55.15**
Net carrying amount as at March 31, 2023	**196.73**

b. Lease Liabilities

(i) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	**58.39**	**39.74**
Additions during the year	158.12	26.80
Disposal during the year	-	-
Accrual of interest	10.90	3.00
Payment of lease liabilities	(24.66)	(11.15)
Closing balance	**202.75**	**58.39**
Less: Current lease liabilities	44.10	7.35
Non Current lease liabilities	**158.65**	**51.04**

(ii) Payments recognised as expenses and income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Short term leases and low value assets (Refer Note 28)	2.17	1.20
	2.17	**1.20**

(iii) Contractual maturities of lease liabilities on undiscounted basis as at:

Particulars	March 31, 2023	March 31, 2022
Less than one year	50.12	11.59
One to five years	203.48	46.26
More than five years	5.34	5.66
	258.94	**63.51**

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

5 a. Intangible Assets

Description	R&R software	Mobile application	Software	Trade Mark	Expense Management	Total
Cost as at April 1, 2021	**9.93**	**18.12**	**3.90**	**0.02**	**31.70**	**63.67**
Additions	10.00	-	-	1.73	15.00	**26.73**
Disposals	-	-	-	-	-	-
Cost as at March 31, 2022	**19.93**	**18.12**	**3.90**	**1.75**	**46.70**	**90.40**
Additions	-	-	-	-	57.36	**57.36**
Disposals	-	-	-	-	-	-
Cost as at March 31, 2023	**19.93**	**18.12**	**3.90**	**1.75**	**104.06**	**147.76**
Accumulated amortisation as at April 1, 2021	**9.93**	**18.12**	**0.83**	-	**7.82**	**36.70**
Amortisation for the year	0.21	-	0.77	0.21	8.22	**9.41**
Disposals	-	-	-	-	-	-
Accumulated amortisation as at March 31, 2022	**10.14**	**18.12**	**1.60**	**0.21**	**16.04**	**46.11**
Amortisation for the year	3.35	-	2.30	0.64	26.46	**32.75**
Disposals	-	-	-	-	-	-
Accumulated amortisation as at March 31, 2023	**13.49**	**18.12**	**3.90**	**0.85**	**42.50**	**78.86**
Net carrying amount as at March 31, 2022	**9.79**	-	**2.30**	**1.54**	**30.66**	**44.29**
Net carrying amount as at March 31, 2023	**6.44**	-	-	**0.90**	**61.56**	**68.90**

b. Intangible Asset under development

Particulars	March 31, 2023	March 31, 2022
Zoyer Application under development*	108.68	15.00

* Project execution plans are reviewed periodically on the basis of Management judgement and estimates w.r.t future business, technological development/economy/ industry and the project is assessed as per periodic plans.

Ageing - Intangible Asset under development

Project in progress	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022	15.00	-	-	-	15.00
As at March 31, 2023	93.68	15.00	-	-	108.68

Note: Refer Note 17 for details of Intangible assets subject to charge on secured borrowings.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

6 Investments

	March 31, 2023	March 31, 2022
Non-current		
Investments in unquoted equity shares (fully paid up)		
In subsidiary (carried at cost)		
Zaggle Technologies Limited - 1 equity share of GBP 1 each (Refer Note 45)	0.00	-
Investment in quoted mutual funds (carried at fair value through profit and loss) [Refer Note (c) below]		
ICICI Prudential Liquid Fund - Growth - 6,947.59 units of Rs. 323.85 each	2.30	-
ICICI Prudential Money Market Fund - Growth - 3,183.43 units of Rs. 314.11 each	1.02	-
Kotak Liquid Regular Growth - 339,027 units of Rs. 4,424.20 each	1.53	-
Total non-current investments	4.85	-
Current		
Investment in quoted mutual funds (carried at fair value through profit and loss)		
ICICI Prudential Money Market Fund - Growth - 35,186.110 units of Rs. 321.13 each	11.30	-
HDFC Money Market Fund - Regular Plan - Growth - 210.993 units of Rs. 4,739.25 each	1.02	
Total current investments	12.32	-
Notes:		
(a) Aggregate value of unquoted investments	0.00	
(b) Aggregate value of quoted investments	17.17	-
(c) Change in fair value of the investments during the year	0.12	-
(d) Refer Note 17 for details of investments subject to charge on secured borrowings.		

7 Other financial assets (at amortised cost)

(Unsecured considered good)	March 31, 2023	March 31, 2022
Non-current		
Security deposits	13.36	6.02
Other deposits	1.33	1.28
	14.69	**7.30**
Current		
Interest accrued on deposits with banks	1.15	-
	1.15	**-**

8 Other non-current assets

	March 31, 2023	March 31, 2022
(Unsecured, Considered good)		
a. Capital advance	21.38	21.38
b. Balance with government authorities	3.39	-
c. Advance towards purchase of investments	5.00	-
	29.77	**21.38**

9 Non-Current: Income-tax assets (Net)

	March 31, 2023	March 31, 2022
Advance tax including tax deducted at source (Net of provision)	119.01	123.59
Provision for tax (Net of Advance tax and tax deducted at source)	(47.80)	-
	71.21	**123.59**

10 Deferred tax assets (net)

	March 31, 2023	March 31, 2022
Depreciation / amortisation	2.76	1.19
Provision for employee benefits	2.93	1.50
Provision for credit impaired balances	14.49	18.57
Right of use assets (net of lease liability)	1.52	0.75
Others	1.40	2.58
	23.10	**24.59**

11 Inventories

(Valued at lower of cost or net realisable value)	March 31, 2023	March 31, 2022
Card inventory	0.97	1.12
	0.97	**1.12**

Note: Refer Note 17 & 18 for details of inventory subject to charge on secured borrowings.

12 Trade receivables

	March 31, 2023	March 31, 2022
Trade receivables		
Unsecured		
-Considered good	1,026.59	429.51
-Credit Impaired	57.56	73.79
	1,084.15	**503.30**
Less-Allowance for credit impaired trade receivables [Refer Note (f) below]	(57.56)	(73.79)
	1,026.59	**429.51**

Notes:

a) No trade or other receivable are due from directors or other officers of the Company.

b) Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

c) Trade receivables amounting to Rs. 835.62Mn [as at March 31, 2022: 490.37 Mn] is due from customers who represents more than 5% of the total balance of the trade receivables.

(d) Refer Note 17 & 18 for details of trade receivables subject to charge on secured borrowings.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

e. Trade Receivables ageing schedule:

As at March 31, 2023

Particulars	Not Due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	688.48	259.82	77.45	0.84	-	-	1,026.59
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	57.56	57.56
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	**688.48**	**259.82**	**77.45**	**0.84**	**-**	**57.56**	**1,084.15**

As at March 31, 2022

Particulars	Not Due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	413.75	14.94	0.82	-	-	-	429.51
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	1.87	5.19	-	-	66.73	73.79
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	**413.75**	**16.81**	**6.01**	**-**	**-**	**66.73**	**503.30**

f. Movement in the impairment loss on credit impaired trade receivables	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Opening balance	73.79	359.05
Credit loss added	-	14.66
Written off during the year	-	(299.92)
Reversal during the year	(16.23)	-
Closing balance	**57.56**	**73.79**

13 Cash and bank Balances

	March 31, 2023	**March 31, 2022**
(a) Cash and cash equivalents		
Cash on hand	0.00	0.24
Balances with banks		
- in current accounts (Refer Note below)	195.89	6.87
	195.89	**7.11**

Note: The Company is a program manager for various programs of the banks for its prepaid cards and accordingly banks maintain the pool accounts for these prepaid card program where funds are held. These accounts are opened primarily for settlement and collection activities with respect to operations facilitated by the Company.
Accordingly, the balance in the aforesaid bank accounts are not included in 'Balance with Banks' above as these are not owned or contractually available for use by the Company and set aside for settlement of usage by the Company's pre-paid card customers.

(b) Bank balances other than Cash and Cash equivalents :	**March 31, 2023**	**March 31, 2022**
- Deposits with remaining maturity less than 12 months:		
- Margin money deposits (Refer Note below)	9.00	9.00
- Deposits under lien (Refer Note below)	21.07	20.00
	30.07	**29.00**

Note : Represents deposits held as margin money/commitment with the banks

14 Other current assets

	March 31, 2023	**March 31, 2022**
Advance to suppliers	81.98	50.33
Advances to employees	3.00	0.48
Prepaid cards with loading	344.76	94.10
Balance with government authorities	-	-
Share issue expenses*	61.65	-
Others	-	3.81
	491.39	**148.72**

* During the year ended March 31, 2023, the Company has incurred share issue expenses in connection with proposed public offer of equity shares of which Rs. 61.65 Mn is accounted for various services received for Initial Public Offer. In accordance with the Companies Act, 2013 ("the Act") and also as per the Offer Agreement entered between the Company and the selling shareholders, the selling shareholders shall reimburse the share issue expenses in proportion to the respective shares offered for sale. Accordingly the Company will partly recover the expense incurred in connection with the issue on completion of the Initial Public Offer (IPO). The Company's share of expenses shall be adjusted against securities premium to the extent permissible under section 52 of the Act on successful completion of the IPO. The entire amount has been carried forward and disclosed under the head 'Share issue expenses' under 'Other current assets; (to the extent of not written off or adjusted).The amount which is receivable from the selling shareholders is not disclosed separately as the amount is not determinable at this stage pending completion of the IPO.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

15 Equity Share capital

	March 31, 2023	March 31, 2022
Authorized share capital		
12,00,00,000 (March 31, 2022: 51,03,785) Equity Shares of Rs. 1 Each (March 31, 2022: Rs. 10 Each)	120.00	51.04
Issued, subscribed and paid up		
92,218,710 (March 31, 2022: 1,80,000) Equity Shares of Rs. 1 Each (March 31, 2022: Rs. 10 Each)	92.22	1.80
	92.22	**1.80**

Notes:

i) Reconciliation of Authorised share capital at the beginning and at the end of the reporting year:

	March 31, 2023		March 31, 2022	
Particulars	**No. of Shares**	**Amount in Rs.**	**No. of Shares**	**Amount in Rs.**
Outstanding at the beginning of the year	51,03,785	51.04	20,00,000	20.00
Add: Increase in Authorised Capital	68,96,215	68.96	31,03,785	31.04
Before adjustment of sub-division of shares	1,20,00,000	120.00	51,03,785	51.04
Adjusted No.of shares on Account of sub-division of equity shares [Refer Note (iii) below]	12,00,00,000	120.00	-	-

ii) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

	March 31, 2023		March 31, 2022	
Particulars	**No. of Shares**	**Amount in Rs. Million**	**No. of Shares**	**Amount in Rs. Million**
Outstanding at the beginning of the year	1,80,000	1.80	1,80,000	1.80
Add: Issue during the year	821	0.01	-	-
Before adjustment of sub-division of shares	1,80,821	1.81	1,80,000	1.80
Adjusted No.of shares on account of sub-division	18,08,210	1.81	-	-
Add: Issue of bonus share during the year	9,04,10,500	90.41	-	-
	9,22,18,710	92.22	1,80,000	1.80

iii) Shareholders vide the Extra-ordinary general meeting dated July 27, 2022, have approved the following :

a. Increase in Authorized Share Capital of the Company from Rs. 51.04 Mn divided into 51,03,785 Equity Shares of Rs.10/- each to Rs. 120.00 Mn divided into 1,20,00,000 Equity Shares of Rs.10/- each, by creation of 68,96,215 Equity Shares of Rs.10/- each, ranking pari passu with the existing Equity Shares of the Company.

b. Sub-division of the Authorised Share Capital consisting of 1,20,00,000 equity shares of the Company having face value of Rs. 10 each into 12,00,00,000 equity shares of face value of Rs. 1 each w.e.f., July 27, 2022, without altering the aggregate amount of the same.

c. Further, the issued, subscribed and paid-up share capital consisting of 1,80,821 equity shares of the Company having face value of Rs. 10 each shall stand sub-divided into 18,08,210 equity shares having face value of Rs. 1 each w.e.f., July 27, 2022 without altering the aggregate amount of such capital and shall rank pari passu in all respects and carry the same rights as to the existing fully paid-up equity shares of ₹ 10 each of the Company.

d. Issue of fully paid bonus shares of Rs.1 each in proportion of 50 equity shares for every 1 existing equity share by capitalizing a sum of Rs. 90.41 Mn from the Securities Premium account available with the Company.

iv) Rights, preferences and restrictions attached to equity shares of Rs. 1 each (Mar'22 - Rs.10 each), fully paid up:

The Company has only one class of equity shares having par value of Rs.1 (Mar'22 - Rs.10) per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

v) Shares held by shareholders holding more than 5% in the Company as at

	March 31, 2023		March 31, 2022	
Name of Shareholder	**No. of Shares**	**% Holding**	**No. of Shares**	**% Holding**
Raj P Narayanam	4,76,85,000	51.71%	93,500	51.94%
Ventureast Proactive Fund LLC	58,70,100	6.37%	11,510	6.39%
Avinash Ramesh Godkhindi	91,80,000	9.95%	18,000	10.00%
Zuzu Software Services Pvt Ltd	1,74,76,992	18.95%	35,896	19.94%

v) Shareholding of promoters

	March 31, 2023		March 31, 2022		% of change of during the year
Name of promoter	**No. of Shares**	**% Holding**	**No. of Shares**	**% Holding**	
Raj P Narayanam	4,76,85,000	51.71%	93,500	51.94%	-0.24%
Avinash Ramesh Godkhindi	91,80,000	9.95%	18,000	10.00%	-0.05%

vi) As at March 31, 2023, 24,23,369 equity shares of Rs. 1 each (March 31, 2022: Nil) reserved for issue under employee share option plans.

16 Other equity

	March 31, 2023	March 31, 2022
Securities premium [Refer Note (i) below]	174.92	115.73
Retained earnings [Refer Note (ii) below]	74.57	(154.44)
Other comprehensive income [Refer Note (iii) below]	1.67	1.33
Employee stock options outstanding reserve [Refer Note (iv) below]	144.13	-
Total other equity	**395.29**	**(37.38)**

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Notes:

(i) Securities premium

	March 31, 2023	March 31, 2022
Balance at the beginning of the year	115.73	21.91
Add : Scheme of Arrangement		
- Security premium on business combination (Refer Note 33)	-	93.82
- Security premium on issue of equity shares	149.60	-
Less: Issue of bonus equity shares [Refer Note 15 - sub note (iii)]	(90.41)	-
Balance at the end of the year	174.92	**115.73**

Note: Security premium represent the amount received in excess of the face value of the equity shares. The utilisation of the security premium reserve is governed by the section 52 of the Act.

(ii) Retained earnings

Balance at the beginning of the year	(154.44)	(479.90)
Add: Profit for the year	229.01	419.21
Add : Scheme of Arrangement (Refer Note 33)		
- Retained Earnings from business combination	-	(85.17)
- Amalgamation Adjustment Deficit Account	-	(8.58)
Balance at the end of the year	**74.57**	**(154.44)**

Note: Retained earnings represent the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Act.

(iii) Other comprehensive income (OCI)

Other items of OCI

Remeasurement of defined benefit obligations (liability net of tax)		
Balance at the beginning of the year	1.33	0.68
Add: Changes during the year	0.34	0.65
Balance at the end of the year	1.67	1.33

Note: The reserve represent the actuarial gain/(loss) recognised on the defined benefit plan and will not be transferred to retained earnings.

(iv) Employee stock options outstanding reserve

Balance at the beginning of the year	-	-
Add: Changes during the year	144.13	-
Balance at the end of the year	144.13	-

Note: Employee stock option reserve related to share option granted by the Company under its employee share option plan. These will be utilised on exercise of the under lying option.

17 Long term borrowings (at amortised cost)

	31 March 2023	**March 31, 2022**
<u>**Secured**</u>		
Non-cumulative redeemable non-convertible debentures [Refer Note (i) below]	495.84	-
Term loans		
- from banks [Refer Note (ii) below]	187.50	237.58
- from vehicle loans [Refer Note (iv) below]	4.18	5.57
Property loan		
- from bank [Refer Note (iii) below]	12.13	12.66
<u>**Unsecured**</u>		
Deferred payables [Refer Note below (v) below]	310.40	384.24
Less : Current maturities of long term borrowings [Refer Note: 18]	(496.76)	(156.78)
Total	**513.29**	**483.27**

<u>Details of terms and security in respect of the long-term borrowings:</u>

<u>(i) Non-Cumulative Redeemable Non-Convertible Debentures:</u>

Non-Cumulative Redeemable Non- Convertible Debentures (NCDs) amounting to Rs. 500 Mn (March 31, 2022: Nil) represents 500 N0's with a face value of Rs. 10,00,000/- each carrying interest of 13.5% p.a and are redeemable in 3 years in 11 instalments of Rs. 4.5 Mn each. These NCDs are secured by First and exclusive charge on present and future fixed, current, tangible and intangible assets, certain mutual funds investments of the Company.

<u>(ii) Term Loan from bank:</u>

Term loan from bank amounting to Rs. 187.50 Mn (March 31, 2022: Rs. 237.58 Mn) carries interest of Repo rate + 3.5% (presently 10% p.a.) and is repayable in 60 monthly instalments of Rs. 4.17 Mn each excluding interest beginning from January 2022. The Term loan along with Overdraft facility as below are jointly secured by way of exclusive charges on the current assets of the Company including trade receivables and inventories. The loans are collaterally secured by way of exclusive charge on the immovable properties being commercial property and Residential property, both, belonging to other body corporate. The loans are further secured by way of Corporate Guarantee extended by the said body corporate.

<u>(iii) Property Loan:</u>

Property loan taken from bank amounting to Rs. 12.13 Mn (March 31, 2022: Rs. 12.66 Mn) carries interest at Repo rate + spread of 2.9% (Presently 6.90% p.a) and is repayable in 195 equated monthly instalments of Rs. 0.12 Mn each beginning from August 2021. The loan is secured by way of mortgage of property, which is yet to be registered in the name of the Company. Advance given for purchase of property is grouped under non current assets (Refer Note 8).

<u>(iv) Vehicle Loans</u>

Vehicle loans from bank amounting to Rs. 5.24 Mn (March 31, 2022: Rs. 5.57 Mn) carry interest rate of 7.8% to 8.25% p.a and are repayable in 60 equated monthly instalments. The said loans are secured by way of hypothecation of vehicles purchased.

<u>(v) Deferred payables:</u>

Deferred payables amounting to Rs. 310.40 Mn (March 31, 2022: Rs. 384.24 Mn) are repayable in five instalments starting with March 2022 and ending in December 2023 and carries interest rate of 11% p.a. which is payable along with last instalment. As at reporting date March 31, 2023, two of such instalments are pending.

vi. The Company has utilised the loans borrowed during the year for the purpose for which it is obtained as mentioned in the borrowing agreements.

vii. The Company is not declared as a wilful defaulter by any bank and financial institution or other lender the any reporting year.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

18 Short-term borrowings

	March 31, 2023	March 31, 2022
Secured		
Overdraft from bank (Refer Note below)	200.68	4.67
Current maturities of long term borrowings (Refer Note: 17)	496.76	156.78
	697.44	**161.45**

Details of terms and security in respect of the short-term borrowings:

Overdraft Facility taken during the year from ICICI bank amounting to Rs. 200.68 Mn (March 31, 2022: Rs. 4.67 Mn) carries interest of Repo rate + 3.1% (presently 9% p.a.) and is repayable on demand. The Overdraft facility along with term loan as above are jointly secured by way of exclusive charge on the current assets of the Company including trade receivables and inventories. The loans are collaterally secured by way of exclusive charge on the immovable properties being commercial property and Residential property, both, belonging to other body corporate. The loans are further secured by way of Corporate Guarantee extended by the said body corporate.

19 Trade payables

	March 31, 2023	March 31, 2022
Trade payables		
- Total outstanding dues of micro and small enterprises (Refer Note: 34)	9.63	7.77
- Total outstanding dues of creditors other than micro and small enterprises	82.56	99.58
	92.19	**107.35**

Trade payables are non-interest bearing and are normally settled in 30-90 days terms.

Trade payables ageing schedule
As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	9.63	-	-	-	9.63
(ii) Others	82.30	0.26	-	-	82.56
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-
	91.93	**0.26**	**-**	**-**	**92.19**

Trade payables ageing schedule
As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	7.77	-	-	-	7.77
(ii) Others	97.88	0.80	0.88	0.02	99.58
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-
	105.65	**0.80**	**0.88**	**0.02**	**107.35**

20 Provisions

	March 31, 2023	March 31, 2022
Provision for employee benefits		
Provision for gratuity (Refer Note 35)		
Non-current	11.43	7.22
Current	0.22	0.14
	11.65	**7.36**

21 Other current liabilities

	March 31, 2023	March 31, 2022
Advances from customers	127.92	109.85
Client redemption liability	17.65	5.44
Statutory liabilities	125.73	18.62
Others	23.66	10.38
	294.96	**144.29**

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

22	**Revenue from operations**	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
	Revenue from contracts with customers (Refer Note 39)		
	Program fee	1,694.53	2,007.03
	Propel platform revenue / gift cards	3,597.75	1,539.22
	Platform fee / saaS fee / service fee	242.32	166.30
		5,534.60	**3,712.55**

23	**Other income**	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
	Interest income on deposit with banks	3.70	0.87
	Interest on income-tax refund	-	0.16
	Liabilities no longer required written back	2.26	1.17
	Net gain on financial assets designated on FVTPL	0.46	0.29
	Miscellaneous income	4.73	1.60
		11.15	**4.09**

24	**Consumption of cards**	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
	Opening stock of cards	1.12	2.69
	Purchase of cards	17.38	18.89
	Less: Inventory written off	-	(2.68)
	Less: Closing stock of cards	(0.97)	(1.12)
		17.53	**17.78**

25	**Employee benefits expense**	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
	Salaries, wages & bonus	277.50	143.61
	Contribution to provident fund	5.71	3.41
	Staff welfare	3.74	4.82
	Gratuity	4.75	2.46
	Employee stock option plan	144.13	-
		435.83	**154.30**

26	**Finance costs**	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
	Interest on term loans	31.75	30.70
	Interest on debentures	23.40	-
	Amortised cost on deferred payables	31.16	34.93
	Interest on lease liability	10.90	3.00
	Interest on statutory dues i.e. income tax, GST	15.31	-
	Fair value of corporate guarantee	1.25	1.25
		113.77	**69.88**

27	**Depreciation and amortisation expense**	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
	Depreciation of tangible assets	6.96	2.35
	Amortisation of intangible assets	32.75	9.41
	Amortisation of right-to-use assets	22.28	9.21
		61.99	**20.97**

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

28 Other expenses	For the year ended March 31, 2023	For the year ended March 31, 2022
Call centre & software support charges	121.61	102.32
Office rent	2.17	1.20
Electricity expenses	3.68	1.64
Repairs & maintenance	2.87	1.94
Provision for / Reversal of credit impaired trade receivables	(16.23)	14.66
Office maintenance	7.10	5.46
CSR expense [Refer Note (ii) below]	4.64	-
Rates & taxes	0.55	0.35
Network charges	23.30	6.22
Legal & professional consultancy charges	31.55	47.57
Advertisement & business promotion	200.64	129.67
Incentive / cash back	1,002.01	1,176.43
Courier charges	6.40	4.01
Advances written off	3.53	-
Telephone expenses	1.36	1.19
Traveling expenses	8.38	3.49
Auditors remuneration [Refer Note (i) below]	2.35	2.35
Bank charges	0.47	0.85
Inventory written off	-	2.68
Miscellaneous expenses	5.20	4.82
	1,411.58	**1,506.85**

Note (i) Auditors remuneration:

The following is the breakup of Auditors remuneration (exclusive of indirect taxes)

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
As auditor		
- Statutory audit	2.25	2.25
In other capacity		
- Special Purpose Audit -June 2022*	1.30	-
- Tax audit and other matters	0.10	0.10
	3.65	**2.35**

*included in share issue expense (Refer Note 14)

Note (ii) Details of Corporate social responsibility (CSR) expenditure:

Particulars	**31 March 2023**	**31 March 2022**
(i) Gross amount required to be spent by the Company during the year	4.64	-
(ii) Amount spent during the year (in cash)		
- construction/ acquisition of any asset	-	-
- on purpose other than above	-	-
(iii) (Shortfall) / Excess at the end of the year	(4.64)	-
(iv) Total of previous years shortfall	-	-
(v) Details of related party transactions	-	-
(vi) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately		
Opening provision	-	-
Addition during the year	-	-
Utilisation	-	-
Closing provision	-	-

(vii) Reason for shortfall:

Subsequent to year end before April 30, 2023 the Company has spent short fall of CSR expenditure as at March 31, 2023 in an ongoing project.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

29 Contingent liabilities and commitments

(a) Contingent Liabilities:

Particulars	March 31, 2023	March 31, 2022
Disputed Service Tax *	24.73	272.04

*During the year 2019-20, the Company had received a show cause notice towards service tax demand amounting to Rs. 272.04 Mn charged on the face value of sale of its prepaid cards/ Gift vouchers etc. The Company has filed appeals before the Commissioner of Central tax, Hyderabad against the aforsaid demand. In the month October 2022, the Company received an order dated March 30, 2022 from Commissioner of Central tax, Hyderabad dropping demand amounting to Rs. 259.75 Mn and upheld the demand amounting to Rs. 12.29 Mn and further imposed a penalty and late fee for Rs. 12.44 Mn. The Company has further filed a appeal against the the said demand before CESTAT and amount paid under protest Rs. 3.30 Mn.

The Company, based on its legal assessment does not believe that any of the pending claims require a provision as at the balance sheet date, as the likelihood of the probability of an outflow of resources at this point of time is low.

(b) Capital commitments

Particulars	March 31, 2023	March 31, 2022
Unexecuted capital orders to the extent not provided for	-	-
Investment commitment	5.00	-

30 Related party disclosures

(a) Names of related parties and related party relationship

Name of the Related Party	Nature of Relationship
Key Managerial Persons:	
Raj P Narayanam	Director - Executive Chairman
Avinash Ramesh Godkhindi	Managing Director & Chief Executive Officer
Vidya Niwas Khetawat	Chief Financial Officer [w.e.f. Dec 10, 2021, upto Aug 25, 2022]
Hari Priya	Company Secretary [wef Jan 18, 2022]
Venkata Aditya Kumar Grandhi	Chief Financial Officer [w.e.f. Aug 25, 2022]
Abhay Deshpande Raosaheb	Independent Director [w.e.f. Aug 22, 2022]
Aravamudan Krishna Kumar	Independent Director [w.e.f. Sep 26, 2022]
Arun Vijaykumar Gupta	Independent Director [w.e.f. Sep 26, 2022]
Prerna Tandon	Independent Director [w.e.f. Sep 26, 2022]
Other Related Parties	
Zaggle Techonologies Limited	Subsidiary [w.e.f. January 12, 2023] (Refer Note 45)
Magixo IRM Solutions Private Limited	Subsidiary [w.e.f. June 30, 2021 and upto merger appointed dated Nov 1, 2021](Refer Note 33)
Vinita Raj Narayanam	Relative of Key Managerial Person

(b) Transactions with related parties

Particulars	As at/For the year ended March 31, 2023	As at/For the year ended March 31, 2022
(i) KMPs Remuneration:	**28.03**	**19.64**
Raj P Narayanam	10.20	10.20
Avinash Ramesh Godkhindi	8.20	7.06
Vidya Niwas Khetawat	2.44	1.54
Hari Priya	3.70	0.84
Venkata Aditya Kumar Grandhi	3.49	-
(ii) Purchase of Investment:		
Vinita Raj Narayanam	-	7.70
(ii) Repayment of loan		
Raj P Narayanam	-	13.12
(c) Balance with with related parties	Nil	Nil

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

31 Earnings per share (EPS)

Basic earnings per share amounts is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share amounts is calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	March 31, 2023	March 31, 2022
Earnings		
Profit after tax for the year attributable to equity shareholders	229.01	419.21
Shares		
Original Number of Equity Shares (post sub-division) (Refer note 15)	18,08,210	18,00,000
Add: Impact of Bonus Issue (Refer note 15)	9,04,10,500	9,00,00,000
Weighted Average Number of Equity Shares		
For calculating Basic EPS	9,22,18,710	9,18,00,000
Effect of dilution:		
- On account of - ESOP	7,32,696	-
Weighted average number of equity shares for Diluted EPS	9,29,51,406	9,18,00,000
Earnings Per Share		
(Face Value Rs. 1 per share)		
Basic (Rs.)	2.48	4.57
Diluted (Rs.)	2.46	4.57

32 Segment Reporting

The Company's operating business are organised and managed according to nature of Products and services provided. This assessment resulted in identification of (a) Programe Fee (b) Platform Fee/Saas Fee/Service fee; (c) Propel platform revenue / Gift Cards as separate lines of business activities at Revenue level, by the Chief Operating Decesion Maker (CODM). However, since the Company does not allocate common operating costs, assets and liabilities across business activities, as per the assessment undertaken by CODM, the allocation resources and assessment of the financial performance is undertaken at the Company level.

a. Segment wise revenue information:

Revenue from Customers	March 31, 2023	March 31, 2022
Program fee	1,694.53	2,007.03
Platform fee / saaS fee / service fee	242.32	166.30
Propel platform revenue / gift cards	3,597.75	1,539.22
Total	**5,534.60**	**3,712.55**

b. Geographical Segment information:

The Company has whole revenues from customers domiciled in India.

Revenue from Customers	March 31, 2023	March 31, 2022
With in India	5,502.67	3,677.96
Outside india	31.93	34.59
Total	**5,534.60**	**3,712.55**

c. Information about major customers (from external customers)

During the year the Company has derived revenue from 3 customers (March 31, 2022: 2) totalling to Rs. 2,878.89 Mn (March 31, 2022: Rs. 1,877.38 Mn) which amounts to 10% or more of its total revenue.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

33 Business Combination:

During the year 2021-22, the Company has acquired 100% stake in Magixo IRM Solutions Private Limited ("Magixo"), engaged in the business which is complementary/similar to the business of the Company and later has became wholly owned subsidiary of the Company and under common control w.e.f. June 30, 2021. The Company to have combine synergies and for economies of scale, it has decided by Board Meeting dated November 15, 2021 to merge Magixo with the Company from the proposed appointed date i.e November 1, 2021.

Accordingly, the Company has entered into scheme of arrangement in the form of merger and vesting of Magixo w.e.f November 1, 2021 which was approved by Regional Director, South East Region, Ministry of Corporate Affairs on March 1, 2022.

The effect of such scheme of arrangements have been accounted under Pooling of Interest Method in the books of account of the Company in accordance with IND AS's as per which existing holding of Company in Magixo gets cancelled pursuant to scheme of arrangement.

Business combinations of entities under common control are accounted for, using the Pooling of Interest Method wherein all the assets and liabilities, of the Transferor Company are record at the respective book values thereof.
As per Appendix 3 of Ind AS 103 on Business Combination The value of investments held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to amalgamation and the surplus, if any, arising between the (i) carrying value of assets, liabilities and reserves pertaining to the Transferor Company and (ii) carrying value of investment in equity shares of Transferor Company in the books of Transferee Company shall be credited to capital reserve in the books of Transferee Company and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes. In case of deficit, the same would be adjusted against the revenue reserve of the transferee Company in absence of any capital reserve and in case the transferee Company has no reserves or has inadequate reserves, the debit will be to an account appropriately titled and be disclosed under Other Equity in the financial statements of the Transferee Company.

Accordingly, excess of Investment in Magixo over the net carrying value of assets, liabilities and reserves pertaining to Magixo is debited to Retained earnings of the Company as "Amalgamation Adjustment Deficit Account".

a. The book value of assets and liabilities as of November 1, 2021, recognized as follows:

Particulars	**Amount (Rs. In Mn)**
Other non-current assets	5.66
Inventories	0.15
Trade receivables	1.12
Cash and cash equivalents	0.27
Other current assets	6.14
Profit & loss account - Debit Balance	85.17
Short term borrowings	(0.08)
Trade payables	(0.32)
Other current liabilities	(0.03)
Securities premium account	(93.82)
Net assets of Magixo	**4.26**

b. Adjustment to Retained Earnings on account of Amalgamation:

Net assets of Magixo (A)	4.26
Investment in equity shares of Magixo IRM Solutions Pvt Ltd **(B)**	12.84
Amalgamation Adjustment Deficit Account (Refer Note 16)	**(8.58)**

34 Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006"

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006: The amount due to Micro and Small Enterprises as defined in the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro, Small and Medium Enterprises are as under:

	As at March 31, 2023	**As at March 31, 2022**
(i) Principal amount remaining unpaid to supplier at the end of the year	9.63	7.77
(ii) Interest due thereon remaining unpaid to supplier at the end of the year	-	-
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi) Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
(vii)Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

35. Employee benefits

a) Defined Contribution Plan

Provident Fund:

Contributions were made to provident fund and Employee State Insurance in India for the employees of the Company as per the regulations. These contributions are made to registered funds administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any other constructive obligation.

b) Defined Benefit Plan

Gratuity:

The Company provides Gratuity for employees in India as per the Payment of Gratuity Act, 1972. All employees are entitled to gratuity benefits on exit from service due to retirement, resignation or death. There is a vesting period of 5 years on exits due to retirement or resignation. There is a limit of Rs. 20,00,000 on the gratuity payable to an employee. This defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The present value of the defined benefit obligation and the relevant current service cost are measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance sheet date.

c) Amounts Recognised as Expense:

i) Defined Contribution Plan

Employer's Contribution to Provident Fund amounting to Rs. 5.71 Mn (March 31, 2022: Rs. 3.41 Mn) has been included in Note 25 under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to Rs. 4.75 Mn (March 31, 2022: Rs. 2.46 Mn) has been included in Note 25 under gratuity. The Company's gratuity plan is unfunded.

d) Amounts recognised in the Financial statements as at year end for Gratuity provision are as under:

		March 31, 2023	March 31, 2022
i)	**Change in Present Value of Obligation**		
	Present value of the obligation at the beginning of the year	7.36	5.77
	Current service cost	4.20	2.07
	Interest cost	0.54	0.39
	Actuarial (Gain)/Loss on Obligation- Due to Change in Financial Assumptions	(0.74)	-
	Actuarial (Gain) / Loss on Obligation- Due to Experience Adjustments	0.28	(0.87)
	Present value of the obligation at the end of the year	11.64	**7.36**
ii)	**Bifurcation of present value of Benefit obligation**		
	Current- Amount due within one year	0.22	0.14
	Non-current- Amount due after one year	11.42	7.22
	Total	11.64	**7.36**
iii)	**Expected benefit payments in future years**		
	Year 1	0.22	0.14
	Year 2	0.51	0.30
	Year 3	0.50	0.29
	Year 4	0.48	0.43
	Year 5	3.64	0.27
	Year 6 to Year 10	1.13	6.38
iv)	**Sensitivity Analysis**		
	Discount Rate - 1 percent increase	10.57	6.68
	Discount Rate - 1 percent decrease	12.92	8.15
	Salary Escalation Rate - 1 percent increase	12.93	8.16
	Salary Escalation Rate - 1 percent decrease	10.53	6.66
	Withdrawal Rate - 1 percent increase	11.89	7.47
v)	**Amounts Recognised in the Balance sheet:**		
	Present value of Obligation at the end of the year	11.64	7.36
	Fair value of Plan Assets at the end of the year	-	-
	Net Liability recognised in the Balance Sheet	**11.64**	**7.36**
vi)	**Amounts Recognised in the Statement of Profit and Loss:**		
	Current service cost	4.20	2.07
	Net interest on net defined Liability	0.55	0.39
	Expenses recognised in Statement of Profit and Loss	**4.75**	**2.46**
vii)	**Recognised in other comprehensive income for the year**		
	Actuarial (Gains) / Losses on Liability	(0.46)	(0.87)
	Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above	-	-
	Recognised in other comprehensive income	**(0.46)**	**(0.87)**
viii)	**Actuarial Assumptions**		
	i) Discount Rate	7.40%	6.80%
	Based on yields (as on valuation date) of Government Bonds with a tenure similar to the expected working lifetime of the employees.		
	ii) Salary Escalation Rate	5.00%	5.00%
	based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market. This assumption has been determined in consultation with the Company.		
	iii) Retirement Age	58	58
	iv) Attrition Rate	1% to 5%	1% to 5%
	v) Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.	

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

36 Financial instruments

A. Financial instruments by category	Note No.	Fair value level	March 31, 2023	March 31, 2022
Financial assets				
Non current				
(i) Investments	6	Level 1	4.85	-
(ii) Other financial assets	7	Level 2	14.69	7.30
Current				
(i) Investments	6	Level 1	12.32	-
(ii) Trade receivables	12	Level 2	1,026.59	429.51
(iii) Cash and cash equivalents	13 (a)	Level 2	195.89	7.11
(iv) Bank balances other than (iii) above	13 (b)	Level 2	30.07	29.00
(v) Other financial assets	7	Level 2	1.15	-
Total financial assets			**1,285.56**	**472.92**
Financial liabilities				
Non current				
(i) Borrowings	17	Level 2	513.29	483.27
(ii) Lease liabilities	4	Level 2	158.65	51.04
Current				
(i) Borrowings	18	Level 2	697.44	161.45
(ii) Current lease liabilities	4	Level 2	44.10	7.35
(iii) Trade payables	19	Level 2	92.19	107.35
Total financial liabilities			**1,505.67**	**810.46**

Note: The Company has not disclosed the fair values for financial instruments such as short-term trade receivables or short-term trade payables because their carrying amounts are a reasonable approximation of fair values.

Note 1: For the purpose of above abbreviations, FVTOCI - Fair value through other comprehensive income; amortised cost - fair value through amortized cost.

Note 2: Other financial assets and liabilities relate to level 3 financial instruments where the carrying value reasonably approximates to their fair value.

B. Financial risk management

The Company activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, security deposits and bank deposits.	Ageing analysis. Credit score of customers/ entities.	Monitoring the credit limits of customers and obtaining security deposits
Liquidity risk	Borrowings	Cash flow forecasts managed by finance team under the overview of Senior Management.	Working capital management by Senior Management. The excess liquidity is channelised through bank deposits.

The Company risk management is carried out by the Senior Management under policies approved by the Board of Directors. The Board of Directors provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

Risk management framework

The board of directors have overall responsibility for the risk management framework. The board of directors are responsible for developing and monitoring the risk management policies. The board of directors monitors the compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The risk management policies are to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

A. Credit risk

i. Credit risk management

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments. The carrying amounts of financial assets represent the maximum credit risk exposure.

ii. Provision for Expected credit loss

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to Rs. 57.56 Mn (March 31, 2022: Rs. 73.79 Mn). The movement in allowance for credit loss in respect of trade receivables during the year was as follows:

Allowance for credit losses	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance	73.79	359.05
Credit loss added	-	14.66
Written off during the year	-	(299.92)
Reversal during the year	(16.23)	-
Closing balance	**57.56**	**73.79**

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

B. Liquidity risk

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

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities:

As at March 31, 2023

Particulars	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Long-term borrowings (excluding current maturities)	513.29	-	566.87	10.22	577.09
Lease liabilities	202.75	50.12	203.48	5.34	258.94
Short-term borrowings	697.44	697.44	-	-	697.44
Trade payables	92.19	91.93	0.26	-	92.19
Total	**1,505.67**	**839.49**	**770.61**	**15.56**	**1,625.66**

As at March 31, 2022

Particulars	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Long-term borrowings (excluding current maturities)	483.27	-	449.42	8.81	458.23
Lease liabilities	58.39	11.59	46.26	5.66	63.51
Short-term borrowings	161.45	161.45	-	-	161.45
Trade payables	107.35	107.35	-	-	107.35
Total	**810.46**	**280.39**	**495.68**	**14.46**	**790.54**

The Company has secured loans from bank that contain loan covenants. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table.

C. Market risk

(i) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Particulars	March 31, 2023	March 31, 2022
Variable rate borrowings	187.50	237.58
Fixed rate borrowings	326.71	402.47

(ii) Sensitivity

Particulars	For the year 31 March 2023	For the year 31 March 2022
Sensitivity		
1% increase in variable rate	(1.88)	(2.38)
1% decrease in variable rate	1.88	2.38

D. Currency risk

The Company does not have material revenues/assets denominated in foreign exchange and hence Company is not subject to foreign currency fluctuation.

37 Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to equity shareholders.

The debt to adjusted capital ratio at the end of the reporting period was as follows:

	31 March 2023	31 March 2022
Total Debt (Refer Note 17 and 18)	1,210.73	644.72
Less : cash and cash equivalents and bank balances	225.96	36.11
Adjusted net debt	984.77	608.61
Total equity	**487.51**	**(35.58)**
Adjusted net debt to adjusted equity ratio	**2.02**	**(17.11)**

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

38 Income Taxes

Components of income-rax expense

		For the year ended March 31, 2023	For the year ended March 31, 2022
	Tax expense recognised in the Statement of Profit and Loss		
A.	**Current tax**		
	Current year	85.97	10.79
	Total	**85.97**	**10.79**
B.	**Deferred tax**		
	Origination and reversal of temporary differences	1.37	81.78
	Total	**1.37**	**81.78**
	Total	**87.34**	**92.57**
C.	**Tax on Other Comprehensive Income**		
	Deferred tax		
	Origination and reversal of temporary differences - OCI	(0.12)	(0.22)
	Total	**(0.12)**	**(0.22)**

Tax assets / liabilities (net)

		March 31, 2023	March 31, 2022
D.	Advance tax (net of provision for tax)	119.01	123.59
E.	Provision for tax (net of advance payment of taxes)	(47.80)	-
		71.21	**123.59**

Deferred tax assets (net)

		March 31, 2023	March 31, 2022
F.	Deferred tax asset	23.10	24.59
G.	Deferred tax liability	-	-
	Deferred tax asset (net)	**23.10**	**24.59**

H. Reconciliation of tax expense and the Accounting Profit

The Income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before income taxes	316.35	511.78
Indian statutory income tax rate	25.17%	25.17%
Expected Income Tax Expense	80.00	129.00
Tax effect of losses of earlier years set off against profits	-	(112.18)
Tax effect of expenditure disallowed under income tax	10.43	9.49
Others	(3.09)	66.26
Total income tax expense	**87.34**	**92.57**

Movement during the year ended March 31, 2023	**As at 1 April 2022**	**Credit/(charge) in the Statement of Profit and Loss**	**Credit/(charge) in OCI**	**As at 31 March 2023**
Deferred tax assets/(liabilities)				
Depreciation/amortisation of Property, plant and equipment	1.19	1.57	-	2.76
Provision for employee benefits	1.50	1.55	(0.12)	2.93
Provision for doubtful receivables	18.57	(4.08)	-	14.49
Right of use assets (net of lease liability)	0.75	0.77	-	1.52
Others	2.58	(1.18)	-	1.40
Total	**24.59**	**(1.37)**	**(0.12)**	**23.10**

Movement during the year ended March 31, 2022	**As at 1 April 2021**	**Credit/(charge) in the Statement of Profit and Loss**	**Credit/(charge) in OCI**	**As at 31 March 2022**
Deferred tax assets/(liabilities)				
Depreciation/amortisation of Property, plant and equipment	(0.08)	1.27	-	1.19
Provision for employee benefits	1.85	(0.13)	(0.22)	1.50
Provision for doubtful receivables	105.41	(86.84)	-	18.57
Right of use assets (net of lease liability)	0.82	(0.07)	-	0.75
Others	(1.41)	3.99	-	2.58
Total	**106.59**	**(81.78)**	**(0.22)**	**24.59**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

39 Revenue from contract with customers

Disaggregated revenue information

Set out below is the disagreegation of the Company's revenue from contract with customers:

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Income from Platform and gift card	3,597.75	1,539.22
Income from Program fee and SaaS fee	1,936.85	2,173.33
	5,534.60	**3,712.55**
Within India	5,502.67	3,677.96
Outside India	31.93	34.59
	5,534.60	**3,712.55**
Timing of revenue recognition		
Services transferred over time	1,936.85	2,173.33
Goods transferred at a point of time	3,597.75	1,539.22
Total revenue from contracts with customers	**5,534.60**	**3,712.55**
Reconciliation of revenue recognised with the contracted price is as follows:		
Contract price	5,534.60	3,712.55
Less: Discounts and disallowances	-	-
Total revenue from contracts with customers	**5,534.60**	**3,712.55**

Contract balances

Particulars	**March 31, 2023**	**March 31, 2022**
Trade receivables	1,026.59	429.51
Contract assets	-	-
Contract liabilities	-	-

40 The Company did not have any long term contracts including derivative contracts for which there were any material foreseeble losses. The Company does not have any unhedged foreign currency exposure as at reporting date.

41 Subsequent Events

Shareholders vide the Extra-ordinary general meeting dated August 11, 2023, have approved the following:

a. Increase in Authorized Share Capital of the Company from Rs. 120.00 Mn divided into 12,00,00,000 Equity Shares of Rs. 1/- each to Rs. 150.00 Mn divided into 15,00,00,000 Equity Shares of Rs. 1/- each, ranking pari passu with the existing Equity Shares of the Company.
b. Issue of 5,975,609 equity Shares on preferential basis at the issue price of Rs. 164/- having Face value of Rs. 1/- each. (i.e. including Securities Premium @ Rs. 163).

42 a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d. The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.

e. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

h. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the certain provisions of the Code will come into effect and the rules thereunder has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

43 Employee Stock Based Compensation:

Employee Stock Option Plan (ESOP) :

The Company instituted the Zaggle Employee Stock Option Scheme 2022, in which 46,10,936 stock options were approved by the Shareholders in Extra Ordinary General Meeting held on November 21, 2022.

ZAGGLE ESOP 2022 Plan :

During the year, the Company has granted 24,23,369 equity shares of face value Re. 1/- each under Employee Stock Option Scheme. Subsequently

Disclosures as per IND AS 102 for outstanding options:

(i) Details of options granted under ZAGGLE ESOP 2022 Plan are as below:

Grant	Grant Date	Number of options granted	Number of options outstanding (as at March 31, 2023)	Exercise Price (in Rs.)	Fair value at grant date (in Rs.)
Type I	29-Sep-22	12,48,511	12,48,511	1.00	360.52
Type II	29-Sep-22	11,74,858	7,11,220	271.00	236.59

(ii) Exercise price and other details

Particulars	Type I	
	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average exercise price for outstanding options at year end (in Rs.)	1.00	-
Weighted average remaining contractual life for outstanding options at year end	3.5 years	-
Range of exercise prices for outstanding options at year end (in Rs.)	1.00	-

Particulars	Type II	
	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average exercise price for outstanding options at year end (in Rs.)	271.00	-
Weighted average remaining contractual life for outstanding options at year end	3.5 years	-
Range of exercise prices for outstanding options at year end (in Rs.)	271.00	-

Details of the grant/issue as at March 31, 2023 are given below:

Particulars	Type I			
	March 31, 2023		March 31, 2022	
	No. of share options	Weighted average exercise price in Rs.	No. of share options	Weighted average exercise price in Rs.
Options outstanding at the beginning of the year	-	-	-	-
Granted during the year	12,48,511	1.00	-	-
Vested during the year	-	-	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Options outstanding at the end of the year	12,48,511	1.00	-	-
Options vested and exercisable at the end of the year	12,48,511	1.00	-	-

Particulars	Type II			
	March 31, 2023		March 31, 2022	
	No. of share options	Weighted average exercise price in Rs.	No. of share options	Weighted average exercise price in Rs.
Options outstanding at the beginning of the year	-	-	-	-
Granted during the year	11,74,858	271.00	-	-
Vested during the year	-	-	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	3,82,272	271.00	-	-
Forfeited during the year	81,366	271.00	-	-
Options outstanding at the end of the year	7,11,220	271.00	-	-
Options vested and exercisable at the end of the year	7,11,220	271.00	-	-

Break-up of employee stock compensation expense

	ZAGGLE ESOP 2022 Plan	
Particulars	**March 31, 2023**	**March 31, 2022**
KMP	114.83	-
Employees other than KMP	29.30	-
Total	**144.13**	**-**

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

44 Financial ratio

S. No.	Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance	Variation	Reason for change more than 25%
1	Current Ratio (in times)	Current assets	Current liabilities	1.49	1.46	0.03	2%	No Major change
2	Debt-Equity Ratio (in times)	Total Debt	Total equity	2.48	-18.12	20.60	-114%	Improved profitability and additional equity raised during the year has improved the ratio during the year.
3	Debt Coverage Ratio	Earnings available for debt service	Total Interest and principal repayments	2.66	5.17	(2.51)	-49%	Increase in borrowings has resulted in higher interest cost and resulted in decrease in ratio.
4	Return on Equity (ROE) (in %)	Net Profits after taxes	Total equity	46.98	-1,178.22	1,225.19	-104%	Improvement in ratio is due to positive equity in line with the current year profit and new equity funds raised during the year.
5	Inventory Turnover Ratio (in times)	Cost of materials consumed	Closing Inventory	18.07	15.88	2.20	14%	No Major change
6	Trade Receivables turnover ratio (in times)	Credit Sales	Closing Trade Receivables	5.39	8.64	(3.25)	-38%	Increase in trade receivables compare to last year resulted in decrease in ratio during the year.
7	Trade payables turnover ratio (in times)	Credit Purchases	Closing Trade Payables	34.59	13.37	21.22	159%	Reduction in trade payable during the year and higher turnover compare to previous year has resulted in improvement in ratio.
8	Net capital turnover ratio (in times)	Sales	Net Working Capital	9.52	19.05	(9.53)	-50%	In line with increase in busiines current ratio has increased which is resulted into reduction in ratio.
9	Net profit ratio (in %)	Net Profits after taxes	Sales	4.14%	11.29%	(0.07)	-63%	Reduced profitability due to higher salary and other costs due to expansion
10	Return on Capital employed (in %)	Earnings before interest and taxes	Capital Employed	45%	130%	(0.85)	-65%	Reduced profitability and increased capital employed due to growth/expansion.

45 The Company has incorporated a wholly owned subsidiary named as Zaggle Technologies Limited ("ZTL"), a private Company in the United Kingdom on January 12, 2023, as a subscriber to the memorandum. ZTL had allotted 1 equity share of GBP 1 to the Company upon incorporation, such shares remained unpaid as of March 31, 2023. ZTL had not commenced any business, operations or activities since its incorporation and there were no transactions during the period January 12, 2023, to March 31, 2023.

The Company's Board of Directors on its meeting held on August 26, 2023 has decided to request ZTL to apply to the registrar of companies through its director, to strike off its name off the register in compliance with applicable provisions of the UK laws. Accordingly, the strike-off application was duly filed by ZTL on August 26, 2023.

For the purpose of consolidation, above subsidiary is considered as immaterial subsidiary and consolidation procedures done basis unaudited accounts of the subsidiary.

46 The standalone financial statements were approved by the Board of Directors and authorised for issue on August 29, 2023.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Amit Kumar Agarwal
Partner
Membership No: 214198

Y. Venkateswarlu
Partner
Membership No: 222068

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
PAN : BGCPG2893L

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

P R S V & Co. LLP

Chartered Accountants

202, Saptagiri Residency,

1-10-98/A, Chikoti Gardens, Begumpet,

Hyderabad - 500 016.

M S K A & Associates

Chartered Accountants

1101/B, Manjeera Trinity Corporate,

JNTU-Hitech City Road, Kukatpally,

Hyderabad- 500 072.

INDEPENDENT AUDITOR'S REPORT

To the Members of Zaggle Prepaid Ocean Services Limited
(Formerly known as Zaggle Prepaid Ocean Services Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Zaggle Prepaid Ocean Services Limited (Formerly known as Zaggle Prepaid Ocean Services Private Limited) (hereinafter referred to as the "Parent Company") and its subsidiary (Parent Company and its subsidiary together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules,2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2023, of consolidated profit, and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report and corporate governance but does not include the Consolidated financial statements and our auditor's report thereon. The Director's report has not been made available to us.

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

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

The Parent Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of Rs. 1 as at March 31, 2023, total revenues of Rs. Nil and net cash flows amounting to Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

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

   f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group, and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 29 to the consolidated financial statements.

      ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company incorporated in India.

      iv. (1) The respective Managements of the Parent Company whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or such subsidiary, to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (2) The respective Managements of the Parent Company has represented that, to the best of their knowledge and belief, no funds have been received by the Parent Company from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiary, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and according to the information and explanations provided to us by the Management of the Parent company in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

2. In our opinion, according to information, explanations given to us, the remuneration paid by the Group to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company, we report that there are no Qualifications/adverse remarks.

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 23222068BGTVXB6681

Place: Hyderabad
Date: August 29, 2023

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Kumar Agarwal
Partner
Membership No. 214198
UDIN: 23214198BGXCTA1027

Place: Hyderabad
Date: August 29, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF Zaggle Prepaid Ocean Services Limited (Formerly known as Zaggle Prepaid Ocean Services Private Limited)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 23222068BGTVXB6681

Place: Hyderabad
Date: August 29, 2023

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Kumar Agarwal
Partner
Membership No. 214198
UDIN: 23214198BGXCTA1027

Place: Hyderabad
Date: August 29, 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF Zaggle Prepaid Ocean Services Limited (Formerly known as Zaggle Prepaid Ocean Services Private Limited)

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Zaggle Prepaid Ocean Services Limited (Formerly known as Zaggle Prepaid Ocean Services Private Limited) on the consolidated Financial Statements for the year ended March 31, 2023

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls reference to consolidated financial statements of Zaggle Prepaid Ocean Services Limited (Formerly known as Zaggle Prepaid Ocean Services Private Limited) (hereinafter referred to as "the Parent Company").

In our opinion, and to the best of our information and according to the explanations given to us, the Parent Company has, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent Company are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent Company, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No. S200016

____
Y Venkateswarlu
Partner
Membership No. 222068
UDIN: 23222068BGTVXB6681

Place: Hyderabad
Date: August 29, 2023

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

____
Amit Kumar Agarwal
Partner
Membership No. 214198
UDIN: 23214198BGXCTA1027

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Consolidated Balance Sheet as at March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Particulars	Note	March 31, 2023
ASSETS		
Non-current assets		
Property, plant and equipment	3	23.48
Right-of-use assets	4	196.73
Intangible assets	5 (a)	68.90
Intangible asset under development	5 (b)	108.68
Financial assets		
(i) Investments	6	4.85
(ii) Other financial assets	7	14.69
Other non-current assets	8	29.77
Income-tax assets (net)	9	119.01
Deferred tax assets (net)	10	23.10
Total non-current assets		**589.21**
Current assets		
Inventories	11	0.97
Financial assets		
(i) Investments	6	12.32
(ii) Trade receivables	12	1,026.59
(iii) Cash and cash equivalents	13 (a)	195.89
(iv) Bank balances other than (iii) above	13 (b)	30.07
(v) Other financial assets	7	1.15
Other current assets	14	491.39
Total current assets		**1,758.38**
Total assets		**2,347.59**
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	15	92.22
Other equity	16	395.29
Total equity		**487.51**
LIABILITIES		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	17	513.29
(ia) Lease liabilities	4	158.65
Provisions	20	11.43
Total non-current liabilities		**683.37**
Current liabilities		
Financial liabilities		
(i) Borrowings	18	697.44
(ia) Lease liabilities	4	44.10
(ii) Trade payables	19	
- Total outstanding dues of micro and		9.63
- Total outstanding dues of creditors other than micro and small enterprises		82.56
Provisions	20	0.22
Other current liabilities	21	294.96
Current tax liabilities (net)	9	47.80
Total current liabilities		**1,176.71**
Total liabilities		**1,860.08**
Total equity and liabilities		**2,347.59**
Corporate information & significant accounting policies	1&2	

See accompanying notes forming part of the Consolidated Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Amit Kumar Agarwal
Partner
Membership No: 214198

Y. Venkateswarlu
Partner
Membership No: 222068

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Gran
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Consolidated Statement of Profit and Loss for the year ended March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Particulars	Note	For the year ended March 31, 2023
Revenues		
Revenue from operations	22	5,534.60
Other income	23	11.15
Total income		**5,545.75**
Expenses		
Cost of point redemption / gift cards		3,188.70
Consumption of cards	24	17.53
Employee benefits expense	25	435.83
Finance costs	26	113.77
Depreciation and amortisation expense	27	61.99
Other expenses	28	1,411.58
Total expenses		**5,229.40**
Profit before tax		**316.35**
Tax expenses		
Current tax	37	85.97
Deferred tax		1.37
Total tax expense		**87.34**
Profit after tax		**229.01**
Other comprehensive income		
Items that will not be reclassified subsequently to profit and loss		
Remeasurements of defined benefit liability		0.46
Deferred tax relating to these items		(0.12)
		0.34
Total comprehensive income		**229.35**
Earnings per share		
- Basic	31	2.48
- Diluted		2.46
Corporate information & significant accounting policies	**1&2**	

See accompanying notes forming part of the Consolidated Financial Statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Amit Kumar Agarwal
Partner
Membership No: 214198

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

Y. Venkateswarlu
Partner
Membership No: 222068

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Raj P Narayanam
Executive Chairman
DIN: 00410032

Hari Priya
Company Secretary
M No: A22232

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Consolidated Statement of Changes in Equity for the year ended March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

A. Equity share capital

	Note	No. of Shares	Amount
As at April 1, 2022		**1,80,000**	**1.80**
Add: Issued during the year	15	821	0.01
Before adjustment of sub-division of shares	15	**1,80,821**	**1.81**
Adjusted No.of shares after sub-division of equity shares	15	18,08,210	1.81
Issue of bonus shares	15	9,04,10,500	90.41
As at March 31, 2023		**9,22,18,710**	**92.22**

B. Other equity

Particulars	Note	Reserves and surplus			Other comprehensive income	Total
		Securities premium account	Retained earnings	Share Based Payment Reserve	Remeasurement of defined benefit obligations	
Balance at April 1, 2022		**115.73**	**(154.44)**	**-**	**1.33**	**(37.38)**
Profit for the year		-	229.01	-	-	229.01
Security premium from issue of equity shares	**15**	149.60	-	-	-	149.60
Other comprehensive income		-	-	-	0.34	0.34
Share-based payments	**42**	-	-	144.13	-	144.13
Issue of bonus shares		(90.41)	-	-	-	(90.41)
Balance at March 31, 2023		**174.92**	**74.57**	**144.13**	**1.67**	**395.29**

See accompanying notes forming part of the Consolidated Financial Statements.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Amit Kumar Agarwal
Partner
Membership No: 214198

Y. Venkateswarlu
Partner
Membership No: 222068

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Consolidated Statement of cash flows for the year ended March 31, 2023
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Particulars		For the year ended March 31, 2023
A. Cash flow from operating activities		
Profit before tax		316.35
Adjustments for :		
Depreciation and amortization expense		61.99
Interest expense		102.87
Interest expense on lease liabilities		10.90
Liabilities no longer required written back		(2.26)
Provision for / reversal of credit impaired trade receivables		(16.23)
Interest income		(4.16)
Equity-settled share-based payment transactions		144.13
Operating profit before working capital changes		**613.59**
Change in assets and liabilities		
(Increase) in trade receivables		(580.85)
Decrease in inventories		0.15
(Increase) in other financial assets		(12.67)
(Increase) in other assets		(284.41)
(Decrease) in trade payables and other financial liabilities		(12.90)
Increase in provision		3.83
Increase/ (Decrease) in other liabilities		150.67
Cash (used in) / generated from operations		**(122.59)**
Income taxes paid (net of refund)		(33.59)
Net cash (used in) / flow from operating activities	**A**	**(156.18)**
B. Cash flows from investing activities		
Purchase of Property, Plant and Equipment and intangible assets		(161.71)
Deposits placed having original maturity of more than 3 months, net		(1.07)
Share issue expenses		(61.65)
Purchase of investments		(22.17)
Interest received		3.47
Net cash used in investing activities	**B**	**(243.13)**
C. Cash flow from financing activities		
Proceeds from issue of equity shares		149.61
Proceeds from long term borrowings		500.00
Repayment of long term borrowings		(130.00)
Payment of lease liabilities		(24.66)
Proceeds from short term borrowings (net)		196.01
Interest paid		(102.87)
Net cash flow from / (used in) financing activities	**C**	**588.09**
Net increase/(decrease) in cash and cash equivalents	**A+B+C**	188.78
Cash and cash equivalents at the beginning of the year		7.11
Cash and cash equivalents at end of the year [Refer Note 13 (a)]		**195.89**

Note: Cash Flow Statement has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements. Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.

See accompanying notes forming part of the Consolidated Financial Statements.

As per our report of even date attached
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Amit Kumar Agarwal
Partner
Membership No: 214198

Y. Venkateswarlu
Partner
Membership No: 222068

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023

1 Corporate Information

Zaggle Prepaid Ocean Services Limited (formerly known as a Zaggle Prepaid Ocean Services Private Limited) ('the Parent Company' / 'Zaggle') is a B2B2C Fintech SaaS Company, which is a leading player in spend management, with a differentiated value proposition and diversified user base. The Company offers a diversified portfolio of SaaS, including tax and payroll software.

The Parent Company has been incorporated on June 2, 2011, under the provisions of the Companies Act, 1956 as a Private Limited Company. The Parent Company was converted into a public limited company under the Companies Act, 2013 on September 13, 2022 and consequently, the name was changed to "Zaggle Prepaid Ocean Services Limited". The registered office of the Parent Company is located at 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road, Hyderabad, Telangana -500081.

The Parent Company together with its subsidiary, hereinafter, collectively referred to as the 'Group'.

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of this Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation and measurement

(i) Statement of compliance & Basis for preparation

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the 'Act'), the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act.

The consolidated financial statements have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

(ii) Principles of Consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiary (from the date control is gained), being the entity that it controls. Control is evidenced where the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity's returns. The financial statement of subsidiary is prepared for the same reporting year as the parent company.
Subsidiary has been consolidated by combining like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated in preparing the consolidatedfinancial statements.

Changes in the Group’s equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.
When the Parent loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

The consolidated financial information of the Parent Company includes financial information of its subsidiary, consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'.
On January 12, 2023, the Parent Company has incorporated a wholly owned subsidiary with Company Number 14589213 in the name of – Zaggle Technologies Limited (‘the Subsidiary Company), domiciled in United Kingdom.

(ii) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group’s functional currency. All financial information presented in Indian rupees have been rounded-off to two decimal places to the nearest million except share data or as otherwise stated.

(iii) Basis of measurement

The financial information have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities : Measured at fair value
- Borrowings : Amortised cost using effective interest rate method
- Net defined benefit (asset)/ liability : Present value of defined benefit obligations less fair value of plan assets

(iv) Use of estimates and judgements

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

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 3, 4 and 5 - determining an asset’s expected useful life and the expected residual value at the end of its life.
- Note 12 – impairment of financial assets;
- Notes 29 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

- Note 34 – measurement of defined benefit obligations: key actuarial assumptions;

(v) Measurement of fair values

Accounting polices and disclosures require measurement of fair value for financial assets and financial liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 36 - Financial instruments

(vi) Current and non-current classification:

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets
An asset is classified as a current when it is:
- it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- it is expected to be realised within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
All other assets are classified as non current.

Liabilities
A liability is classified as a current when:
- it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- it is due to be settled within twelve months from the reporting date;
- it is held primarily for the purposes of being traded;
- the Group does not have an unconditional right to defer settlement of liability for atleast twelve months from the reporting date.
All other liabilities are classified as non-current.
Deferred tax assets/liabilities are classified as non-current.

Operating Cycle
Operating cycle is the time between the acquisition of assets for processing and realisation in cash or cash equivalents. The Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.2 Summary of significant accounting policies

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

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

Banks and corporates are considered as customers of the Group. Any amounts receivable from the customers on account of normal course of business is classified as trade receivable. Further advance received from customers against which cards are yet to be activated is disclosed as liability under advances from customers.

ii) **Propel platform revenue / Gift cards:**
Propel platform revenue from monetisation of platform is recognised on the basis of terms of the agreement with the respective customers.
The Group recognises revenue on completion of the Group performance obligation being met on redemption of propel points against catalogue of gift cards / vouchers.
The Group acts as a principal and accordingly consideration for the supplies is recognized on gross basis with corresponding cost of supplies being recorded as an expense. Revenue on sale of gift cards / vouchers is recognized only to the extent the Group's performance obligation is met, at the point in time on transfer of the control of the respective gift cards / vouchers to the customers.

iii) **Fees income / SaaS income:**
The Group earns fees income/SaaS income/service fees income from various activities including user fees, platform fees, customization fees etc. The fee income is recognised when the control in services have been transferred by the Group i.e., as and when services have been provided by the Group and the Group's performance obligation is met. This fee is recognised as income in accordance with the terms of the arrangement with the respective customers.

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

B. Borrowing cost
Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.

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

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

ii) Classification and subsequent measurement
Financial assets
All financial assets except Trade receivables are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.
Subsequent measurement: For the purpose of subsequent measurement, financial assets are categorised as under:
- Amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.
A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

− the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

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

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

Financial liabilities:

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

iii) Derecognition

Financial assets

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

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

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

iv) Offsetting

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

D. Property, plant and equipment

i) Recognition and measurement

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred. If an item of property, plant and equipment is purchased with deferred credit period from supplier, such asset is recorded at its cash price equivalent value.

ii) Depreciation

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

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

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

Asset category	Management estimate of useful life & Useful life as per Schedule II
Furniture and fixtures	10 years
Office equipment	5 years
Computers	3 years
Vehicles	8 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the statement of profit and loss.

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

E. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally developed intangibles are capitalized to the extent of direct cost related to the development of the respective intangible assets which mainly includes manpower cost. Intangible assets are amortized over the useful economic life assessed which ranges from 3-5 years and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets recognized in the restated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Asset category	Management estimate of useful life
R & R Software	3 - 4 years
Mobile Application	3 years
Software	3 - 5 years
Trademarks	5 years
Expense Management	4 - 5 years

F. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handing costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs necessary to make the sale.

G. Impairment of assets

i) **Impairment of financial instruments**

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

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses.

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

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

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

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

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

Measurement of expected credit losses

The Group applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:
i. Trade receivables
ii. Financial assets measured at amortised cost (other than trade receivables)
iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

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

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

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

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

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

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

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

ii) **Impairment of non-financial assets**

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

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

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

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

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

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

H. Employee benefits

(a) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services upto the end of the reporting period and are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme and other funds. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

(ii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by a qualified actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Compensated Absences: The Group has no policy of accumulation of compensated absences.

I. Leases

Lease contracts entered by the Group majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

Group as a Lessee:

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The Group used the following practical expedients when applying Ind AS 116 :
• Applied a single discount rate to a portfolio of leases with similar characteristics.
• Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term and leases of low value.
• Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
• Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Right of use asset: The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease Liability: The Group measures the lease liability at present value of the future lease payments at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate as at the commencement of lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

J. Income-tax

Income-tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

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

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

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

K. Provision, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised under finance costs. Expected future operating losses are not provided for. Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Contingent liabilities and contingent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise.

L. Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share sub-division.

If the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalisation, bonus issue or share sub-division, or decreases as a result of a reverse share sub-division, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the financial statements are approved for issue, the per share calculations for those and any prior period financial statements presented shall be based on the new number of shares.

M. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

N. Cash and cash equivalents

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

O. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

P. Business Combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of an entity is calculated as the sum of the acquisition-date fair values of assets transferred and liabilities incurred. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values. Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred, the amount recognized for non-controlling interests and fair value of any previous interest held, over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net of identifiable assets acquired and liabilities assumed is in excess of the aggregate mentioned above, the resulting gain on bargain purchase is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities.

Q. Recent accounting pronouncements:

The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standard) Amendment Rules, 2023 dated March 31, 2023 to amend certain Ind ASs which are effective from April 01, 2023. Below is a summary of such amendments:
(i) Disclosure of Accounting Policies - Amendment to Ind AS 1 Presentation of financial statements:

The MCA issued amendments to Ind AS 1, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023. The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(ii) Definition of Accounting Estimates – Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors:

The amendment to Ind AS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023. The amendments are not expected to have a material impact on the Group financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12 Income taxes:

The amendment to Ind AS 12, requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities.

at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:
- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.
Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Group is currently assessing the impact of the amendments.

(iv) The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN : U65999TG2011PLC074795)
Notes forming part of the consolidated financial statements
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

3 Property, plant and equipment

Description	Office Equipments	Furniture and Fixtures	Computers	Vehicles	Total
Cost as at April 1, 2022	**0.51**	**0.92**	**13.94**	**9.03**	**24.40**
Additions	1.16	0.39	9.12	-	10.67
Disposals	-	-	-	-	-
Cost as at March 31, 2023	**1.67**	**1.31**	**23.06**	**9.03**	**35.07**
Accumulated depreciation as at April 1, 2022	**0.19**	**0.07**	**3.51**	**0.86**	**4.63**
Depreciation for the year	0.10	0.11	5.57	1.18	6.96
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2023	**0.29**	**0.18**	**9.08**	**2.04**	**11.59**
Net carrying amount as at March 31, 2023	**1.38**	**1.13**	**13.98**	**6.99**	**23.48**

Note: Refer Note 17 & 18 for details of property, plant and equipment subject to charge on secured borrowings.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

4 Right of use assets and Lease Liabilities

Right of Use Assets

Description	Right of use assets (Buildings)
Cost as at April 1, 2022	**73.26**
Additions	163.86
Disposals	-
Cost as at March 31, 2023	**237.12**
Accumulated amortisation as at April 1, 2022	**18.11**
Amortisation for the year	22.28
Disposals	-
Accumulated amortisation as at March 31, 2023	**40.39**
Net carrying amount as at March 31, 2023	**196.73**

b. Lease Liabilities

(i) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Year ended March 31, 2023
Opening balance	**58.39**
Additions during the year	158.12
Disposal during the year	-
Accrual of interest	10.90
Payment of lease liabilities	(24.66)
Closing balance	**202.75**
Less: Current lease liabilities	44.10
Non Current lease liabilities	**158.65**

(ii) Payments recognised as expenses and income

Particulars	Year ended March 31, 2023
Short term leases and low value assets (Refer Note 28)	2.17
	2.17

(iii) Contractual maturities of lease liabilities on undiscounted basis as at:

Particulars	March 31, 2023
Less than one year	50.12
One to five years	203.48
More than five years	5.34
	258.94

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

5 a. Intangible Assets

Description	R&R software	Mobile application	Software	Trade Mark	Expense Management	Total
Cost as at April 1, 2022	**19.93**	**18.12**	**3.90**	**1.75**	**46.70**	**90.40**
Additions	-	-	-	-	57.36	**57.36**
Disposals	-	-	-	-	-	-
Cost as at March 31, 2023	**19.93**	**18.12**	**3.90**	**1.75**	**104.06**	**147.76**
Accumulated amortisation as at April 1, 2022	**10.14**	**18.12**	**1.60**	**0.21**	**16.04**	**46.11**
Amortisation for the year	3.35	-	2.30	0.64	26.46	**32.75**
Disposals	-	-	-	-	-	-
Accumulated amortisation as at March 31, 2023	**13.49**	**18.12**	**3.90**	**0.85**	**42.50**	**78.86**
Net carrying amount as at March 31, 2023	**6.44**	**-**	**-**	**0.90**	**61.56**	**68.90**

b. Intangible Asset under development

Particulars	**March 31, 2023**
Zoyer Application under development*	108.68

* Project execution plans are reviewed periodically on the basis of Management judgement and estimates w.r.t future business, technological development/economy/ industry and the project is assessed as per periodic plans.

Ageing - Intangible Asset under development

Project in progress	**Amount in intangible assets under development for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
As at March 31, 2023	93.68	15.00	-	-	108.68

Note: Refer Note 17 for details of Intangible assets subject to charge on secured borrowings.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

6 Investments

	March 31, 2023
Non-current	
Investment in quoted mutual funds (carried at fair value through profit and loss) [Refer Note (c) below]	
ICICI Prudential Liquid Fund - Growth - 6,947.59 units of Rs. 323.85 each	2.30
ICICI Prudential Money Market Fund - Growth - 3,183.43 units of Rs. 314.11 each	1.02
Kotak Liquid Regular Growth - 339,027 units of Rs. 4,424.20 each	1.53
Total non-current investments	4.85
Current	
Investment in quoted mutual funds (carried at fair value through profit and loss)	
ICICI Prudential Money Market Fund - Growth - 35,186.110 units of Rs. 321.13 each	11.30
HDFC Money Market Fund - Regular Plan - Growth - 210.993 units of Rs. 4,739.25 each	1.02
Total current investments	12.32
Notes:	
(a) Aggregate value of quoted investments	17.17
(b) Change in fair value of the investments during the year	0.12
(c) Refer Note 17 for details of investments subject to charge on secured borrowings.	

7 Other financial assets (at amortised cost)

(Unsecured considered good)	March 31, 2023
Non-current	
Security deposits	13.36
Other deposits	1.33
	14.69
Current	
Interest accrued on deposits with banks	1.15
	1.15

8 Other non-current assets

	March 31, 2023
(Unsecured, Considered good)	
a. Capital advance	21.38
b. Balance with government authorities	3.39
c. Advance towards purchase of investments	5.00
	29.77

9 Non-Current: Income-tax assets (Net)

	March 31, 2023
Advance tax including tax deducted at source (Net of provision)	119.01
Provision for tax (Net of Advance tax and tax deducted at source)	(47.80)
	71.21

10 Deferred tax assets (net)

	March 31, 2023
Depreciation / amortisation	2.76
Provision for employee benefits	2.93
Provision for credit impaired balances	14.49
Right of use assets (net of lease liability)	1.52
Others	1.40
	23.10

11 Inventories

(Valued at lower of cost or net realisable value)	March 31, 2023
Card inventory	0.97
	0.97

Note: Refer Note 17 & 18 for details of inventory subject to charge on secured borrowings.

12 Trade receivables

	March 31, 2023
Trade receivables	
Unsecured	
-Considered good	1,026.59
-Credit Impaired	57.56
	1,084.15
Less-Allowance for credit impaired trade receivables [Refer Note (f) below]	(57.56)
	1,026.59

Notes:

a) No trade or other receivable are due from directors or other officers of the Group.

b) Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

c) Trade receivables amounting to Rs. 835.62Mn [as at March 31, 2022: 490.37 Mn] is due from Group who represents more than 5% of the total balance of the trade receivables.

(d) Refer Note 17 & 18 for details of trade receivables subject to charge on secured borrowings.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

e. Trade Receivables ageing schedule:
As at March 31, 2023

Particulars	Not Due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	688.48	259.82	77.45	0.84	-	-	1,026.59
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	57.56	57.56
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**688.48**	**259.82**	**77.45**	**0.84**	**-**	**57.56**	**1,084.15**

f. Movement in the impairment loss on credit impaired trade receivables

	Year ended March 31, 2023
Opening balance	73.79
Credit loss added	-
Written off during the year	-
Reversal during the year	(16.23)
Closing balance	**57.56**

13 Cash and bank Balances

	March 31, 2023
(a) Cash and cash equivalents	
Cash on hand	0.00
Balances with banks	
- in current accounts (Refer Note below)	195.89
	195.89

Note: The Parent Company is a program manager for various programs of the banks for its prepaid cards and accordingly banks maintain the pool accounts for these prepaid card program where funds are held. These accounts are opened primarily for settlement and collection activities with respect to operations facilitated by the Parent Company. Accordingly, the balance in the aforesaid bank accounts are not included in 'Balance with Banks' above as these are not owned or contractually available for use by the Parent Company and set aside for settlement of usage by the Company's pre-paid card customers.

(b) Bank balances other than Cash and Cash equivalents :	**March 31, 2023**
- Deposits with remaining maturity less than 12 months:	
- Margin money deposits (Refer Note below)	9.00
- Deposits under lien (Refer Note below)	21.07
	30.07

Note : Represents deposits held as margin money/commitment with the banks

14 Other current assets

	March 31, 2023
Advance to suppliers	81.98
Advances to employees	3.00
Prepaid cards with loading	344.76
Balance with government authorities	-
Share issue expenses*	61.65
Others	-
	491.39

* During the year ended March 31, 2023, the Parent Company has incurred share issue expenses in connection with proposed public offer of equity shares of which Rs. 61.65 Mn is accounted for various services received for Initial Public Offer. In accordance with the Companies Act, 2013 ("the Act") and also as per the Offer Agreement entered between the Parent Company and the selling shareholders, the selling shareholders shall reimburse the share issue expenses in proportion to the respective shares offered for sale. Accordingly the Parent Company will partly recover the expense incurred in connection with the issue on completion of the Initial Public Offer (IPO). The Parent Company's share of expenses shall be adjusted against securities premium to the extent permissible under section 52 of the Act on successful completion of the IPO. The entire amount has been carried forward and disclosed under the head 'Share issue expenses' under 'Other current assets; (to the extent of not written off or adjusted).The amount which is receivable from the selling shareholders is not disclosed separately as the amount is not determinable at this stage pending completion of the IPO.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

15 Equity Share capital

	March 31, 2023
Authorized share capital	
12,00,00,000 Equity Shares of Rs. 1 Each	120.00
Issued, subscribed and paid up	
92,218,710 Equity Shares of Rs. 1 Each	92.22
	92.22

Notes:

i) Reconciliation of Authorised share capital at the beginning and at the end of the reporting year:

	March 31, 2023	
Particulars	**No. of Shares**	**Amount in Rs.**
Outstanding at the beginning of the year	51,03,785	51.04
Add: Increase in Authorised Capital	68,96,215	68.96
Before adjustment of sub-division of shares	1,20,00,000	120.00
Adjusted No.of shares on Account of sub-division of equity shares [Refer Note (iii) below]	12,00,00,000	120.00

ii) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

	March 31, 2023	
Particulars	**No. of Shares**	**Amount in Rs. Million**
Outstanding at the beginning of the year	1,80,000	1.80
Add: Issue during the year	821	0.01
Before adjustment of sub-division of shares	1,80,821	1.81
Adjusted No.of shares on account of sub-division	18,08,210	1.81
Add: Issue of bonus share during the year	9,04,10,500	90.41
	9,22,18,710	92.22

iii) Shareholders vide the Extra-ordinary general meeting dated July 27, 2022, have approved the following :

a. Increase in Authorized Share Capital of the Parent Company from Rs. 51.04 Mn divided into 51,03,785 Equity Shares of Rs.10/- each to Rs. 120.00 Mn divided into 1,20,00,000 Equity Shares of Rs.10/- each, by creation of 68,96,215 Equity Shares of Rs.10/- each, ranking pari passu with the existing Equity Shares of the Parent Company.

b. Sub-division of the Authorised Share Capital consisting of 1,20,00,000 equity shares of the Parent Company having face value of Rs. 10 each into 12,00,00,000 equity shares of face value of Rs. 1 each w.e.f., July 27, 2022, without altering the aggregate amount of the same.

c. Further, the issued, subscribed and paid-up share capital consisting of 1,80,821 equity shares of the Parent Company having face value of Rs. 10 each shall stand sub-divided into 18,08,210 equity shares having face value of Rs. 1 each w.e.f., July 27, 2022 without altering the aggregate amount of such capital and shall rank pari passu in all respects and carry the same rights as to the existing fully paid-up equity shares of ₹ 10 each of the Parent Company.

d. Issue of fully paid bonus shares of Rs.1 each in proportion of 50 equity shares for every 1 existing equity share by capitalizing a sum of Rs. 90.41 Mn from the Securities Premium account available with the Parent Company.

iv) Rights, preferences and restrictions attached to equity shares of Rs. 1 each , fully paid up:

The Parent Company has only one class of equity shares having par value of Rs.1 per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

v) Shares held by shareholders holding more than 5% in the Company as at

	March 31, 2023	
Name of Shareholder	**No. of Shares**	**% Holding**
Raj P Narayanam	4,76,85,000	51.71%
Ventureast Proactive Fund LLC	58,70,100	6.37%
Avinash Ramesh Godkhindi	91,80,000	9.95%
Zuzu Software Services Pvt Ltd	1,74,76,992	18.95%

vi) Shareholding of promoters

	March 31, 2023	
Name of promoter	**No. of Shares**	**% Holding**
Raj P Narayanam	4,76,85,000	51.71%
Avinash Ramesh Godkhindi	91,80,000	9.95%

vii) As at March 31, 2023, 24,23,369 equity shares of Rs. 1 each of the Parent Company reserved for issue under employee share option plans.

16 Other equity

	March 31, 2023
Securities premium [Refer Note (i) below]	174.92
Retained earnings [Refer Note (ii) below]	74.57
Other comprehensive income [Refer Note (iii) below]	1.67
Employee stock options outstanding reserve [Refer Note (iv) below]	144.13
Total other equity	**395.29**

Notes:

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

(i) Securities premium

	March 31, 2023
Balance at the beginning of the year	115.73
Add : Scheme of Arrangement	
- Security premium on business combination (Refer Note 33)	-
- Security premium on issue of equity shares	149.60
Less: Issue of bonus equity shares [Refer Note 15 - sub note (iii)]	(90.41)
Balance at the end of the year	174.92

Note: Security premium represent the amount received in excess of the face value of the equity shares. The utilisation of the security premium reserve is governed by the section 52 of the Act.

(ii) Retained earnings

Balance at the beginning of the year	(154.44)
Add: Profit for the year	229.01
Add : Scheme of Arrangement (Refer Note 33)	
- Retained Earnings from business combination	-
- Amalgamation Adjustment Deficit Account	-
Balance at the end of the year	**74.57**

Note: Retained earnings represent the cumulative undistributed profits of the Parent Company and can be utilised in accordance with the provisions of the Act.

(iii) Other comprehensive income (OCI)

Other items of OCI

Remeasurement of defined benefit obligations (liability net of tax)	
Balance at the beginning of the year	1.33
Add: Changes during the year	0.34
Balance at the end of the year	1.67

Note: The reserve represent the actuarial gain/(loss) recognised on the defined benefit plan and will not be transferred to retained earnings.

(iv) Employee stock options outstanding reserve

Balance at the beginning of the year	-
Add: Changes during the year	144.13
Balance at the end of the year	144.13

Note: Employee stock option reserve related to share option granted by the Company under its employee share option plan. These will be utilised on exercise of the under lying option.

17 Long term borrowings (at amortised cost)

	31 March 2023
Secured	
Non-cumulative redeemable non-convertible debentures [Refer Note (i) below]	495.84
Term loans	
- from banks [Refer Note (ii) below]	187.50
- from vehicle loans [Refer Note (iv) below]	4.18
Property loan	
- from bank [Refer Note (iii) below]	12.13
Unsecured	
Deferred payables [Refer Note below (v) below]	310.40
Less : Current maturities of long term borrowings [Refer Note: 18]	(496.76)
Total	**513.29**

Details of terms and security in respect of the long-term borrowings:

(i) Term Loan from bank:

Term loan from bank amounting to Rs. 187.50 Mn carries interest of Repo rate + 3.5% (presently 10% p.a.) and is repayable in 60 monthly instalments of Rs. 4.17 Mn each excluding interest beginning from January 2022. The Term loan along with Overdraft facility as below are jointly secured by way of exclusive charges on the current assets of the Parent Company including trade receivables and inventories. The loans are collaterally secured by way of exclusive charge on the immovable properties being commercial property and Residential property, both, belonging to other body corporate. The loans are further secured by way of Corporate Guarantee extended by the said body corporate.

(iii) Property Loan:

Property loan taken from bank amounting to Rs. 12.13 Mn carries interest at Repo rate + spread of 2.9% (Presently 6.90% p.a) and is repayable in 195 equated monthly instalments of Rs. 0.12 Mn each beginning from August 2021. The loan is secured by way of mortgage of property, which is yet to be registered in the name of the Parent Company. Advance given for purchase of property is grouped under non current assets (Refer Note 8).

(iv) Vehicle Loans

Vehicle loans from bank amounting to Rs. 5.24 Mn carry interest rate of 7.8% to 8.25% p.a and are repayable in 60 equated monthly instalments. The said loans are secured by way of hypothecation of vehicles purchased.

(v) Deferred payables:

Deferred payables amounting to Rs. 310.40 Mn are repayable in five instalments starting with March 2022 and ending in December 2023 and carries interest rate of 11% p.a. which is payable along with last instalment. As at reporting date March 31, 2023, two of such instalments are pending.

vi. The Parent Company has utilised the loans borrowed during the year for the purpose for which it is obtained as mentioned in the borrowing agreements.

vii. The Group is not declared as a wilful defaulter by any bank and financial institution or other lender the any reporting year.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

18 Short-term borrowings

	March 31, 2023
Secured	
Overdraft from bank (Refer Note below)	200.68
Current maturities of long term borrowings (Refer Note: 17)	496.76
	697.44

Details of terms and security in respect of the short-term borrowings:

Overdraft Facility taken during the year from ICICI bank amounting to Rs. 200.68 Mn carries interest of Repo rate + 3.1% (presently 9% p.a.) and is repayable on demand. The Overdraft facility along with term loan as above are jointly secured by way of exclusive charge on the current assets of the Parent Company including trade receivables and inventories. The loans are collaterally secured by way of exclusive charge on the immovable properties being commercial property and Residential property, both, belonging to other body corporate. The loans are further secured by way of Corporate Guarantee extended by the said body corporate.

19 Trade payables

	March 31, 2023
Trade payables	
- Total outstanding dues of micro and small enterprises [Refer Note: 35]	9.63
- Total outstanding dues of creditors other than micro and small enterprises	82.56
	92.19

Trade payables are non-interest bearing and are normally settled in 30-90 days terms.

Trade payables ageing schedule
As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	9.63	-	-	-	9.63
(ii) Others	82.30	0.26	-	-	82.56
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-
	91.93	**0.26**	**-**	**-**	**92.19**

20 Provisions

	March 31, 2023
Provision for employee benefits	
Provision for gratuity (Refer Note 34)	
Non-current	11.43
Current	0.22
	11.65

21 Other current liabilities

	March 31, 2023
Advances from customers	127.92
Client redemption liability	17.65
Statutory liabilities	125.73
Others	23.66
	294.96

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

22	**Revenue from operations**	**For the year ended March 31, 2023**
	Revenue from contracts with customers (Refer Note 39)	
	Program fee	1,694.53
	Propel platform revenue / gift cards	3,597.75
	Platform fee / saaS fee / service fee	242.32
		5,534.60

23	**Other income**	**For the year ended March 31, 2023**
	Interest income on deposit with banks	3.70
	Interest on income-tax refund	-
	Liabilities no longer required written back	2.26
	Net gain on financial assets designated on FVTPL	0.46
	Miscellaneous income	4.73
		11.15

24	**Consumption of cards**	**For the year ended March 31, 2023**
	Opening stock of cards	1.12
	Purchase of cards	17.38
	Less: Inventory written off	-
	Less: Closing stock of cards	(0.97)
		17.53

25	**Employee benefits expense**	**For the year ended March 31, 2023**
	Salaries, wages & bonus	277.50
	Contribution to provident fund	5.71
	Staff welfare	3.74
	Gratuity	4.75
	Employee stock option plan	144.13
		435.83

26	**Finance costs**	**For the year ended March 31, 2023**
	Interest on term loans	31.75
	Interest on debentures	23.40
	Amortised cost on deferred payables	31.16
	Interest on lease liability	10.90
	Interest on statutory dues i.e. income tax, GST	15.31
	Fair value of corporate guarantee	1.25
		113.77

27	**Depreciation and amortisation expense**	**For the year ended March 31, 2023**
	Depreciation of tangible assets	6.96
	Amortisation of intangible assets	32.75
	Amortisation of right-to-use assets	22.28
		61.99

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

28 Other expenses

	For the year ended March 31, 2023
Call centre & software support charges	121.61
Office rent	2.17
Electricity expenses	3.68
Repairs & maintenance	2.87
Provision for / Reversal of credit impaired trade receivables	(16.23)
Office maintenance	7.10
CSR expense [Refer Note (ii) below]	4.64
Rates & taxes	0.55
Network charges	23.30
Legal & professional consultancy charges	31.55
Advertisement & business promotion	200.64
Incentive / cash back	1,002.01
Courier charges	6.40
Advances written off	3.53
Telephone expenses	1.36
Traveling expenses	8.38
Auditors remuneration [Refer Note (i) below]	2.35
Bank charges	0.47
Inventory written off	-
Miscellaneous expenses	5.20
	1,411.58

Note (i) Auditors remuneration:
The following is the breakup of Auditors remuneration (exclusive of indirect taxes)

Particulars	**For the year ended March 31, 2023**
As auditor	
- Statutory audit	2.25
In other capacity	
- Special Purpose Audit -June 2022*	1.30
- Tax audit and other matters	0.10
	3.65

*included in share issue expense (Refer Note 14)

Note (ii) Details of Corporate social responsibility (CSR) expenditure:

Particulars	**31 March 2023**
(i) Gross amount required to be spent by the Parent Company during the year	**4.64**
(ii) Amount spent during the year (in cash)	
- construction/ acquisition of any asset	-
- on purpose other than above	-
(iii) (Shortfall) / Excess at the end of the year	**(4.64)**
(iv) Total of previous years shortfall	-
(v) Details of related party transactions	-
(vi) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	
Opening provision	-
Addition during the year	-
Utilisation	-
Closing provision	-

(vii) Reason for shortfall:
Subsequent to year end before April 30, 2023 the Parent Company has spent short fall of CSR expenditure as at March 31, 2023 in an ongoing project.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

29 Contingent liabilities and commitments

(a) Contingent Liabilities:

Particulars	March 31, 2023
Disputed Service Tax *	24.73

*During the year 2019-20, the Parent Company had received a show cause notice towards service tax demand amounting to Rs. 272.04 Mn charged on the face value of sale of its prepaid cards/ Gift vouchers etc. The Parent Company has filed appeals before the Commissioner of Central tax, Hyderabad against the aforsaid demand. In the month October 2022, the Parent Company received an order dated March 30, 2022 from Commissioner of Central tax, Hyderabad dropping demand amounting to Rs. 259.75 Mn and upheld the demand amounting to Rs. 12.29 Mn and further imposed a penalty and late fee for Rs. 12.44 Mn. The Parent Company has further filed a appeal against the the said demand before CESTAT and amount paid under protest Rs. 3.30 Mn.

The Parent Company, based on its legal assessment does not believe that any of the pending claims require a provision as at the balance sheet date, as the likelihood of the probability of an outflow of resources at this point of time is low.

(b) Capital commitments

Particulars	March 31, 2023
Unexecuted capital orders to the extent not provided for	-
Investment commitment	5.00

30 Related party disclosures

(a) Names of related parties and related party relationship

Name of the Related Party	Nature of Relationship
Key Managerial Persons:	
Raj P Narayanam	Director - Executive Chairman
Avinash Ramesh Godkhindi	Managing Director & Chief Executive Officer
Vidya Niwas Khetawat	Chief Financial Officer [w.e.f. Dec 10, 2021, upto Aug 25, 2022]
Hari Priya	Company Secretary [wef Jan 18, 2022]
Venkata Aditya Kumar Grandhi	Chief Financial Officer [w.e.f. Aug 25, 2022]
Abhay Deshpande Raosaheb	Independent Director [w.e.f. Aug 22, 2022]
Aravamudan Krishna Kumar	Independent Director [w.e.f. Sep 26, 2022]
Arun Vijaykumar Gupta	Independent Director [w.e.f. Sep 26, 2022]
Prerna Tandon	Independent Director [w.e.f. Sep 26, 2022]
Other Related Parties	
Vinita Raj Narayanam	Relative of Key Managerial Person

(b) Transactions with related parties

Particulars	As at/For the year ended March 31, 2023
(i) KMPs Remuneration:	**28.03**
Raj P Narayanam	10.20
Avinash Ramesh Godkhindi	8.20
Vidya Niwas Khetawat	2.44
Hari Priya	3.70
Venkata Aditya Kumar Grandhi	3.49
(ii) Purchase of Investment:	
Vinita Raj Narayanam	-
(ii) Repayment of loan	
Raj P Narayanam	-
(c) Balance with with related parties	Nil

31 Earnings per share (EPS)

Basic earnings per share amounts is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share amounts is calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

Particulars	March 31, 2023
Earnings	
Profit after tax for the year attributable to equity shareholders	229.01
Shares	
Original Number of Equity Shares (post sub-division) (Refer note 15)	18,08,210
Add: Impact of Bonus Issue (Refer note 15)	9,04,10,500
Weighted Average Number of Equity Shares	
For calculating Basic EPS	9,22,18,710
Effect of dilution:	
- On account of - ESOP	7,32,696
Weighted average number of equity shares for Diluted EPS	9,29,51,406
Earnings Per Share	
(Face Value Rs. 1 per share)	
Basic (Rs.)	2.48
Diluted (Rs.)	2.46

32 Segment Reporting

The Group's operating business are organised and managed according to nature of Products and services provided. This assessment resulted in identification of (a) Programe Fee (b) Platform Fee/Saas Fee/Service fee; (c) Propel platform revenue / Gift Cards as separate lines of business activities at Revenue level, by the Chief Operating Decesion Maker (CODM). However, since the Group does not allocate common operating costs, assets and liabilities across business activities, as per the assessment undertaken by CODM, the allocation resources and assessment of the financial performance is undertaken at the Company level.

a. Segment wise revenue information:

Revenue from Customers	March 31, 2023
Program fee	1,694.53
Platform fee / saaS fee / service fee	242.32
Propel platform revenue / gift cards	3,597.75
Total	**5,534.60**

b. Geographical Segment information:

The Group has whole revenues from customers domiciled in India.

Revenue from Customers	March 31, 2023
With in India	5,502.67
Outside india	31.93
Total	**5,534.60**

c. Information about major customers (from external customers)

During the year the Group has derived revenue from 3 customers (March 31, 2022: 2) totalling to Rs. 2,878.89 Mn (March 31, 2022: Rs. 1,877.38 Mn) which amounts to 10% or more of its total revenue.

33 Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006"

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006: The amount due to Micro and Small Enterprises as defined in the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro, Small and Medium Enterprises are as under:

	As at March 31, 2023
(i) Principal amount remaining unpaid to supplier at the end of the year	9.63
(ii) Interest due thereon remaining unpaid to supplier at the end of the year	-
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-
(v) Interest paid to suppliers under MSMED Act (Section 16)	-
(vi) Interest due and payable to suppliers under MSMED Act, for payments already made	-

(vii)Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

34. Employee benefits

a) Defined Contribution Plan

Provident Fund:

Contributions were made to provident fund and Employee State Insurance in India for the employees of the Parent Company as per the regulations. These contributions are made to registered funds administered by the Government of India. The obligation of the Parent Company is limited to the amount contributed and it has no further contractual nor any other constructive obligation.

b) Defined Benefit Plan

Gratuity:

The Parent Company provides Gratuity for employees in India as per the Payment of Gratuity Act, 1972. All employees are entitled to gratuity benefits on exit from service due to retirement, resignation or death. There is a vesting period of 5 years on exits due to retirement or resignation. There is a limit of Rs. 20,00,000 on the gratuity payable to an employee. This defined benefit plans expose the Parent Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The present value of the defined benefit obligation and the relevant current service cost are measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance sheet date.

c) Amounts Recognised as Expense:

i) Defined Contribution Plan

Employer's Contribution to Provident Fund amounting to Rs. 5.71 Mn has been included in Note 25 under Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to Rs. 4.75 Mn has been included in Note 25 under gratuity. The Parent Company's gratuity plan is unfunded.

d) Amounts recognised in the Financial statements as at year end for Gratuity provision are as under:

		March 31, 2023
i)	**Change in Present Value of Obligation**	
	Present value of the obligation at the beginning of the year	7.36
	Current service cost	4.20
	Interest cost	0.54
	Actuarial (Gain)/Loss on Obligation- Due to Change in Financial Assumptions	(0.74)
	Actuarial (Gain) / Loss on Obligation- Due to Experience Adjustments	0.28
	Present value of the obligation at the end of the year	11.64
ii)	**Bifurcation of present value of Benefit obligation**	
	Current- Amount due within one year	0.22
	Non-current- Amount due after one year	11.42
	Total	11.64
iii)	**Expected benefit payments in future years**	
	Year 1	0.22
	Year 2	0.51
	Year 3	0.50
	Year 4	0.48
	Year 5	3.64
	Year 6 to Year 10	1.13
iv)	**Sensitivity Analysis**	
	Discount Rate - 1 percent increase	10.57
	Discount Rate - 1 percent decrease	12.92
	Salary Escalation Rate - 1 percent increase	12.93
	Salary Escalation Rate - 1 percent decrease	10.53
	Withdrawal Rate - 1 percent increase	11.89
v)	**Amounts Recognised in the Balance sheet:**	
	Present value of Obligation at the end of the year	11.64
	Fair value of Plan Assets at the end of the year	-
	Net Liability recognised in the Balance Sheet	**11.64**
vi)	**Amounts Recognised in the Statement of Profit and Loss:**	
	Current service cost	4.20
	Net interest on net defined Liability	0.55
	Expenses recognised in Statement of Profit and Loss	**4.75**
vii)	**Recognised in other comprehensive income for the year**	
	Actuarial (Gains) / Losses on Liability	(0.46)
	Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above	-
	Recognised in other comprehensive income	**(0.46)**
viii)	**Actuarial Assumptions**	
	i) Discount Rate	7.40%
	Based on yields (as on valuation date) of Government Bonds with a tenure similar to the expected working lifetime of the employees.	
	ii) Salary Escalation Rate	5.00%
	based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market. This assumption has been determined in consultation with the Company.	
	iii) Retirement Age	58
	iv) Attrition Rate	1% to 5%
	v) Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

35 Financial instruments

A. Financial instruments by category	Note No.	Fair value level	March 31, 2023
Financial assets			
Non current			
(i) Investments	6	Level 1	4.85
(ii) Other financial assets	7	Level 2	14.69
Current			
(i) Investments	6	Level 1	12.32
(ii) Trade receivables	12	Level 2	1,026.59
(iii) Cash and cash equivalents	13 (a)	Level 2	195.89
(iv) Bank balances other than (iii) above	13 (b)	Level 2	30.07
(v) Other financial assets	7	Level 2	1.15
Total financial assets			**1,285.56**
Financial liabilities			
Non current			
(i) Borrowings	17	Level 2	513.29
(ii) Lease liabilities	4	Level 2	158.65
Current			
(i) Borrowings	18	Level 2	697.44
(ii) Current lease liabilities	4	Level 2	44.10
(iii) Trade payables	19	Level 2	92.19
Total financial liabilities			**1,505.67**

Note: The Group has not disclosed the fair values for financial instruments such as short-term trade receivables or short-term trade payables because their carrying amounts are a reasonable approximation of fair values.

Note 1: For the purpose of above abbreviations, FVTOCI - Fair value through other comprehensive income; amortised cost - fair value through amortized cost.

Note 2: Other financial assets and liabilities relate to level 3 financial instruments where the carrying value reasonably approximates to their fair value.

B. Financial risk management

The Group activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, security deposits and bank deposits.	Ageing analysis. Credit score of customers/ entities.	Monitoring the credit limits of
Liquidity risk	Borrowings	Cash flow forecasts managed by finance team under the overview of Senior Management.	Working capital management by Senior

The Group risk management is carried out by the Senior Management under policies approved by the Board of Directors. The Board of Directors provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

Risk management framework

The board of directors have overall responsibility for the risk management framework. The board of directors are responsible for developing and monitoring the risk management policies. The board of directors monitors the compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The risk management policies are to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

A. Credit risk

i. Credit risk management

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments. The carrying amounts of financial assets represent the maximum credit risk exposure.

ii. Provision for Expected credit loss

The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to Rs. 57.56 Mn (March 31, 2022: Rs. 73.79 Mn). The movement in allowance for credit loss in respect of trade receivables during the year was as follows:

Allowance for credit losses	Year ended 31 March 2023
Opening balance	73.79
Credit loss added	-
Written off during the year	-
Reversal during the year	(16.23)
Closing balance	**57.56**

Credit risk on cash and cash equivalent is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

B. Liquidity risk

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

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities:

As at March 31, 2023

Particulars	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Long-term borrowings (excluding current maturities)	513.29	-	566.87	10.22	577.09
Lease liabilities	202.75	50.12	203.48	5.34	258.94
Short-term borrowings	697.44	697.44	-	-	697.44
Trade payables	92.19	91.93	0.26	-	92.19
Total	**1,505.67**	**839.50**	**770.61**	**15.56**	**1,625.67**

The Group has secured loans from bank that contain loan covenants. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table.

C. Market risk

(i) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Particulars	March 31, 2023
Variable rate borrowings	187.50
Fixed rate borrowings	326.71

(ii) Sensitivity

Particulars	For the year 31 March 2023
Sensitivity	
1% increase in variable rate	(1.88)
1% decrease in variable rate	1.88

D. Currency risk

The Group does not have material revenues/assets denominated in foreign exchange and hence Company is not subject to foreign currency fluctuation.

36 Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to equity shareholders.

The debt to adjusted capital ratio at the end of the reporting period was as follows:

	31 March 2023
Total Debt (Refer Note 17 and 18)	1,210.73
Less : cash and cash equivalents and bank balances	225.96
Adjusted net debt	984.77
Total equity	**487.51**
Adjusted net debt to adjusted equity ratio	**2.02**

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

37 Income Taxes

Components of income-rax expense

		For the year ended March 31, 2023
	Tax expense recognised in the Statement of Profit and Loss	
A.	**Current tax**	
	Current year	85.97
	Total	**85.97**
B.	**Deferred tax**	
	Origination and reversal of temporary differences	1.37
	Total	**1.37**
	Total	**87.34**
C.	**Tax on Other Comprehensive Income**	
	Deferred tax	
	Origination and reversal of temporary differences - OCI	(0.12)
	Total	**(0.12)**

Tax assets / liabilities (net)

		March 31, 2023
D.	Advance tax (net of provision for tax)	119.01
E.	Provision for tax (net of advance payment of taxes)	(47.80)
		71.21

Deferred tax assets (net)

		March 31, 2023
F.	Deferred tax asset	23.10
G.	Deferred tax liability	-
	Deferred tax asset (net)	**23.10**

H. Reconciliation of tax expense and the Accounting Profit

The Income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended March 31, 2023
Profit before income taxes	316.35
Indian statutory income tax rate	25.17%
Expected Income Tax Expense	80.00
Tax effect of losses of earlier years set off against profits	-
Tax effect of expenditure disallowed under income tax	10.43
Others	(3.09)
Total income tax expense	**87.34**

Movement during the year ended March 31, 2023	**As at 1 April 2022**	**Credit/(charge) in the Statement of Profit and Loss**	**Credit/(charge) in OCI**	**As at 31 March 2023**
Deferred tax assets/(liabilities)				
Depreciation/amortisation of Property, plant and equipment	1.19	1.57	-	2.76
Provision for employee benefits	1.50	1.55	(0.12)	2.93
Provision for doubtful receivables	18.57	(4.08)	-	14.49
Right of use assets (net of lease liability)	0.75	0.77	-	1.52
Others	2.58	(1.19)	-	1.40
Total	**24.59**	**(1.38)**	**(0.12)**	**23.10**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

38 Revenue from contract with customers

Disaggregated revenue information

Set out below is the disagreegation of the Group's revenue from contract with customers:

Particulars	**For the year ended March 31, 2023**
Income from Platform and gift card	3,597.75
Income from Program fee and SaaS fee	1,936.85
	5,534.60
Within India	5,502.67
Outside India	31.93
	5,534.60
Timing of revenue recognition	
Services transferred over time	1,936.85
Goods transferred at a point of time	3,597.75
Total revenue from contracts with customers	**5,534.60**
Reconciliation of revenue recognised with the contracted price is as follows:	
Contract price	5,534.60
Less: Discounts and disallowances	-
Total revenue from contracts with customers	**5,534.60**

Contract balances

Particulars	**March 31, 2023**
Trade receivables	1,026.59
Contract assets	-
Contract liabilities	-

39 The Group did not have any long term contracts including derivative contracts for which there were any material foreseeble losses. The Group does not have any unhedged foreign currency exposure as at reporting date.

40 Subsequent Events

Shareholders vide the Extra-ordinary general meeting dated August 11, 2023, have approved the following:

a. Increase in Authorized Share Capital of the Parent Company from Rs. 120.00 Mn divided into 12,00,00,000 Equity Shares of Rs. 1/- each to Rs. 150.00 Mn divided into 15,00,00,000 Equity Shares of Rs. 1/- each, ranking pari passu with the existing Equity Shares of the Parent Company.
b. Issue of 5,975,609 equity Shares on preferential basis at the issue price of Rs. 164/- having Face value of Rs. 1/- each. (i.e. including Securities Premium @ Rs. 163).

41 a. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

b. The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c. The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d. The Group have not traded or invested in Crypto currency or Virtual currency during the financial year.

e. The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f. The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g. The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

h. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the certain provisions of the Code will come into effect and the rules thereunder has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

42 Employee Stock Based Compensation:

Employee Stock Option Plan (ESOP) :

The Parent Company instituted the Zaggle Employee Stock Option Scheme 2022, in which 46,10,936 stock options were approved by the Shareholders in Extra Ordinary General Meeting held on November 21, 2022.

ZAGGLE ESOP 2022 Plan :

During the year, the Parent Company has granted 24,23,369 equity shares of face value Re. 1/- each under Employee Stock Option Scheme. Subsequently the Parent company had granted 12,48,511 options at exercise price of Rs.1 each and 11,74,858 options at exercise price of Rs.271 each. The fair value of share option grant for exercise price of Rs.1 amounting to 360.52 and exercise price of Rs.271.00 amounting to Rs. 236.59 is estimated at the date of the grant using Black-Scholes method, taking into account the terms and conditions upon which the share option where granted.

Disclosures as per IND AS 102 for outstanding options:

(i) Details of options granted under ZAGGLE ESOP 2022 Plan are as below:

Grant	Grant Date	Number of options granted	Number of options outstanding (as at March 31, 2023)	Exercise Price (in Rs.)	Fair value at grant date (in Rs.)
Type I	29-Sep-22	12,48,511	12,48,511	1.00	360.52
Type II	29-Sep-22	11,74,858	7,11,220	271.00	236.59

(ii) Exercise price and other details

Particulars	Type I	
	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average exercise price for outstanding options at year end (in Rs.)	1.00	-
Weighted average remaining contractual life for outstanding options at year end	3.5 years	-
Range of exercise prices for outstanding options at year end (in Rs.)	1.00	-

Particulars	Type II	
	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average exercise price for outstanding options at year end (in Rs.)	271.00	-
Weighted average remaining contractual life for outstanding options at year end	3.5 years	-
Range of exercise prices for outstanding options at year end (in Rs.)	271.00	-

Details of the grant/issue as at March 31, 2023 are given below:

Particulars	Type I			
	March 31, 2023		March 31, 2022	
	No. of share options	Weighted average exercise price in Rs.	No. of share options	Weighted average exercise price in Rs.
Options outstanding at the beginning of the year	-	-	-	-
Granted during the year	12,48,511	1.00	-	-
Vested during the year	-	-	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Options outstanding at the end of the year	12,48,511	1.00	-	-
Options vested and exercisable at the end of the year	12,48,511	1.00	-	-

Particulars	Type II			
	March 31, 2023		March 31, 2022	
	No. of share options	Weighted average exercise price in Rs.	No. of share options	Weighted average exercise price in Rs.
Options outstanding at the beginning of the year	-	-	-	-
Granted during the year	11,74,858	271.00	-	-
Vested during the year	-	-	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	3,82,272	271.00	-	-
Forfeited during the year	81,366	271.00	-	-
Options outstanding at the end of the year	7,11,220	271.00	-	-
Options vested and exercisable at the end of the year	7,11,220	271.00	-	-

Break-up of employee stock compensation expense	ZAGGLE ESOP 2022 Plan	
Particulars	**March 31, 2023**	**March 31, 2022**
KMP	114.83	-
Employees other than KMP	29.30	-
Total	**144.13**	**-**

Zaggle Prepaid Ocean Services Limited (formerly known as Zaggle Prepaid Ocean Services Private Limited)
(CIN: U65999TG2011PLC074795)
Notes forming part of the consolidated financial statements
(All amounts are Rs. in Millions, except for share and per share data and where otherwise stated)

43 Additional disclosure as required under paragraph 2 of 'General Instructions for the preparation of Consolidated Financial Statements' of the Schedule III to the Act

	Net assets *		Share in profit / (loss)		Share in other comprehensive income ("OCI")		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
	31 March 2023		31 March 2023		31 March 2023		31 March 2023	
Parent	100.00%	487.51	100.00%	229.01	100.00%	0.34	100.00%	229.35
Subsidiary incorporated outside India								
Zaggle Technologies Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	**100.00%**	**487.51**	**100.00%**	**229.01**	**100.00%**	**0.34**	**100.00%**	**229.35**
Consolidation adjustments	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Net amount	**100.00%**	**487.51**	**100.00%**	**229.01**	**100.00%**	**0.34**	**100.00%**	**229.35**

* Net assets means total assets minus total liabilities excluding shareholders funds.

Note:
The disclosure as above represents separate information for each of the consolidated entities before elimination of inter-company transactions. The net impact on elimination of inter-company transactions / profits / consolidation adjustments have been disclosed separately. Based on the group structure, the management is of the view that the above disclosure is appropriate under the requirements of the Act.

44 The Parent Company has incorporated a wholly owned subsidiary named as Zaggle Technologies Limited (“ZTL”), a private Company in the United Kingdom on January 12, 2023, as a subscriber to the memorandum. ZTL had allotted 1 equity share of GBP 1 to the Company upon incorporation, such shares remained unpaid as of March 31, 2023. ZTL had not commenced any business, operations or activities since its incorporation and there were no transactions during the period January 12, 2023, to March 31, 2023.

The Parent Company’s Board of Directors on its meeting held on August 26, 2023 has decided to request ZTL to apply to the registrar of companies through its director, to strike off its name off the register in compliance with applicable provisions of the UK laws. Accordingly, the strike-off application was duly filed by ZTL on August 26, 2023.

For the purpose of consolidation, above subsidiary is considered as immaterial subsidiary and consolidation procedures done basis unaudited accounts of the subsidiary.

45 The comsolidated financial statements were approved by the Board of Directors and authorised for issue on August 29, 2023.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

For P R S V & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:S200016

For and on behalf of the Board of
Zaggle Prepaid Ocean Services Limited
(CIN: U65999TG2011PLC074795)

Amit Kumar Agarwal
Partner
Membership No: 214198

Y. Venkateswarlu
Partner
Membership No: 222068

Raj P Narayanam
Executive Chairman
DIN: 00410032

Avinash Ramesh Godkhindi
Managing Director & CEO
DIN : 05250791

Hari Priya
Company Secretary
M No: A22232

Venkata Aditya Kumar Grandhi
Chief Financial Officer
M No: 231164

Place: Hyderabad
Date: August 29, 2023

Place: Hyderabad
Date: August 29, 2023