

Independent Auditor's Report

To the Members of
NPCI Bharat BillPay Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of NPCI Bharat BillPay Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit & Loss, including the statement of Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash flow for the year ended on that date, and a summary of material accounting policies and other explanatory information (herein after referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 Standard under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Key Audit Matters

Key Audit Matters are those matters that in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

The Company's Board of Directors is responsible for the other information and notes to accounts. The other information comprises of all information included in the Annual report but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and those charged with governance for the Ind AS financial statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 decision of users taken on the basis of these Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in -

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Report on Other Legal and Regulatory Requirements

1. As required under section 143(5) of the Act, based on our audit as aforesaid, we enclose herewith as per "Annexure A", a report on the directions including additional directions issued by the Comptroller and Auditor General of India (C & A G) action taken thereon and its impact on the accounts and financial statements of the Company.
2. The Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub- Section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
3. As required by Section 143(3) of the Act, based on our audit 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 purpose 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 & Loss including the Statement of Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the director is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B' to this report;
- g) In our opinion, Managerial Remuneration has not been paid to its Directors however, only Sitting Fees has been paid to Directors for the year ended 31st March 2024 which is within the limits prescribed under section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company did not have any pending litigations and claims;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. In view of there being no amounts required to be transferred to the Investor Education and Protection Fund for the year under audit, the reporting under this clause is not applicable.
 - iv. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - v. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - vi. Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
 - vii. Whether the dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013. However, The Company has not declared or paid dividend during the year under audit.
 - viii. Whether the Company, in respect of financial years commencing on or after the 1st April, 2023 has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.
4. As per the requirements of section 143 (5), in our opinion and to the best of our information and according to the explanations given to us, books of accounts and other records produced before us for verification and on the basis of management representation; the said accounts, read together with the company's Accounting policies and the Notes thereto are given below:

Based on the verification of records and of the Company and based on information and explanations given to us, we give below a report on the directions/additional directions issued by the Comptroller and Auditor General of India in terms of section 143(5) of the Act.

Sr. No.	General Directions issued by the Comptroller and auditor General of India	Comments
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has system in place to process all the accounting transactions through IT systems (Tally ERP 9 till 31st December 2023 and Microsoft Dynamics 365 w.e.f 1st January 2024). The GST Returns have been filed using a GST software tools and details related to GST are maintained within that software. Also, the clearing and settlement for the business is done in application developed for Bharat Bill Payment System (BBPS) for booking daily party wise revenue, the entity being licensed under the Payment and Settlement Systems Act, 2007 for the said function of BBPS.
2.	Whether there are any restructuring of an existing loan or cases of waiver / write off debts/loans/ interest etc. made by lender to the company due to the company's inability to repay the loan? if yes, the financial impact may be stated. Whether such cases are properly accounted for? (in case, lender is a Government company, then its direction is also applicable for statutory auditor of lender company)	Not Applicable The Company has not availed any loan or the Company is not dealing with lending/borrowing any loan.
3.	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from central government/state government or its agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation	Not Applicable There are no case of funds received / receivable for the specific schemes from Central/State agencies.

Additional directions issued by C&AG as applicable to NPCI Bharat BillPay Limited for the year 2023-24

Sr. No.	Additional Directions	Comments
3.	NBFC dealing with digital payment products and services Whether the security controls for digital payment products and services are in compliance with the directions of RBI for Digital Payment Security Controls dated 18th February 2021?	Company carried out a detailed review of RBI Master Directions on Digital Payment Security Controls and thereafter appointed (by NPCI) Cert-IN empaneled Third-Party auditor (TUV SUD South Asia) and initiated a compliance check against requirements of RBI Master Direction on Digital Payment Security Controls. All business applications (including NBBL's applications under BBPS) were included in the scope of the assessment. The audit was concluded in Jul-2023 and no open issues were reported.

For **K P C M & Co.**
Chartered Accountants
FRN 117390W

Chimpu Lapsiwala
Partner
M. No. 137998

Date: 15/05/2024
Place: Mumbai
UDIN: 24137998BKAACP1979

Annexure A to Independent Auditors' Report

(Referred to in Paragraph 1 UNDER 'REPORT ON Other Legal and Regulatory Requirements' section of our report of even date')

- 1) In respect of Fixed Assets:
 - a) the Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b) the fixed assets have been physically verified by the management at all its offices in phased manner at reasonable intervals which in our opinion is reasonable having regard to the size of the Company and nature of assets. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such verification. No fixed asset has been disposed of during the year and therefore does not affect the going concern assumption.
 - c) As the Company has no immovable properties during the year under audit, this clause is not applicable.
- 2) The company's business does not involve inventories and accordingly, the requirements under clause 3(ii) of the order are not applicable to Company and hence not commented upon.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security were not applicable during the period under review.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and provision of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with the regards to the deposits accepted from public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- 7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, goods and service tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2024 for a period of more than six months from the date on when they become payable.
 - (b) According to the information and explanation given to us, there are no dues of income tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) According to the information and explanation given to us, the Company has recorded all transactions incurred during the year under audit. The Company has no unrecorded income to disclose in the books of accounts.
- 9) In our opinion and according to the information and explanations given to us, the Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised money by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (x) of the Order are not applicable to the Company and hence not commented upon.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion and according to the information and explanation given to us, the provisions of Section 177 and Section 188 of the Companies Act, 2013 were applicable to the Company with respect to applicable transactions with the related parties and details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) In our opinion and according to the information and explanation given to us, the Company has the Audit System equivalent to the size and nature of its business. The Reports provided by the Internal Auditors for Audit Period were duly considered while conducting statutory audit.

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.
- 17) In our opinion and according to the information and explanation given to us, the Company has not incurred any cash losses during the current financial year.
- 18) In our opinion and according to the information and explanation given to us, as there is no resignation of Statutory Auditor for the year under review, this clause is not applicable.
- 19) Based upon the audit procedures performed and the information and explanations given by the management, no material uncertainty exists as on the date of the audit report. The Company is capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date.
- 20) There is no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- There is no amount remaining unspent under sub-section sub-section (5) of Section 135 of the Companies Act, pursuant to any ongoing project. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.
- 21) In our opinion and according to the information and explanation given to us, the Company is a subsidiary of National Payments Corporation of India (The Holding Company) and the Company has no subsidiaries during the financial year, hence this clause is not applicable to the company.

For **K P C M & Co.**
Chartered Accountants
FRN 117390W

Chimpu Lapsiwala
Partner
M. No. 137998

Date: 15/05/2024
Place: Mumbai
UDIN: 24137998BKAACP1979

Annexure B to Independent Auditors' Report

(Referred to in Paragraph 2 (f) UNDER 'REPORT ON Other Legal and Regulatory Requirements' section of our report of even date)

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

1. We have audited the internal financial controls with reference to Ind AS Financial Statements of NPCI Bharat BillPay Limited ("the company") as of 31st March 2024 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Ind AS 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 with reference to Ind AS Financial Statements (the "Guidance Notes") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards, issued by ICAI on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both are applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Ind AS Financial Statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Ind AS

Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to the Ind AS 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 procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With reference to Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to Ind AS Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to Ind AS 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 Ind AS Financial Statements to future periods are subject to the risk that the internal financial control with reference to Ind AS Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, to the best of our information and according to the explanation given to us, the Company

has, in all material respects, an adequate internal financial controls system with reference to Ind AS Financial Statements and such internal financial controls with reference to Ind AS Financial Statements were operating effectively as at 31 March 2024, based on the internal control with reference to Ind AS 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 With reference to Ind AS Financial Statements issued by the Institute of Chartered Accountants of India.

For **K P C M & Co.**
Chartered Accountants
FRN 117390W

Chimpu Lapsiwala
Partner
M. No. 137998

Date: 15/05/2024
Place: Mumbai
UDIN: 24137998BKAIECP1979

Balance Sheet

as at 31st March 2024

Particulars	Note No.	(Amount ₹ in Lakh)	
		As at 31-Mar-2024	As at 31-Mar-2023
ASSETS			
Non-Current Assets			
a. Property, Plant and Equipment	2.01	180.93	71.30
b. Capital work-in-progress	2.02	0.61	-
c. Intangible Assets	2.03	1,964.96	2,176.85
d. Intangible Assets Under Development	2.04	876.85	209.73
e. Financial Assets			
i. Investments	2.05	1,405.80	1,103.90
ii. Other Financial Assets	2.06	1.65	3,821.65
f. Deferred Tax Assets (net)	2.07	57.75	-
Total Non-Current Assets		4,488.55	7,383.43
Current Assets			
a. Financial Assets			
i. Investments	2.08	199.62	864.30
ii. Trade Receivables	2.09	190.11	99.65
iii. Cash and Cash Equivalents	2.10	588.67	1,187.12
iv. Bank balances other than (iii) above	2.11	13,901.00	3,873.00
v. Other Financial Assets	2.12	4,085.51	4,313.41
b. Other Current Assets	2.13	221.52	129.80
Total Current Assets		19,186.43	10,467.28
TOTAL ASSETS		23,674.98	17,850.71
EQUITY AND LIABILITIES			
Equity			
a. Equity Share Capital	2.14	10,000.00	10,000.00
b. Other Equity	2.15	4,268.08	1,752.97
Total Equity		14,268.08	11,752.97
Liabilities			
Non-Current Liabilities			
a. Financial Liabilities			
i. Other Financial Liabilities	2.16	8,055.01	5,028.74
b. Deferred Tax Liabilities (net)	2.17	-	62.23
c. Provisions	2.18	75.04	34.46
Total Non-Current Liabilities		8,130.05	5,125.43
Current Liabilities			
a. Financial Liabilities			
i. Trade Payables Due to:	2.19		
Micro and Small Enterprises		-	-
Other than Micro and Small Enterprises		114.48	348.56
ii. Other Financial Liabilities	2.20	155.43	6.36
b. Other Current Liabilities	2.21	196.31	111.86
c. Provisions	2.22	695.07	460.67
d. Current Tax Liabilities (net)	2.23	115.56	44.86
Total Current Liabilities		1,276.85	972.31
TOTAL EQUITY AND LIABILITIES		23,674.98	17,850.71
Material Accounting Policies and Notes on Accounts	1 & 2		

As per our report attached

For **K P C M & Co.**

Chartered Accountants

Registration No.: 117390W

For and on behalf of the Board of Directors

Ajay Kumar Choudhary

Chairman

DIN : 09498080

Drushti Desai

Director

DIN : 00294249

CA Chimpu Lapsiwala

Partner

Membership No: 137998

Place : Mumbai

Date: 15-May-2024

Noopur Chaturvedi

Chief Executive Officer

Supreetha Shetty

Company Secretary

Pavan Kumar Holani

Chief Financial Officer

Statement of Profit and Loss

for the year ended 31st March 2024

(Amount ₹ in Lakh)

Particulars	Note No.	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Income			
Revenue from Operations	2.24	8,566.58	5,796.52
Other Income	2.25	1,258.64	718.65
Total Income		9,825.22	6,515.17
Expenses			
Operating Expenses	2.26	653.15	295.61
Marketing and Business Development Expenses	2.27	858.82	627.40
Employee Benefits Expenses	2.28	3,037.52	2,068.51
Depreciation and Amortisation Expenses	2.29	785.03	866.82
CSR Expenditure	2.30	18.28	6.28
Administrative and Other Expenses	2.31	749.87	537.25
Total Expenses		6,102.67	4,401.87
Profit/(Loss) Before Tax		3,722.55	2,113.30
Tax Expense			
Current Tax		1,115.00	650.00
Deferred Tax	2.23	(108.90)	55.31
Prior year Tax adjustment		(9.72)	(57.67)
Total Tax Expenses		996.38	647.64
Profit/(Loss) for the year		2,726.17	1,465.66
Other Comprehensive Income			
(i) Items that will not be reclassified to the Statement of Profit and Loss		(34.49)	(24.25)
(ii) Income Tax relating to items that will not be reclassified to the Statement of Profit and Loss	2.15	11.05	5.80
Total Other Comprehensive Income		(23.44)	(18.45)
Total Comprehensive Income for the year		2,702.73	1,447.21
Earnings per equity share			
(i) Basic earnings per share (₹)		27.26	14.66
(ii) Diluted earnings per share (₹)	2.32	27.26	14.66

As per our report attached

For **K P C M & Co.**

Chartered Accountants

Registration No.: 117390W

CA Chimpu Lapsiwala

Partner

Membership No: 137998

Place : Mumbai

Date: 15-May-2024

For and on behalf of the Board of Directors

Ajay Kumar Choudhary

Chairman

DIN : 09498080

Noopur Chaturvedi

Chief Executive Officer

Supreetha Shetty

Company Secretary

Drushti Desai

Director

DIN : 00294249

Pavan Kumar Holani

Chief Financial Officer

Statement of Changes in Equity

for the year ended 31st March 2024

2.14 Equity Share Capital

(Amount ₹ in Lakh)

Balance as at 01-Apr-2023	Changes in equity share capital due to prior period errors	Restated Balance as at 01-Apr-2023	Changes in equity share capital during the year	Balance as at 31-Mar-2024
10,000.00	-	10,000.00	-	10,000.00

(Amount ₹ in Lakh)

Balance as at 01-Apr-2022	Changes in equity share capital due to prior period errors	Restated Balance as at 01-Apr-2022	Changes in equity share capital during the year	Balance as at 31-Mar-2023
10,000.00	-	10,000.00	-	10,000.00

2.15 Other Equity

(Amount ₹ in Lakh)

Particulars	Reserves and Surplus				Other items of Other Comprehensive Income	Total
	Technology Reserve*	Risk Cover Reserve*	Product SGM Reserve**	Retained Earnings		
Balance as at 01-Apr-2023	-	-	-	1,757.60	(4.63)	1,752.97
Total Comprehensive Income	-	-	-	2,726.17	(23.44)	2,702.73
Transfer to Technology Reserve*	173.00	-	-	(173.00)	-	-
Transfer to Risk Cover Reserve*	-	173.00	-	(173.00)	-	-
Transfer to Product SGM Reserve**	-	-	1,000.00	(1,000.00)	-	-
Transfer to SGM - BBPS Other	-	-	-	(187.14)	-	(187.14)
Transfer to SGM - NOCS Other	-	-	-	(0.48)	-	(0.48)
Balance as at 31-Mar-2024	173.00	173.00	1,000.00	2,950.15	(28.07)	4,268.08

* In current year, the Company has created reserves namely, Risk Cover Reserve and Technology Reserve by way of appropriation from the Profit after Tax as per the policy approved by the Board in its meeting dated 03-May-2023.

** Product SGM Reserve is created pursuant to the Policy on Standardised Settlement Guarantee Mechanism as approved by RBI at the rate of ₹ 500 Lakh each for all the online products (BBPS and NOCS). These reserves are to be utilised as NBBL's contribution to meet the exigencies of settlement risk in the online products.

Statement of Changes in Equity

for the year ended 31st March 2024

(Amount ₹ in Lakh)

Particulars	Reserves and Surplus				Other items of Other Comprehensive Income	Total
	Technology Reserve*	Risk Cover Reserve*	Product SGM Reserve**	Retained Earnings		
Balance as at 01-Apr-2022	-	-	-	371.74	13.82	385.56
Total Comprehensive Income for the year	-	-	-	1,465.66	(18.45)	1,447.21
Transfer to SGM BBPS	-	-	-	(79.80)	-	(79.80)
Contribution (Other)	-	-	-	-	-	-
Balance as at 31-Mar-2023	-	-	-	1,757.60	(4.63)	1,752.97

As per our report attached

For **K P C M & Co.**
Chartered Accountants
Registration No.: 117390W

For and on behalf of the Board of Directors

Ajay Kumar Choudhary
Chairman
DIN : 09498080

Drushti Desai
Director
DIN : 00294249

CA Chimu Lapsiwala
Partner
Membership No: 137998

Noopur Chaturvedi
Chief Executive Officer

Pavan Kumar Holani
Chief Financial Officer

Place : Mumbai
Date: 15-May-2024

Supreetha Shetty
Company Secretary

Statement of Cash Flows

for the year ended 31st March 2024

Particulars	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Cash flow from operating activities		
Net profit / (loss) before tax	3,722.55	2,113.30
Adjustment to reconcile net profit / (loss) to net cash by operating activities		
Depreciation and Amortisation Expenses	785.03	866.82
Foreign Exchange (gain) / loss	0.63	0.08
Interest income	(1,170.41)	(678.51)
Provisions	346.05	233.58
Liabilities no longer required - written back	(71.08)	(34.47)
Operating Profit / (loss) before working capital changes	3,612.77	2,500.80
Adjustment for:		
Trade and other receivables	(208.21)	(44.59)
Trade and other payables	2,802.97	852.96
Cash generated from operations	6,207.53	3,309.17
Adjustment for Income Tax	(1,033.55)	(586.53)
Net cash generated from / (used in) operating activities	(A) 5,173.98	2,722.64
Cash flow from investing activities		
Expenditure on Property, plant and equipment	(1,350.50)	(254.89)
Redemption / (Investment) in earmarked funds	(4,197.00)	(587.11)
Redemption / (Investment) in Term Deposits with banks (net)	(1,757.00)	
Redemption / (Investment) in Government securities (quoted) (net)	(501.52)	(1,103.90)
Redemption / (Investment) in Treasury Bills (quoted) (net)	864.30	(864.30)
Interest income	1,169.29	676.23
Net cash generated from / (used in) investing activities	(B) (5,772.43)	(2,133.97)
Cash flow from financing activities		
Net proceeds from issuance of equity shares	-	-
Net cash generated from / (used in) financing activities	(C) -	-
Net increase / (decrease) in cash and cash equivalents	(A+B+C) (598.45)	588.66
Cash and cash equivalents at the beginning of the year	1,187.12	598.46
Cash and cash equivalents at the end of the year	588.67	1,187.12

As per our report attached

For **K P C M & Co.**

Chartered Accountants

Registration No.: 117390W

For and on behalf of the Board of Directors**Ajay Kumar Choudhary**

Chairman

DIN : 09498080

Drushti Desai

Director

DIN : 00294249

CA Chimpu Lapsiwala

Partner

Membership No: 137998

Place : Mumbai

Date: 15-May-2024

Noopur Chaturvedi

Chief Executive Officer

Supreetha Shetty

Company Secretary

Pavan Kumar Holani

Chief Financial Officer

Notes to Financial Statements

for the year ended 31st March 2024

Company Overview

NPCI Bharat BillPay Limited (NBBL/Company) is a Wholly Owned Subsidiary of National Payments Corporation of India (NPCI). NBBL was incorporated on 10th December 2020, under the provisions of the Companies Act, 2013. The Company has its registered office at 1001A, B Wing, 10th Floor, The Capital, Bandra - Kurla Complex, Bandra (East) Mumbai, 400051, Maharashtra, India

NBBL was incorporated, inter alia, to operationalise Bharat Bill Payment Central Unit (BBPCU) under the Bharat Bill Payment System (BBPS) or any activity similar such as to provide an integrated bill payment system to participants that offers interoperable and accessible bill payment services or invoice-based payments or non- invoice-based payments including recharges, etc. to billers and customers through network of entities.

Consumers have the convenience of making payments via smartphones/mobile apps, websites, and over 1500 digital channels, as well as through nearly 7 lakhs+ active agent touchpoints such as Kirana shops, Business Correspondents, and Bank Branches. Consumers can use various payment modes including cash and digital modes such as UPI, Net Banking, Debit Cards, Credit Cards, Wallets, IMPS, Aadhaar-Based Payments etc. The categories include utility payments such as Electricity, LPG Gas, Piped Gas, Water, Municipal Taxes & Services; telecom payments including Mobile Prepaid, Mobile Postpaid, Landline Postpaid, DTH, Cable, Broadband, and other recurring payments such as Loan Repayments, Insurance, FASTag Recharge, Credit Card, NCMC etc.

RBI vide letter DPSS.CO.AD.No .S21/02.14.004/2019-20 dated 24th March 2021 had granted approval for transferring the license granted from NPCI to NBBL along with all rights and obligations attached thereto with respect to BBPCU. Consequent to the same, the Business Transfer Agreement (BTA) was executed on 7th May, 2021 between NPCI and NBBL. Also, in exercise of their powers conferred under Section 7 of the Payment and Settlement Systems Act, 2007, RBI granted the Certificate of Authorisation to operate the BBPCU to NBBL.

1. Material Accounting Policies

1.1. Basis of Preparation and Presentation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act. The presentation and disclosure requirements are in accordance with Schedule III of the Companies Act 2013 as amended from time to time. These financial statements have been prepared under the historical cost convention on accrual basis except for certain Financial Assets and Liabilities, which have been

measured at fair value. The accounting policy provides information on such Financial Assets and Liabilities measured at fair value.

The financial statements include the Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity, the Statement of Cash Flows and Notes comprising a summary of material accounting policies and other explanatory information and comparative information in respect of the preceding year.

The financial statements are presented in Indian Rupees rounded off to the nearest lakh ('00,000) as permitted by Schedule III of the Companies Act, 2013 except where otherwise indicated.

1.2. Statement of Cash flows

The statement of Cash Flows has been prepared and presented as per the requirements of IND-AS 7 "Statement of Cash flows". Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

1.3. Operating cycle

Based on the nature of its activities, the Company has determined its operating cycle as 12 months for the purpose of classification of its Assets and Liabilities as current and non-current.

1.4. Use of estimates, judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with Indian Accounting Standards, requires Management to make estimates and assumptions that affect the reported amounts of Assets and Liabilities and disclosure of Contingent Assets and Liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon Management's best knowledge of current events and actions, actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material

Notes to Financial Statements

for the year ended 31st March 2024

adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of recognition of revenue, valuation of unbilled receivables, estimation of net realisable value of inventories, impairment of non-current assets, valuation of deferred tax assets, provisions and contingent liabilities.

1.4.1. Impairment of Non - Financial Assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the Cash Generating Unit (CGU) being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to disclosure of fair value of investment property recorded by the Company.

1.4.2. Useful lives of Property, Plant and Equipment

The Company reviews the useful lives of property, plant and equipment as at each reporting date. This reassessment may result in change in depreciation expense in future periods.

1.4.3. Valuation of Deferred Tax Assets

The Company reviews the carrying amount of deferred tax assets as at each reporting date.

1.4.4. Defined Benefit Plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

1.5. Property, Plant and Equipment (PPE)

PPE is recognised 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. PPE is stated at original cost, net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment.

Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition as intended by the management. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost can be measured reliably.

Each part of an item of PPE with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied.

PPE not ready for the intended use, on the date of the Balance Sheet are disclosed as "Capital Work-in-Progress".

Advances paid towards the acquisition of PPE outstanding at each balance sheet date is classified as capital advances under other non-current assets.

Depreciation is calculated on a Straight-Line Method on the basis of the useful life as specified in Schedule II to the Companies Act, 2013. Useful life of assets is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits of the asset. Depreciation for additions to/deductions from, owned Assets is calculated on pro rata basis. Depreciation charged for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

An item of PPE and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the PPE is de-recognised.

Subsequent expenses relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost can be measured reliably.

Notes to Financial Statements

for the year ended 31st March 2024

Depreciation is provided using the straight-line method as per the following useful life as specified in Schedule II of the Companies Act 2013:

Sr. No.	Nature of Assets Tangible Assets	Estimated useful life (In years)
1	Network Equipment / Central Switching	6
2	Office Equipment #	5
3	Computers and Printers	3
4	Furniture and Fittings	10
5	Vehicles	8
6	Leasehold Improvements*	-
7	Buildings (Other than factory Building)	60
8	Plant machinery and equipment	8 – 15
11	Electrical Installations	10
12	General Policy for all assets	Not Allowed - depreciation based on class of asset

Office equipment includes Air conditioners, Web cameras, Fire alarm system etc.

*Leasehold Improvements are depreciated over the lease term.

Repairs and maintenance costs are recognised in the statement of Profit and Loss.

1.6. Intangible Assets

Intangible Assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Intangible Assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. 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 entity and the cost can be measured reliably. Intangible Assets not ready for the intended use on the date of the Balance Sheet, are disclosed as "Intangible Assets under Development".

Amortisation on impaired Assets is provided by adjusting the amortisation charges in the remaining period so as to allocate the Asset's revised carrying amount over its remaining useful life.

Amortization is provided using the straight-line method as per the following useful life as specified in Schedule II of the Company's Act, 2013:

Sr. No.	Nature of Assets Intangible Assets	Estimated useful life (In years)
1	Software	3
2	Copyrights, and patents and other intellectual property rights	5

Sr. No.	Nature of Assets Intangible Assets	Estimated useful life (In years)
3	Brands / Brands acquired	NA (expensed out) / Tested for Impairment annually
4	Goodwill	Tested for Impairment annually
5	Contracts with Customers	5

1.7. Leases as per IND-AS 116

The company determines whether a contract is (or contains) a lease is based on the substance of the contract at the inception of the lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The company recognises Right to Use and Lease Liability at the commencement of the lease period.

Subsequently the right to use is shown as at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any re-measurement of the lease liability. The company applies depreciation requirements of IND-AS 116, Property, Plant and Equipment, in depreciating the right-of-use asset and the lease term mentioned in the contract is taken as useful life for calculating the depreciation.

The company measures the lease liability at the present value of the lease payments. The lease payments are discounted using incremental borrowing rate applicable to the company for a similar term. Subsequently the lease liability is increasing the carrying amount to reflect interest on the lease liability; reducing the carrying amount to reflect the lease payments made; and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

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

1.8. Research and development expenses

Revenue expenses on research is expensed under respective heads of account in the period in which it is incurred.

Development expenses on new products is capitalised as intangible asset, if all the following conditions are duly fulfilled:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.

Notes to Financial Statements

for the year ended 31st March 2024

- ii. The Company has the intention to complete the intangible asset and use or sell it.
- iii. The Company has the ability to use or sell the intangible asset.
- iv. The manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets.
- v. The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- vi. The Company has ability to measure the expenses attributable to the intangible asset during its development reliably.

Development expenses that do not meet the criteria listed above is expensed in the period in which it is incurred.

1.9. Non-current assets held for sale and discontinued operations

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management expects that the sale will be completed within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned.

Non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and represents a separate major line of business or geographical area of operations, is part of a single co-

ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of Profit & Loss.

All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

1.10. Impairment of Assets

As at each Balance Sheet date, the carrying amount of Assets is tested for impairment so as to determine:

- i. The provision for impairment loss, if any; and
- ii. The reversal of impairment loss recognised in previous periods, if any, Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- i. In the case of an individual asset, at the higher of the net selling price and the value in use;
- ii. In the case of a cash generating unit (a group of Assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

1.11. Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

1.12. Other Equity

- i. Product SGM Reserve is created as per the Policy on Standardised Settlement Guarantee Mechanism as approved by RBI. These reserves are to be utilised as Company's contribution to meet the exigencies of settlement risk in the online products.
- ii. The Company creates reserves by way of appropriation from the profit after tax as per the policy approved by the Board.

1.13. Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value unless the effect of time value of money

Notes to Financial Statements

for the year ended 31st March 2024

is not affecting materially and are determined based on a best estimate required to settle the obligation at the Balance Sheet date.

1.14. Financial Instruments

Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial Assets and Financial Liabilities are initially measured at fair value except for trade receivables which are initially measured at transaction price.

Financial Assets

(i) Fair Value through other comprehensive income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- a. The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and,
- b. 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.

(ii) Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

Interest income on financial asset measured at amortised cost, is measured at effective interest rate on the gross carrying amount.

Cash and cash equivalents (including bank balances and bank overdrafts) are reflected as such in the statement of Cash Flow. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

Impairment of Financial Assets:

- a. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

- b. The Company has invested in Central Government Securities, Treasury Bills, and Government of India Bonds, which are sovereign in nature. Hence, impairment is not required.

Financial Asset is de-recognised when and only when:

- i. The contractual rights to the cash flows from the financial asset expire;
- ii. It transfers the financial assets and the transfer qualifies for de-recognition.

Financial Liabilities

Financial Liabilities are subsequently carried at amortised cost using the effective interest method for trade and other payables, maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

1.15. Revenue recognition

Revenue from contracts with customers is recognised when services are rendered to the customer or upon completion of service at an amount that reflects the consideration entitled in exchange for those services. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional as per Ind AS 115 - Revenue from Contracts with Customers.

1.15.1. Revenue from Operations

The Company derives revenue primarily from operating Bharat Bill Payment System (BBPS), which is licensed by Reserve Bank of India under Payment and Settlement Systems Act, 2007. The revenue from this service is accounted for all transactions including fetch transactions during the reporting year.

Revenue from rendering services is recognised when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction.

Notes to Financial Statements

for the year ended 31st March 2024

The Board of Directors may from time to time decide on the fee structure including waiver, if any including delegation to a competent authority in this regard.

1.15.2. Other Income

In case of other Income, revenue is recognised during the year in which the services are rendered.

Interest income is recognised on a time proportion basis, taking into account the amount outstanding and at an effective interest rate, as applicable. Liquidated damages are collected from suppliers as a penalty for non-delivery as per contracted terms. Other miscellaneous income includes employee bond recovery, sale of scrap, fees received towards tender process, etc.

1.16. Employee Benefits

1.16.1. Short term Employee Benefits

All employee benefits payable within a period of twelve months of rendering service are classified as short-term employee benefits. Benefits such as salaries, allowances, advances and similar payments paid to the employees of the Company are recognised during the period in which the employee renders such related services.

The Company has recognised the cost due to the fair valuation of advances granted to staff which are either interest free or at concessional rate. The interest income will be recognised over the period of advances.

1.16.2. Post-employment benefits

i. Defined Contribution plans

Provident Fund: The Company is a member of the Government Provident Fund which is operated by the office of the Regional Provident Fund Commissioner (RPFC) and the contribution thereof is paid / provided for during the period in which the employee renders the related service.

ii. Defined Benefits plans

Gratuity: In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a defined benefit retirement plan ('The Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment of an amount based on the respective employee's salary and the tenure of employment with the Company.

Gratuity payable to employees is covered by a Gratuity Plan provided by Insurance Company. The contribution thereof is paid / provided during the period in which the employee renders service. Gratuity is provided as per actuarial valuation as at the Balance Sheet date, carried out by an independent actuary.

Leave Encashment: The Company provides for leave encashment liability of its employees who are eligible for encashment of accumulated leave (as per prevailing leave policy of the company) based on actuarial valuation of the leave encashment liability at the Balance Sheet date, carried out by an independent actuary.

The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on Plan Assets (excluding net interest) and any change in the effect of asset ceiling (if applicable) are recognised in other comprehensive income and is reflected immediately in retained earnings and is not reclassified to statement of Profit and Loss.

In case of inter-company employee transfers within the NPCI group, it is treated as continuity in service period and as such the Company recognises long service provided by its employees by calculating the period of service from the date of joining of the group and not the date of transfer to the Company. Further, in case of such inter-company transfer, the transferee company cross charges to the transferor company the amount of Gratuity / Leave Encashment payable to the employee as on the date of transfer to transferor company. In case, the employee leaves before the eligible period of payment of gratuity, the above cross charge will be reversed.

1.17. Income Tax

Tax expense (Tax income) is the aggregate amount included in the determination of Profit or Loss for the period in respect of Current Tax and Deferred Tax. Current Tax is measured as the amount expected to be paid to the Tax Authorities in accordance with the provision of Income Tax Act, 1961. The Company offsets, on a year on year basis, the Current Tax Assets and Liabilities, where it has a legally enforceable right and where it intends to settle such Assets and Liabilities on a net basis.

Deferred Tax is recognised on temporary difference between carrying amounts of Assets and Liabilities in the

Notes to Financial Statements

for the year ended 31st March 2024

financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred Tax Liabilities and Assets are measured based on the tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date. Deferred Tax Liabilities are recognised for all taxable temporary differences. Deferred Tax Assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realised. The Company offsets, on a year on year basis, the Deferred Tax Assets and Liabilities, where it has a legally enforceable right and where it intends to settle such Assets and Liabilities on a net basis.

Transaction or event which is recognised outside the statement of Profit and Loss, either in other comprehensive income or in equity, if any is recorded along with the tax as applicable.

1.18. Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding at the end of the reporting period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and dilutive potential equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.19. Contingent Assets

The contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the enterprise. Contingent Assets, if any, are disclosed in the Notes to Accounts.

1.20. Contingent Liabilities

The contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent Liabilities, if any, are disclosed in the Notes to Accounts.

1.21. Commitments

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:

- i. Estimated amount of contracts remaining to be executed on capital account and not provided for
- ii. Uncalled liability on shares and other investments partly paid and
- iii. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

1.22. Foreign Currency Transactions

- i. The functional currency of the Company is Indian rupee.
- ii. Foreign currency transactions are recorded on initial recognition using the exchange rate at the date of the transaction. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each reporting date at the closing rate are recognised in Statement of Profit and Loss in the period in which they arise.

Notes to Financial Statements

for the year ended 31st March 2024

2 NOTES TO ACCOUNTS

2.01 Property, Plant and Equipment

Following are the changes in the carrying value of the Property, Plant and Equipment for the year ended 31st March 2024

(Amount ₹ in Lakh)

Asset Group	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr- 2023	Additions	Deletions	As at 31-Mar- 2024	As at 01-Apr- 2023	Additions	Deletions/ Adjustments	As at 31-Mar- 2024	As at 31-Mar- 2024	As at 31-Mar- 2023
Computers	12.77	91.25	-	104.02	10.95	9.41	-	20.36	83.66	1.82
Network	52.37	70.32	-	122.69	51.46	22.19	-	73.65	49.04	0.91
Equipment										
Switching	276.45	-	-	276.45	207.89	20.33	-	228.22	48.23	68.56
Equipment / Central Processors										
Office	0.29	-	-	0.29	0.28	0.01	-	0.29	-	0.01
Equipment										
TOTAL	341.88	161.57	-	503.45	270.58	51.94	-	322.52	180.93	71.30

Notes:

a) There has been no revaluation of Property, Plant and Equipment during the current and previous year.

Following are the changes in the carrying value of the Property, Plant and Equipment for the year ended 31st March 2023

(Amount ₹ in Lakh)

Asset Group	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr- 2022	Additions	Deletions	As at 31-Mar- 2023	As at 01-Apr- 2022	Additions	Deletions/ Adjustments	As at 31-Mar- 2023	As at 31-Mar- 2023	As at 31-Mar- 2022
Computers	12.77	-	-	12.77	6.31	4.64	-	10.95	1.82	6.46
Network	52.37	-	-	52.37	37.70	13.76	-	51.46	0.91	14.67
Equipment										
Switching	231.29	45.16	-	276.45	135.55	72.34	-	207.89	68.56	95.74
Equipment / Central Processors										
Office	0.29	-	-	0.29	0.17	0.11	-	0.28	0.01	0.12
Equipment										
TOTAL	296.72	45.16	-	341.88	179.73	90.85	-	270.58	71.30	116.99

2.02 Capital Work - in progress

Capital Work in Progress (CWIP) as on 31st March 2024

(Amount ₹ in Lakh)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More years than 3 years	
Projects in progress	0.61	-	-	-	0.61
Projects temporarily suspended	-	-	-	-	-
Total	0.61	-	-	-	0.61

Notes to Financial Statements

for the year ended 31st March 2024

Details of Capital Work-in-Progress, whose completion is overdue or has exceeded its cost compared to Original Plan as on 31st March 2024

(Amount ₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More years than 3 years	
Projects in progress					
NIL	-	-	-	-	-
Total	-	-	-	-	-

Capital Work in Progress (CWIP) as on 31st March 2023

(Amount ₹ in Lakh)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More years than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Details of Capital Work-in-Progress, whose completion is overdue or has exceeded its cost compared to Original Plan as on 31st March 2023

(Amount ₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More years than 3 years	
Projects in progress					
NIL	-	-	-	-	-
Total	-	-	-	-	-

2.03 Intangible Assets

Following are the changes in the carrying value of Intangible Assets for the year ended 31st March 2024

(Amount ₹ in Lakh)

Asset Group	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-2023	Additions	Deletions	As at 31-Mar-2024	As at 01-Apr-2023	Additions	Deletions/ Adjustments	As at 31-Mar-2024	As at 31-Mar-2024	As at 31-Mar-2023
Computer Software	346.81	521.20	-	868.01	236.16	111.89	0.09	347.96	520.05	110.65
BBPS	0.01	-	-	0.01	0.01	-	-	0.01	-	-
IPR - BHARAT BILLPAY	1,888.00	-	-	1,888.00	755.20	378.63	-	1,133.83	754.17	1,132.80
Contracts with Customers	1,210.00	-	-	1,210.00	484.00	242.66	-	726.66	483.34	726.00
Goodwill on Purchase consideration	207.40	-	-	207.40	-	-	-	-	207.40	207.40
TOTAL	3,652.22	521.20	-	4,173.42	1,475.37	733.18	0.09	2,208.46	1,964.96	2,176.85

Note:

- There has been no revaluation of Intangible Assets during the current and previous year.
- The business of BBPS is on growth phase and as such there is no requirement for impairment of Goodwill appearing in the balance sheet.

Notes to Financial Statements

for the year ended 31st March 2024

2.03 Intangible Assets

Following are the changes in the carrying value of Intangible Assets for the year ended 31st March 2023

(Amount ₹ in Lakh)

Asset Group	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-2023	Additions	Deletions	As at 31-Mar-2024	As at 01-Apr-2023	Additions	Deletions/ Adjustments	As at 31-Mar-2024	As at 31-Mar-2024	As at 31-Mar-2023
Computer Software	346.81	-	-	346.81	79.79	156.37	-	236.16	110.65	267.02
BBPS	0.01	-	-	0.01	0.01	-	-	0.01	-	-
IPR - BHARAT BILLPAY	1,888.00	-	-	1,888.00	377.60	377.60	-	755.20	1,132.80	1,510.40
Contracts with Customers	1,210.00	-	-	1,210.00	242.00	242.00	-	484.00	726.00	968.00
Goodwill on Purchase consideration	207.40	-	-	207.40	-	-	-	-	207.40	207.40
TOTAL	3,652.22	-	-	3,652.22	699.40	775.97	-	1,475.37	2,176.85	2,952.82

2.04 Intangible Assets Under Development (IAUD) as on 31st March 2024

(Amount ₹ in Lakh)

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More years than 3 years	
Projects in progress	876.85	-	-	-	876.85
Projects temporarily suspended	-	-	-	-	-
Total	876.85	-	-	-	876.85

Intangible Assets Under Development whose completion is overdue or has exceeded its cost compared to Original Plan as on 31st March 2024

(Amount ₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More years than 3 years	
Projects in progress					
(i) BOAT Deployment*	36.60	-	-	-	-
Total	36.60	-	-	-	-

**The project has been over due as original project date for .:

- (i) Biller On boarding and Automated Testing Deployment Project got delayed due to technical issues during the deployment.

Intangible Assets Under Development (IAUD) as on 31st March 2023

(Amount ₹ in Lakh)

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More years than 3 years	
Projects in progress	209.73	-	-	-	209.73
Projects temporarily suspended	-	-	-	-	-
Total	209.73	-	-	-	209.73

Notes to Financial Statements

for the year ended 31st March 2024

Intangible Assets Under Development whose completion is overdue or has exceeded its cost compared to Original Plan as on 31st March 2023

(Amount ₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More years than 3 years	
Projects in progress					
(i) UPMS & Support*	-	68.00	-	-	68.00
(ii) BOAT Deployment*	10.50	-	-	-	10.50
Total	10.50	68.00	-	-	78.50

*The project has been over due as original project date for :

- Services from the vendor providing UPMS Phase 3 and UPMS Support project got impacted resulting in delay in the project.
- Billar On boarding and Automated Testing Deployment Project got delayed due to technical issues during the deployment.

2.05 Investments (Non-Current)

(Amount ₹ in Lakh)

Particulars	Face Value per Unit (in ₹)	Qty as at		As at 31-Mar-24	As at 31-Mar-23
		31-Mar-2024	31-Mar-2023		
Quoted Investments carried at amortised cost					
Investments in Government Securities					
with Maturity more than 12 months					
G-Sec 6.89% 2025	100	-	2,00,000	-	199.16
G-Sec 7.38% 2027	100	2,00,000	2,00,000	201.32	201.67
G-Sec 7.06% 2028	100	2,00,000	-	200.12	-
G-Sec 7.10% 2029	100	5,10,000	5,10,000	504.49	503.62
G-Sec 7.17% 2030	100	3,00,000	-	300.38	-
G-Sec 7.26% 2032	100	2,00,000	2,00,000	199.49	199.45
Total				1,405.80	1,103.90
Aggregate amount of quoted investments				1,405.80	1,103.90
Market Value of quoted investments				1,416.47	1,107.07
Aggregate amount of impairment in value of investments				-	-

The Company has invested in Central Government Securities and Treasury Bills which are sovereign in nature. Hence, Company has not provided for any Expected Credit Loss (ECL) on investments.

2.06 Other Financial Assets (Non-Current)

(Amount ₹ in Lakh)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Security Deposits		
Sub Total (A)	1.65	1.65
Earmarked Deposits		
Term Deposits with Banks		
- SGM BBPS	-	1,620.00
Sub Total (B)	-	1,620.00

Notes to Financial Statements

for the year ended 31st March 2024

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Deposits with Banks		
Original maturity more than 12 months and with current maturity more than 12 months (Callable)	-	2,200.00
Sub Total (C)	-	2,200.00
Total (A + B + C)	1.65	3,821.65

2.07 Deferred Tax Assets (Net)

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Deferred Tax Assets	-	-
Property, Plant and Equipment*	18.75	-
Provision for Gratuity	16.58	-
Provision for Leave Encashment	5.27	-
Other Comprehensive Income	11.53	-
Preliminary Expenses	5.62	-
Total	57.75	-

*Goodwill, which was considered for Deferred Tax in the year ended 31-Mar-2023, is now excluded in the year ended 31-Mar-2024.

2.08 Investments (Current)

Particulars	Face Value per Unit (in ₹)"	(Amount ₹ in Lakh)			
		Qty as at		As at 31-Mar-24	As at 31-Mar-23
		31-Mar-2024	31-Mar-2023		
Quoted Investments carried at amortised cost					
Investments in Government Securities					
with Maturity more than 12 months					
G-Sec 6.89% 2025	100	2,00,000	-	199.62	-
Sub Total (A)				199.62	-
Treasury Bills					
with maturity more than 3 months but less than 12 months	100	-	9,20,000	-	864.30
Sub Total (B)				-	864.30
Total (A + B)				199.62	864.30
Aggregate amount of quoted investments				199.62	864.30
Market Value of quoted investments				199.71	880.92
Aggregate provision for diminution in value of Investments				-	-
The Company has invested in Central Government Securities and Treasury Bills which are sovereign in nature. Hence, Company has not provided for any Expected Credit Loss (ECL) on investments.					

Notes to Financial Statements

for the year ended 31st March 2024

2.09 Trade Receivables

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Unsecured considered good		
Receivables from National Payments Corporation of India	-	16.31
Others	190.11	83.34
Total	190.11	99.65

The Company has exposure to regulated entities, hence the credit risk is limited. All trade receivables are reviewed and assessed for default on a monthly basis and the risk is mitigated by timely monitoring of receivables. Based on historical experience of collecting receivables, supported by the level of default, the credit risk is low. Accordingly, our provision for expected credit loss (ECL) on trade receivable is not material.

Ageing of Trade Receivables as on 31-Mar-2024

Particulars	Outstanding for following periods from due date of payments					Unbilled Revenue	Not due	Total
	Less than 6 months	6 months - 1 year	1-2 years	2 - 3 years	More than 3 years			
	Undisputed Trade Receivables - considered good	17.95	2.16	-	-			
Undisputed Trade Receivables - significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Total	17.95	2.16	-	-	-	170.00	-	190.11

Ageing of Trade Receivables as at 31-Mar-2023

Particulars	Outstanding for following periods from due date of payments					Unbilled Revenue	Not due	Total
	Less than 6 months	6 months - 1 year	1-2 years	2 - 3 years	More than 3 years			
	Undisputed Trade Receivables - considered good	33.81	-	-	-			
Undisputed Trade Receivables - significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Total	33.81	-	-	-	-	65.84	-	99.65

Notes to Financial Statements

for the year ended 31st March 2024

2.10 Cash and Cash Equivalents

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Balances with Banks		
Current account (Own Fund)	238.67	187.12
Deposits with Banks		
Original maturity less than 3 months and with current maturity less than 3 months (Callable)	350.00	1,000.00
Total	588.67	1,187.12

For better cash management, the Company has arrangement with certain Banks where the funds exceeding the specified limit are automatically transferred to flexi deposit account as short term deposit.

2.11 Other Bank Balances

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Earmarked Funds		
Term deposits with banks		
with Original maturity less than 3 months and current maturity less than 3 months (Callable)		
- SGM BBPS	500.00	-
with Original maturity more than 3 months to 12 months and current maturity less than 3 months (Callable)		
- SGM BBPS	1,610.00	180.00
with Original maturity more than 3 months to 12 months and current maturity more than 3 months to 12 months (Callable)		
- SGM BBPS	3,990.00	1,295.00
Sub Total (A)	6,100.00	1,475.00
Term Deposits with Banks		
Original maturity 3 month to 12 months but current maturity less than 3 months (Callable)	2,701.00	398.00
Original maturity 3 month to 12 months and current maturity 3 months to 12 months (Callable)	5,100.00	2,000.00
Sub Total (B)	7,801.00	2,398.00
Total (A + B)	13,901.00	3,873.00

2.12 Other Financial Assets (Current)

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Advances to Employees	4.80	8.89
Receivable from HDFC Life Insurance Company Limited	-	5.50
Receivable from Gratuity Trust	34.62	-
Prepaid Card	1.00	-
Interest Accrued but not due		
- Other than SGM	39.08	45.70
- Government Securities, Treasury Bills & Government Bonds	41.89	42.24
- SGM BBPS	18.87	12.08
- SGM NOCS	0.25	-
Earmarked Funds		
Term deposits with banks		
Original maturity more than 12 months and current maturity less than 3 months (Callable)		
- SGM BBPS	-	1,409.00

Notes to Financial Statements

for the year ended 31st March 2024

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Original maturity more than 12 months and current maturity more than 3 months to 12 months (Callable)		
- SGM BBPS	1,720.00	490.00
- SGM NOCS	25.00	-
- SGM BBPS Reserve	500.00	-
- SGM NOCS Reserve	500.00	-
- Risk Cover Reserve	173.00	-
- Technology Reserve	173.00	-
Term deposits with banks		
Original maturity more than 12 months but current maturity less than 3 months (Callable)	-	2,300.00
Original maturity more than 12 months but current maturity 3 months to 12 months (Callable)	854.00	-
Total	4,085.51	4,313.41

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in marketable debt instruments including government securities. The Company has diversified portfolio of investment with various number of counter-parties which have secure credit ratings, hence the risk is reduced. Individual risk limits are set for each counter-party based on credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury team. The investment of the Company is in high grade investment categories reducing the credit risk exposure to near minimal.

2.13 Other Current Assets

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Prepaid Expenses*	42.84	33.02
Advances to Vendors	60.94	17.94
GST Input Credit	117.74	78.84
Total	221.52	129.80

*The prepaid expenses consist of un-expired portion of annual maintenance expenses and subscription.

EQUITY AND LIABILITIES

2.14 Equity Share Capital

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Authorised Share Capital		
1,00,00,000 Equity Shares of ₹ 100 each (PY 1,00,00,000 Equity Shares of ₹ 100 each)	10,000.00	10,000.00
Issued Share Capital		
1,00,00,000 Equity Shares of ₹ 100 each (PY 1,00,00,000 Equity Shares of ₹ 100 each)	10,000.00	10,000.00
Subscribed and Paid up Share Capital		
1,00,00,000 Equity Shares of ₹ 100 each (PY 1,00,00,000 Equity Shares of ₹ 100 each)	10,000.00	10,000.00
Total Subscribed and Paid up Share Capital	10,000.00	10,000.00

Reconciliation of shares outstanding as at the beginning and year ended 31st March 2024:

Particulars	(Amount ₹ in Lakh)			
	Equity Shares			
	As at 31-Mar-2024		As at 31-Mar-2023	
	Number	Amount	Number	Amount
Shares outstanding as at the beginning of the year	1,00,00,000	10,000.00	1,00,00,000	10,000.00
Addition during the year	-	-	-	-
Shares outstanding as at the end of the year	1,00,00,000	10,000.00	1,00,00,000	10,000.00

Notes to Financial Statements

for the year ended 31st March 2024

Details of shares held by Holding Company and nominees of Holding Company in aggregate

Particulars	As at 31-Mar-2024		As at 31-Mar-2023		% of change during the year
	Number	% of total shares	Number	% of total shares	
National Payments Corporation of India	1,00,00,000	100%	1,00,00,000	100%	-

Particulars	As at 31-Mar-2024		As at 31-Mar-2023		% of change during the year
	Number	% of total shares	Number	% of total shares	
National Payments Corporation of India	1,00,00,000	100%	1,00,00,000	100%	-

Terms/Rights attached to Equity Shares:

The Company has only one class of equity shares having a face value of ₹ 100 each. Each holder of equity shares is entitled to one vote per share.

In the period of five years immediately preceding 31st March, 2024:

- The Company has not allotted any bonus shares.
- The Company has not allotted any equity shares as fully paid up without payment being received in cash.

Details of Shareholders holding more than 5% share in the Company

Name of the Shareholder	Equity Shares			
	As at 31-Mar-2024		As at 31-Mar-2023	
	Number	% of holding	Number	% of holding
National Payments Corporation of India	1,00,00,000	100%	1,00,00,000	100%

2.16 Other financial liabilities (Non-Current)

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
SGM - BBPS Contribution	7,723.63	4,909.99
SGM - NOCS Contribution	25.00	-
SGM - BBPS (Other)*	305.90	118.75
SGM - NOCS(Other)*	0.48	-
Total	8,055.01	5,028.74

*Pertains to the net income on SGM - earmarked Investments (net off SGM related and Income Tax expenses) since inception of SGM Contribution.

Company has control over the funds received towards SGM contribution from Member Banks for the period the funds are held by it and the investments made with such funds. However, there is also an obligation to repay the funds to the Member Banks as per the Standardised SGM policy approved by RBI. Accordingly, the Company recognises SGM contribution received from Member Banks as a 'liability' and funds invested from such contributions as 'assets' in the financial statements. The SGM balance held by the Company as well as the related amounts in the form of cash/ investments are restricted in nature and can only be used for specified purposes as mentioned in Standardised SGM Policy

Notes to Financial Statements

for the year ended 31st March 2024

SGM – BBPS Contribution

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
SGM - BBPS balance at the beginning of the year	4,909.99	3,677.83
Add : Contribution received during the year	13,767.26	1,232.16
Less : Contribution refunded during the year	(10,953.63)	-
Sub Total (A) : SGM - BBPS balance at the end of the year	7,723.63	4,909.99
SGM - BBPS (Other) balance at the beginning of the year	118.75	38.95
Interest received on SGM- BBPS investments	411.87	225.59
Less: LOC charges	(143.56)	(110.48)
Less: Salary expense	(4.28)	(2.53)
Less: Income Tax	(76.89)	(32.79)
Sub Total (B) : SGM - BBPS (Other) balance at the end of the year	305.90	118.75
Total SGM - BBPS [Including Others] balance at the end of the year (A + B)	8,029.52	5,028.74

RBI vide letter CO.DPSS.OVRST.No.S57/06-07-012/2021-2022 dated 01st May, 2021 had given consent for the Standardised Settlement Guarantee Mechanism Policy proposed by the Company. In line with the policy, the Company has collected from Member Banks availing BBPS services, deposits towards the Settlement Guarantee Mechanism (SGM). The amount of SGM contribution as on 31st March, 2024 is ₹ 7,723.63 lakh. The SGM Contribution is placed as earmarked fixed deposits.

The amount in SGM - BBPS (Other) is the net income on SGM BBPS - earmarked Investments (net off SGM related and Income Tax expenses) since inception of SGM Contribution.

SGM – NOCS Contribution

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
SGM - NOCS balance at the beginning of the year	-	-
Add : Contribution received during the year	25.00	-
Less : Contribution refunded during the year	-	-
Sub Total (A) : SGM - NOCS balance at the end of the year	25.00	-
SGM - NOCS (Other) balance at the beginning of the year	-	-
Interest received on SGM- NOCS investments	0.91	-
Less: LOC charges	(0.23)	-
Less: Salary expense	(0.01)	-
Less: Income Tax	(0.20)	-
Sub Total (B) : SGM - NOCS (Other) balance at the end of the year	0.48	-
Total SGM - NOCS [Including Others] balance at the end of the year (A + B)	25.48	-

RBI vide letter CO.DPSS.OVRST.No.S57/06-07-012/2021-2022 dated 01st May, 2021 had given consent for the Standardised Settlement Guarantee Mechanism Policy proposed by the Company. In line with the policy, the Company has collected from Member Banks availing NOCS services, deposits towards the Settlement Guarantee Mechanism (SGM). The amount of SGM contribution as on 31st March, 2024 is ₹ 25 lakh. The SGM Contribution is placed as earmarked fixed deposits.

The amount in SGM - NOCS (Other) is the net income on SGM BBPS - earmarked Investments (net off SGM related and Income Tax expenses) since inception of SGM Contribution.

Notes to Financial Statements

for the year ended 31st March 2024

2.17 Deferred Tax Liabilities (net)

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Deferred Tax Liabilities		
Property, Plant and Equipment	-	78.21
Investment in Government Securities and Treasury Bills	-	5.76
Deferred Tax Assets		
Provision for Gratuity	-	(7.02)
Provision for Leave Encashment	-	(3.01)
Preliminary Expenses	-	(11.24)
Other Comprehensive Income	-	(0.47)
Total	-	62.23

2.18 Provisions (Non-Current)

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Provision for Gratuity (net)	56.95	24.11
Provision for Leave encashment (net)	18.09	10.35
Total	75.04	34.46

2.19 Trade Payables

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Micro and Small Enterprises	-	-
Other than Micro and Small Enterprises	114.48	348.56
Total	114.48	348.56

Ageing of Trade Payables as at 31-Mar-2024

Particulars	(Amount ₹ in Lakh)							
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total	Unbilled	Not Due	Total
Micro and Small Enterprises	-	-	-	-	-	-	-	-
Other than Micro and Small Enterprises	24.12	-	-	-	24.12	8.42	81.94	114.48
Disputed dues - Micro and Small Enterprises	-	-	-	-	-	-	-	-
Disputed dues - Other than Micro and Small Enterprises	-	-	-	-	-	-	-	-
Total	24.12	-	-	-	24.12	8.42	81.94	114.48

Notes to Financial Statements

for the year ended 31st March 2024

Ageing of Trade Payables as at 31-Mar-2023

Particulars	(Amount ₹ in Lakh)							
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total	Unbilled	Not Due	Total
Micro and Small Enterprises	-	-	-	-	-	-	-	-
Other than Micro and Small Enterprises	348.56	-	-	-	348.56	-	-	348.56
Disputed dues - Micro and Small Enterprises	-	-	-	-	-	-	-	-
Disputed dues - Other than Micro and Small Enterprises	-	-	-	-	-	-	-	-
Total	348.56	-	-	-	348.56	-	-	348.56

2.20 Other Financial Liabilities (Current)

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Earnest Money Deposits	11.42	1.42
Capital Creditors	137.77	-
Other Payables	6.24	4.94
Total	155.43	6.36

2.21 Other Current Liabilities

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Statutory liabilities*	196.31	111.86
Total	196.31	111.86

*Statutory Liabilities consists of amount payable towards TDS, GST, Provident Fund, Profession tax, NPS etc.

2.22 Provisions (Current)

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Provision for Expenses	695.07	460.67
Total	695.07	460.67

The movement in the provision for expenses including the Non-Current Provisions is as follows:

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Balance as at the beginning of the year	495.14	296.03
Provision during the year	1,641.71	529.30
Less : Provision reversed during the year	(71.08)	(34.47)
Less : Provision utilised during the year	(1,295.66)	(295.72)
Balance as at end of the year	770.11	495.14

Notes to Financial Statements

for the year ended 31st March 2024

2.23 Current Tax Liabilities (net)

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Provision for Tax - (Net of Advance Income Tax and TDS)	115.56	44.86
Total	115.56	44.86

Net of Advance Income Tax and TDS of ₹ 999.44 lakh as at 31-Mar-2024 and ₹ 605.14 lakh as at 31-Mar-2023.

Income Taxes

Income Tax expense in the statement of Profit and Loss comprises of the following:

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Current Tax	1,115.00	650.00
Deferred Tax	(108.90)	55.31
Prior year Tax adjustment	(9.72)	(57.67)
Total	996.38	647.64

A Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31st March, 2024 is as follows:

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Profit before tax (including exceptional Items)	3,722.55	2,113.30
Applicable Tax Rate	29.12%	29.12%
Computed expected Tax Expense	1,084.01	615.39
Increase in Interest on G Sec-EIR	(0.28)	-
Interest income taxable as Income from other source	(340.82)	(197.58)
Prior Year Tax Adjustment	(9.72)	(57.67)
Deferred Taxes	(108.90)	55.31
Items of Income and expenses not considered for Tax purposes	(459.72)	(199.94)
CSR Expenses	5.32	1.83
Other Disallowances - Gratuity and Leave Encashment Provisions and others	9.24	6.91
Items of Expense not deductible for Tax purposes:	14.56	8.74
Excess Depreciation as per Income Tax	23.41	28.53
1/5th Amortisation of Share Issue Expenses	(5.62)	(5.62)
Items of Expense deductible for Tax purposes	17.79	22.91
Interest Income	340.82	197.58
Others	(1.08)	2.96
Income from other sources	339.74	200.54
Total	996.38	647.64
Tax Expense recognised during the year	996.38	647.64

The applicable Indian Statutory tax rate for both financial year 2023-24 & 2022-23 is 29.12%

Notes to Financial Statements

for the year ended 31st March 2024

Financial Instruments

Financial Instrument by Category

The carrying value and fair value of financial instruments by categories are as follows:

Financial Assets

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Measured at Amortised Cost		
Trade Receivables	190.11	99.65
Cash and Cash Equivalents	588.67	1,187.12
Bank balances other than Cash and Cash Equivalents	13,901.00	3,873.00
Investments	1,605.42	1,968.20
Other Financial Assets	4,087.16	8,135.06
Total	20,372.36	15,263.03

Financial Liabilities

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Measured at Amortised Cost		
Trade Payables	114.48	348.56
Other Financial Liabilities	8,210.44	5,035.10
Total	8,324.92	5,383.66

Fair Value Hierarchy

Level 1 - Quoted prices in active market for identical Assets and Liabilities

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly

Level 3 - Inputs for the Assets or Liabilities that are not based on observable market data.

Investments Level 1	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Government Securities	1,605.42	1,103.90
Treasury Bills	-	864.30
Total	1,605.42	1,103.90

Note: The fair value pertaining to the Assets or liabilities which are measured at cost or amortised cost on a non-recurring basis has not been disclosed for level 3 hierarchy.

Financial Risk Management

Financial Risk Factors

The Company's activities expose it to a variety of financial risks, settlement risks, market risks, credit risks and liquidity risks. The Company's focus is to foresee the unpredictability of liquidity risks emanating from defaulting of the member(s) during settlement and seek to minimize potential adverse effects on its financial performance. The Company uses members' contribution and line of credit to mitigate risk associated with default by member(s) during settlement.

Liquidity Risk

Company's principal sources of liquidity are cash and cash equivalents, investments and the cash flow that Company generate from the operations. Company continue to be free from any medium and Long term borrowings and maintain sufficient cash to meet our strategic and operational requirements.

Notes to Financial Statements

for the year ended 31st March 2024

Company understand that liquidity in the Balance Sheet has to balance between earning adequate returns and the need to cover financial and business requirements. Liquidity enable us to be agile and ready for meeting unforeseen strategic and operational needs.

Cash and investments, include deposits with large commercial banks in India. As a result, liquidity risk of cash and cash equivalents is limited. Liquid assets also include investments in Treasury bill issued by Government of India. Company invest after considering counterparty risks based on multiple criteria including capital adequacy ratio, net-worth.

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. Since the Company has exposure to regulated entities, the credit risk is limited. It is mitigated by timely monitoring of receivables. The Company has robust accounts receivable collection mechanism which has ensured near zero level of credit risk since inception. The investment of the Company is in high grade investment categories reducing the credit risk exposure to near minimal. The following table gives details in respect of % of revenue generated from top customer and top 5 customers:

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Revenue from Top Customer	23%	25%
Revenue from Top 5 Customers	65%	66%

Credit Risk Exposure

There is no requirement for providing for expected credit loss as the Company has robust collection mechanism and has not written off any amount due to customer credit risk exposure.

Market risk

Under the current changing dynamics of the market, there is always a business or market risk for the Company. As company venture towards providing better customer experience in digital payments e.g. Consumers can use various payment modes including cash and digital modes such as UPI, Net Banking, Debit Cards, Credit Cards, Wallets, IMPS, Aadhaar-Based Payments etc. where the categories include utility payments such as Electricity, LPG Gas, Piped Gas, Water, Municipal Taxes & Services; telecom payments including Mobile Prepaid, Mobile Postpaid, Landline Postpaid, DTH, Cable, Broadband, and other recurring payments such as Loan Repayments, Insurance, FASTag Recharge, Credit Card, NCMC etc. More innovation and R&D for providing better customer experience in digital payment, will be made so as to maintain its competitiveness. Value addition on the existing products will be carried out so as to maintain its leadership in the market. As per our existing risk management framework, NBBL evaluates its Strategic, Compliance, Financial, Operational risks so as to maintain its effectiveness in delivery.

Foreign Currency Risk Exposures

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Financial Assets		
Advances to Vendors	-	12.33
Financial Liabilities		
NIL	-	-

Notes to Financial Statements

for the year ended 31st March 2024

2.24 Revenue from Operations

Particulars	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Income from Payment services	8,548.58	5,780.52
Certification income	18.00	16.00
Total	8,566.58	5,796.52

2.25 Other Income

Particulars	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Interest Income on Deposits	605.11	405.58
Interest Income on Government Securities	113.23	24.73
Interest Income on Treasury Bills	38.24	20.33
Interest Income on earmarked fund		
- BBPS SGM	411.87	225.59
- BBPS NOCS	0.91	-
Interest on Income Tax Refund	1.05	2.28
Liabilities no longer required - written back	71.08	34.47
Other Miscellaneous Income	17.15	5.67
Total	1,258.64	718.65

2.26 Operating Expenses

Particulars	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Annual Maintenance Charges - Network & IT Equipment	356.66	174.63
Testing and Certification Charges	206.53	104.98
Other Operating Expenses	89.96	16.00
Total	653.15	295.61

2.27 Marketing and Business Development Expenses

Particulars	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Marketing Expenses	210.53	503.15
Business Development and Marketing Support Services	648.29	124.25
Total	858.82	627.40

2.28 Employee Benefits Expense

Particulars	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Salary & Allowances	2,742.17	1,821.02
Salary & Allowances (Shared Service Cost)	75.08	63.04
Contribution to Employee Benefits	141.93	94.49
Gratuity and Leave encashment	19.65	30.26
Outsourcing Cost	32.18	21.36
Staff Welfare	26.51	38.34
Total	3,037.52	2,068.51

Notes to Financial Statements

for the year ended 31st March 2024

Gratuity and Leave Encashment

The Gratuity and Leave Encashment Scheme of the Company are funded with HDFC Life Insurance Company Limited, in the form of qualifying insurance policy. The disclosure is based on Actuarial Valuation as well as details provided by HDFC Life Insurance Company Limited.

The summarised position of post-employment benefits is recognised in the Profit and Loss account and Balance Sheet are as under:

Gratuity Plan

	(Amount ₹ in Lakh)	
Reconciliation of Amounts in Balance Sheet	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Opening Balance Sheet (Asset)/Liability	24.11	60.23
Total Expense/(Income) Recognised in Profit and Loss	28.08	21.84
Actual Employer Contributions	(29.73)	(82.21)
Total Remeasurements Recognised in Other Comprehensive (Income)/Expenses	34.49	24.25
Closing Balance Sheet (Asset)/Liability	56.95	24.11

	(Amount ₹ in Lakh)	
Amounts in Balance Sheet	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Defined Benefit Obligation (DBO)	118.26	91.32
Fair Value of Plan Assets	61.31	67.21
Funded Status - (Surplus) /Deficit	56.95	24.11
Liability/(Asset) recognised in the Balance Sheet	56.95	24.11

	(Amount ₹ in Lakh)	
Amount recognised in the Statement of Profit and Loss	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Current Service Cost	27.05	18.20
Interest Cost	5.83	3.64
Expected Return on Plan Asset	(4.81)	-
Total Expense / (Income) included in "Employee Benefit Expenses"	28.07	21.84

	(Amount ₹ in Lakh)	
Amount recognised in other comprehensive income (OCI)	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Amount recognised in OCI at the beginning of year	5.10	(19.15)
Re-measurements due to :		
Effect of Change in Financial Assumption	1.34	(2.79)
Effect of Change in Demographic Assumption	-	-
Effect of Experience Adjustments	32.85	27.04
Actuarial (Gains)/Losses	34.19	24.25
Return on Plan Assets (excluding Interest)	(0.30)	-
Total Re-measurements recognised in OCI	34.49	24.25
Amount recognised in OCI at the end of the year	39.59	5.10

	(Amount ₹ in Lakh)	
Actual Return on Plan Assets	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Interest Income Plan Asset	4.81	-
Actuarial Gains/(Losses) on Plan Assets	(0.30)	-
Actual Return on Plan Assets	4.51	-

Notes to Financial Statements

for the year ended 31st March 2024

	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Change in Present Value of Obligation during the year		
Defined Benefit Obligation (DBO) at the beginning of the Year	91.32	60.23
Current Service Cost	27.05	18.20
Interest Cost	5.83	3.64
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	34.19	24.25
Actual Benefits Paid	(40.13)	(15.00)
Present Value of Obligation at the end of the year	118.26	91.32

	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Change in Fair Value of Plan Assets during the year		
Fair Value of Plan Assets at the Beginning of the year	67.21	-
Interest Income Plan Asset	4.81	-
Actual Enterprise's Contributions	29.73	82.21
Actual Benefits Paid	(40.13)	(15.00)
Actuarial Gain/(Loss) on Plan Assets	(0.30)	-
Fair value of plan Assets at the end of the year	61.32	67.21

	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Current / Non Current Benefit Obligation		
Current Liability	-	-
Non Current Liability	56.95	24.11
Liability/(Asset) Recognised in the Balance Sheet	56.95	24.11

	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Other Items		
Expected Contributions for the next financial year	11.87	19.57
Decrement adjusted estimated tenure of Actuarial liability (years)	6.45	6.46

History of Defined Benefit Obligation (DBO), Asset values, Surplus / Deficit, Experience Gain / Losses

	(Amount ₹ in Lakh)				
Particulars	31-Mar-24	31-Mar-23	31-Mar-22	31-Mar-21	31-Mar-20
DBO	118.26	91.32	60.23	59.23	NA
Plan Assets	61.31	67.21	-	-	NA
(Surplus)/Deficit	56.95	24.11	60.23	59.23	NA
Exp Adj. - Plan Liabilities (Gain) / Loss	(0.30)	-	-	-	NA
Assumptions (Gain) / Loss	1.34	(2.79)	(1.16)	-	NA
Exp Adj. - Plan Liabilities (Gain) / Loss	32.85	27.04	(17.98)	-	NA
Total Actuarial (Gain)/Loss	34.19	24.25	(19.14)	-	NA

	(Amount ₹ in Lakh)	
Category of Assets	Year ended 31-Mar-2024	Year ended 31-Mar-2024
Other (including assets under Schemes of Ins.)	100%	100%
Total	100%	100%

Notes to Financial Statements

for the year ended 31st March 2024

	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Recognition of Actuarial Gain / Loss		
Actuarial (Gain)/Loss arising on DBO	34.19	24.25
Actuarial (Gain)/Loss arising on Plan Assets	0.30	-
Total (Gain)/Loss recognised during the period	34.49	24.25

Sensitivity Analysis

	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Other Items		
Defined Benefit Obligation (Base)	118.26	91.32

Particulars	31-Mar-2024		31-Mar-2023	
	Decrease	Increase	Decrease	Increase
Discount rate (per annum)	121.73	114.96	93.63	89.12
Impact of increase/decrease in 50 bps on DBO	2.93%	-2.79%	2.53%	-2.41%
Salary Growth rate (per annum)	116.06	120.41	89.27	92.91
Impact of increase/decrease in 50 bps on DBO	-1.86%	-1.82%	-2.24%	1.74%

Expected Cash Flow

	(Amount ₹ in Lakh)	
Particulars	31-Mar-2024	31-Mar-2023
Year 1	11.87	19.57
Year 2	12.48	9.30
Year 3	13.55	9.55
Year 4	15.67	10.00
Year 5	16.60	10.70
Year 6 to 10	62.00	44.61

Particulars	31-Mar-2024	31-Mar-2023
Actuarial assumptions		
Discount Rate	6.95%	7.15%
Salary Escalation Rate	8.00%	8.00%
Expected Return on Assets	6.95%	7.15%
Withdrawal Rate	15.00%	15.00%
Retirement Age	60 years	60 years

Leave Encashment Plan

	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Reconciliation of Amounts in Balance Sheet		
Opening Balance Sheet (Asset)/Liability	10.35	41.50
Total Expense/(Income) Recognised in Profit and Loss	20.87	23.27
Actual Employer Contributions	(13.13)	(54.42)
Total Remeasurements Recognised in Other Comprehensive (Income)/Expenses	-	-
Closing Balance Sheet (Asset)/Liability	18.09	10.35

Notes to Financial Statements

for the year ended 31st March 2024

Amounts in Balance Sheet	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Defined Benefit Obligation (DBO)	69.43	58.61
Fair Value of Plan Assets	51.34	48.26
Funded Status - (Surplus) /Deficit	18.09	10.35
Liability/(Asset) recognised in the Balance Sheet	18.09	10.35

Amount recognised in the Statement of Profit and Loss	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Current Service Cost	19.61	11.37
Interest Cost	3.72	2.52
Expected Return on Plan Asset	(3.44)	-
Net Actuarial Losses/(Gains)	0.99	9.38
Total Expense / (Income) included in "Employee Benefit Expenses"	20.88	23.27

Actual Return on Plan Assets	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Interest Income Plan Asset	3.44	-
Actuarial Gains/(Losses) on Plan Assets	(0.21)	-
Actual Return on Plan Assets	3.23	-

Change in Present Value of Obligation during the year	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Defined Benefit Obligation (DBO) at the beginning of the Year	58.61	41.50
Current Service Cost	19.61	11.37
Interest Cost	3.72	2.52
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	0.78	9.38
Actual Benefits Paid	(13.29)	(6.16)
Present Value of Obligation at the end of the year	69.43	58.61

Change in Fair Value of Plan Assets during the year	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Fair Value of Plan Assets at the Beginning of the year	48.26	-
Interest Income Plan Asset	3.44	-
Actual Enterprise's Contributions	13.13	54.42
Actual Benefits Paid	(13.29)	(6.16)
Actuarial Gain/(Loss) on Plan Assets	(0.21)	-
Fair value of plan Assets at the end of the year	51.33	48.26

Current / Non Current Benefit Obligation	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Current Liability	-	-
Non Current Liability	18.09	10.35
Liability/(Asset) Recognised in the Balance Sheet	18.09	10.35

Notes to Financial Statements

for the year ended 31st March 2024

Other Items	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Expected Contributions for the next financial year	12.36	10.35
Decrement adjusted estimated tenure of Actuarial liability (years)	6.45	6.46

History of Defined Benefit Obligation (DBO), Asset values, Surplus / Deficit, Experience Gain / Losses

Particulars	(Amount ₹ in Lakh)				
	31-Mar-24	31-Mar-23	31-Mar-22	31-Mar-21	31-Mar-20
DBO	69.43	58.61	41.50	53.40	NA
Plan Assets	51.34	48.26	-	-	NA
(Surplus)/Deficit	18.09	10.35	41.50	53.40	NA
Exp Adj. - Plan Liabilities (Gain) / Loss	(0.21)	-	-	-	NA
Assumptions (Gain) / Loss	0.65	(1.68)	(0.90)	-	NA
Exp Adj. - Plan Liabilities (Gain) / Loss	0.14	11.06	(30.28)	-	NA
Total Actuarial (Gain)/Loss	0.79	9.38	(31.18)	-	NA

Category of Assets	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Other (including assets under Schemes of Ins.)	100%	100%
Total	100%	100%

Recognition of Actuarial Gain / Loss	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Actuarial (Gain)/Loss arising on DBO	0.78	9.38
Actuarial (Gain)/Loss arising on Plan Assets	(0.21)	-
Total (Gain)/Loss recognised during the period	0.57	9.38

Sensitivity Analysis

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
Defined Benefit Obligation (Base)	69.43	58.61

Particulars	31-Mar-2024		31-Mar-2023	
	Decrease	Increase	Decrease	Increase
Discount rate (per annum)	71.10	67.84	60.00	57.28
Impact of increase/decrease in 50 bps on DBO	2.40%	-2.29%	2.38%	-2.27%
Salary Growth rate (per annum)	67.84	71.07	57.28	59.98
Impact of increase/decrease in 50 bps on DBO	-2.28%	2.37%	-2.26%	2.35%

Notes to Financial Statements

for the year ended 31st March 2024

Expected Cash Flow

Particulars	(Amount ₹ in Lakh)	
	31-Mar-2024	31-Mar-2023
Year 1	12.36	11.45
Year 2	10.97	10.39
Year 3	9.74	9.45
Year 4	8.65	8.62
Year 5	7.62	7.87
Year 6 to 10	28.29	26.95

Particulars	(Amount ₹ in Lakh)	
	31-Mar-2024	31-Mar-2023
Actuarial assumptions		
Discount Rate	6.95%	7.15%
Salary Escalation Rate	8.00%	8.00%
Expected Return on Assets	6.95%	7.15%
Withdrawal Rate	15.00%	15.00%
Retirement Age	60 years	60 years

2.29 Depreciation and Amortisation expenses

Particulars	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Depreciation on Property, Plant and Equipment	51.94	90.85
Amortisation of Intangible assets	733.09	775.97
Total	785.03	866.82

2.30 CSR Expenses

Particulars	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
CSR expenditure	18.28	6.28
Total	18.28	6.28

The Company contributes 2% of the Net profit before tax to Corporate Social Responsibility (CSR) activities as per provisions of the Companies Act, 2013. The amount spent on CSR activities are based on the approvals received from the Board.

Particulars	(Amount ₹ in Lakh)		
	Amount paid	Amount yet to be paid	Total
i) Construction/Acquisition of any asset	-	-	-
ii) On Purpose Other than (i) above	18.28	-	18.28

Particulars	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
i) Amount required to be spent by the company during the year	18.28	6.28
ii) Amount of expenditure incurred	18.28	6.28
iii) Shortfall at the end of the year	-	*
iv) Total of previous years shortfall/ (excess)	*	-
v) Reason for shortfall	NA	NA
vi) Nature of CSR activities	Education and livelihood initiative	Education and Livelihood initiative

Notes to Financial Statements

for the year ended 31st March 2024

Particulars	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
	School Transformation Project**	School Transformation Project**
	Skill Development Project***	-
vii) Details of Related Party Transactions	NA	NA
viii) Details related to Movement of Provision	NA	NA

*Unspent amount of ₹ 319/- was transferred to Schedule VII fund of National Mission for Clean Ganga as approved by the Board.

**School Transformation Project-1 School in Gadchiroli district of Maharashtra in Partnership with Learning Link Foundation as approved by the Board.

***Skill Development and Livelihood Project for vocational training of 270 unemployed women at Kanker district of Chhattisgarh as approved by the Board.

2.31 Administrative and Other Expenses

Particulars	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Shared Service Cost		
Rent	188.20	99.68
Electricity	8.36	8.65
General Office Expenses	17.09	16.19
Telephone & Communication Expenses	0.72	0.81
Administrative Charges	23.15	15.07
Rates and Taxes	2.09	0.26
Travelling and Conveyance Expenses	98.26	70.42
General Office Expenses	0.05	-
Sitting Fees to Directors	5.00	5.00
Insurance	0.08	0.09
Training & Seminar	107.68	89.81
Internal Audit Fees	2.13	1.59
Postage, Printing & Stationery	2.72	1.06
Recruitment Expenses	19.14	5.23
Professional Fees	81.80	70.36
Legal fees	14.11	16.15
Membership and Subscription Fees	31.12	9.28
Line of Credit and Other SGM Expenses	138.88	115.51
Foreign Exchange (gain) / loss	0.63	0.08
Payment to the Statutory Auditors*	4.20	3.76
Tax Audit Fees	0.80	0.55
Interest on MSME	0.05	-
Miscellaneous Expenses	3.61	7.70
Total	749.87	537.25

* Payment to the Statutory Auditors

Particulars	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Statutory Audit Fees	3.00	2.60
Audit Fees for Limited Review	1.10	0.85
Other Certification charges	0.10	0.10
Out of Pocket Expenses (OPE)	-	0.21
Total	4.20	3.76

Notes to Financial Statements

for the year ended 31st March 2024

2.32 Earnings per Share (EPS)

Particulars	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Net Profit as per statement of Profit and Loss	2,726.17	1,465.66
Weighted Average Number of Equity Shares	1,00,00,000	1,00,00,000
EPS :		
(i) Basic EPS (Face value ₹ 100 per Equity Share)	27.26	14.66
(ii) Diluted EPS (Face value ₹ 100 per Equity Share)	27.26	14.66

2.33 Segment Reporting

Operating segment/s are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker, in deciding how to allocate resources and assessing performance. The Company's Chief Operating Decision Maker (CODM) is the Chief Executive Officer. The Company has only one identified business segments (industry practice) namely "Payments Systems".

The Financial Statements itself may be considered to be the segment result as per disclosure requirement of Ind AS 108 issued by The Institute of Chartered Accountants of India.

2.34 Related Party Disclosures

Name of Related Parties	Nature of Relationship
National Payments Corporation of India	Holding Company
NPCI International Payments Limited	Fellow Subsidiary

Name of Key Managerial Personnel (KMP) / Related parties:

Key Managerial Personnel - Directors	Title	Date of appointment	Date of Retirement/ Cessation
Mr. Biswamohan Mahapatra	Chairman	10-Dec-20	07-Feb-24
Mr. Ajay Kumar Choudhary	Chairman (Independent Non-Executive)	08-Feb-24	-
Mr. Dilip Asbe	Non-independent Non-Executive	10-Dec-20	-
Mr. Rana Ashutosh Kumar Singh	Non-independent Non-Executive	12-Aug-21	-
Ms. Praveena Rai	Non-independent Non-Executive	27-Jan-22	-
Mr. Parag Rao	Non-independent Non-Executive	02-Jun-23	-
Ms. Drushti Desai	Independent Director	11-Jan-24	-

Key Managerial Personnel of the Company	Designation	Date of appointment	Date of Retirement/ Cessation
Ms. Noopur Chaturvedi	Chief Executive Officer	06-Aug-21	-
Mr. Ashish Pai	Chief Financial Officer	08-Mar-21	18-Aug-23
Mr. Pavan Kumar Holani	Chief Financial Officer	21-Aug-23	-
Ms. Supreetha Shetty	Company Secretary	01-Dec-21	-

Name of Related Parties	Nature of Relationship
CSR Bank Ltd. (Related Party from 20-Jun-2023 to 07-Aug-2023)	Entity with common Director

Notes to Financial Statements

for the year ended 31st March 2024

Transactions with Related Parties

The details of Related Party Transactions entered into by the Company for the year ended 31st March 2024 are as below:

		(Amount ₹ in Lakh)		
Name of Related Party	Nature of Transaction	Year ended 31-Mar-24	Year ended 31-Mar-23	
National Payments Corporation of India	Income	Reimbursement of Employee Benefit Expenses	8.29	15.10
		Shared Service Cost	307.60	203.44
		Business Development and Marketing Support	648.29	124.25
		Technology Infrastructure, Operational Support (IT Support & Other Services)	147.00	-
	Expense	Reimbursement of Employee Benefit Expenses	13.39	8.79
		Processing Fee Line Of Credit - SGM Bbps	-	6.31
		Outsource Cost	10.75	-
		Professional Fees	2.70	-
		License cost (Expenses)	11.74	-
		License cost (Prepaid Expenses)	23.49	-
Asset	Microsoft D365 ERP implementation	49.61	-	
	CSB Bank Ltd.	Income	Switching and Fetching Fees	0.00

Details of Amounts Due to or Due from Related Parties as at 31-Mar-2024

		(Amount ₹ in Lakh)	
Name of Related Party	Nature of Balances	As at 31-Mar-2024	As at 31-Mar-2023
National Payments Corporation of India	Trade Payable	81.94	0.28
	Capital Creditor	49.61	-
	Trade Receivable	-	16.31
Ms. Noopur Chaturvedi	Advance for Security Deposit	-	3.50

Transactions with Key Managerial Personnel

		(Amount ₹ in Lakh)	
Particulars		Year ended 31-Mar-2024	Year ended 31-Mar-2023
Sitting Fees		5.00	5.00
Advance for Security Deposit paid/(repayment)		(3.50)	(3.50)
Total		1.50	1.50

Compensation to Key Management Personnel of the Company

		(Amount ₹ in Lakh)	
Particulars		Year ended 31-Mar-2024	Year ended 31-Mar-2023
Short Term Employee Benefits		220.50	192.30
Post-Employment Benefits*		-	-
Other Long Term Benefits		-	-
Total		220.50	192.30

*The above Post-employment benefit excludes gratuity provision which cannot be separately identified from the composite amount advised by actuary.

Notes to Financial Statements

for the year ended 31st March 2024

2.35 Contingent Liabilities and Capital Commitments

Contingent Liabilities and Capital Commitments (to the extent not provided for)	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2023
(i) Capital Commitments		
(a) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for	1,911.61	502.53
Sub Total	1,911.61	502.53
(ii) Contingent Liabilities – Other Matters (Refer Note 1)	-	30.00
Sub Total	-	30.00
Total	1,911.61	532.53

Note:

- This amount pertains to claim on account of settlement related issue with certain Operating Units(OU) on account of incorrect processing due to certain reasons but not acknowledged by the Company as debt.

2.36 Revenue Expenditure in Foreign Currency

Particulars	(Amount ₹ in Lakh)	
	Year ended 31-Mar-2024	Year ended 31-Mar-2024
Professional Fees*	1.23	-
Membership and Subscription Fees	-	1.43
Training and Seminar*	55.35	-
Marketing Expenses	19.79	-
Total	76.37	1.43

* includes amounts in prepaid expenses

Accounting for Foreign Currency Transactions:

Expenditure in foreign currencies are recorded in INR by applying to the foreign currency amount the exchange rate at the time of transaction. Exchange rate differences consequent to settlement are recognised as income / expenditure.

2.37 Details of Due to Micro, Small and Medium Enterprises as defined in MSMED Act, 2006

Information related to Micro, Small and Medium Enterprises Development Act, 2006 (the Act) is disclosed hereunder. The information given below has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	(Amount ₹ in Lakh)	
	As at 31-Mar-2024	As at 31-Mar-2024
a (i) Principal amount remaining unpaid to any supplier / service provider at the end of the accounting year	-	-
(ii) Interest due on above	-	-
b. Amount of Interest paid by the buyer in terms of Section 16 of the Act, along with amount of payment made beyond the appointed date during the year.	-	-
c. Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	0.05	0.00
d. Amount of interest accrued and remaining unpaid at the end of the financial year.	0.05	0.00
e. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	0.00	-

Notes to Financial Statements

for the year ended 31st March 2024

2.38 Other Statutory Compliances

Particulars
a. The Company has neither traded or nor invested in crypto currency or virtual currency during the current financial year or previous financial year.
b. The Company has complied with the number of layer of companies prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
c. No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
d. The Company is not declared as wilful defaulter by any bank or financial Institution or other lender during the current financial year or previous financial year.
e. Loans and Advances <ul style="list-style-type: none"> - The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), which are either repayable on demand or without specifying any terms or period of repayment during the current financial year or previous financial year. - 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. - 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, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
f. Declaration regarding Borrowed funds <ul style="list-style-type: none"> - The company has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date. - The company has not taken any borrowings from banks on the basis of security of Current assets during the current financial year or previous financial year. - The company has not taken any secured borrowings during the current financial year or previous financial year accordingly there is no requirement for charge or satisfaction of charges is to be registered with ROC.
g. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
h. There was no transaction relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income tax act, 1961 (43 of 1961).

2.39 Relationship with Struck Off Companies

The company does not have any transactions with the struck off companies during the current or previous financial year.

2.40 Key Financial Ratios

Ratios	Formula	(Amount ₹ in Lakh)		
		31-Mar-2024	31-Mar-2023	% Variance
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	15.03	10.77	39.58%
Debt-Equity Ratio	Not applicable as there is no Debt in the Company	NA	NA	NA
Debt Service Coverage Ratio	Not applicable as there is no Debt in the Company	NA	NA	NA

Notes to Financial Statements

for the year ended 31st March 2024

(Amount ₹ in Lakh)				
Ratios	Formula	31-Mar-2024	31-Mar-2023	% Variance
Return on Equity Ratio	$\frac{\text{Net profit after taxes}}{\text{Average Shareholder's Equity}}$	20.95%	13.24%	58.25%
Inventory Turnover Ratio	Not applicable considering the nature of business of the company	NA	NA	NA
Trade Receivables Turnover Ratio	$\frac{\text{Revenue From Operations}}{\text{Average Trade Receivables}}$	317.75	113.08	181.00%
Trade Payables Turnover Ratio	$\frac{\text{Operating Expenses}}{\text{Average Trade Payables}}$	9.95	2.64	276.26%
Net Capital Turnover Ratio	$\frac{\text{Revenue From Operations}}{\text{Working Capital}}$	0.48	0.61	-21.65%
Net Profit Ratio	$\frac{\text{Net Profit}}{\text{Revenue From Operations}}$	31.82%	25.29%	25.86%
Return on Capital Employed	$\frac{\text{Earnings before Interest and Tax}}{\text{Capital Employed}}$	26.09%	17.98%	45.10%
Return on Investment	$\frac{\text{Net return on Investment}}{\text{Average value of Investment}}$	6.75%	5.17%	30.54%

Ratios where there has been a significant change from 31-Mar-2023 to 31-Mar-2024

Current Ratio

The Current Ratio has increased due to increase in Current Assets by 1.83 times as against 1.31 times in Current Liabilities.

Return on Equity Ratio

The Return on Equity Ratio has increased due to increase in Net profit after taxes by 1.86 times as against increase in 1.18 times in Average Shareholder's Equity.

Trade Receivables Turnover Ratio

The Trade Receivables Turnover Ratio has increased due to increase in Revenue From Operations by 1.48 times as against decrease in 0.53 times in Average Trade Receivables.

Trade Payables Turnover Ratio

The numerator has been revised to include Marketing Expenses, Administrative and Other Expenses.

The Trade Payables Turnover Ratio has increased due to increase in Operating Expenses by 1.55 times as against decrease in 0.42 times in Average Trade Payables.

Net Profit Ratio

The Net Profit Ratio has increased due to increase in Net Profit by 1.86 times as against increase in 1.48 times in Revenue From Operations.

Return on Capital Employed

The Return on Capital Employed has increased due to increase in Earnings before Interest and Tax by 1.76 times as against increase in 1.21 times in Capital Employed.

Return on Investment

The Return on Investment has increased due to increase in Net return on Investment by 1.73 times as against increase in 1.32 times in Average value of Investment.

Notes to Financial Statements

for the year ended 31st March 2024

2.41 Other Notes

- a. Trade receivables, Trade payables, Loans and Advances are subject to confirmation and reconciliation, if any. Trade receivables, Trade payables, Loans and Advances are stated approximately at the value, if realised in ordinary course of business.
- b. There are no material prior period errors which can impact the financial position of the company as per IND AS 8.
- c. Previous year's figures have been regrouped, reclassified and rearranged to correspond with the current year figures / presentation wherever necessary.
- d. Numbers are rounded off to the nearest lakh.

As per our report attached

For **K P C M & Co.**

Chartered Accountants

Registration No.: 117390W

For and on behalf of the Board of Directors

Ajay Kumar Choudhary

Chairman

DIN : 09498080

Drushti Desai

Director

DIN : 00294249

CA Chimpu Lapsiwala

Partner

Membership No: 137998

Place : Mumbai

Date: 15-May-2024

Noopur Chaturvedi

Chief Executive Officer

Supreetha Shetty

Company Secretary

Pavan Kumar Holani

Chief Financial Officer