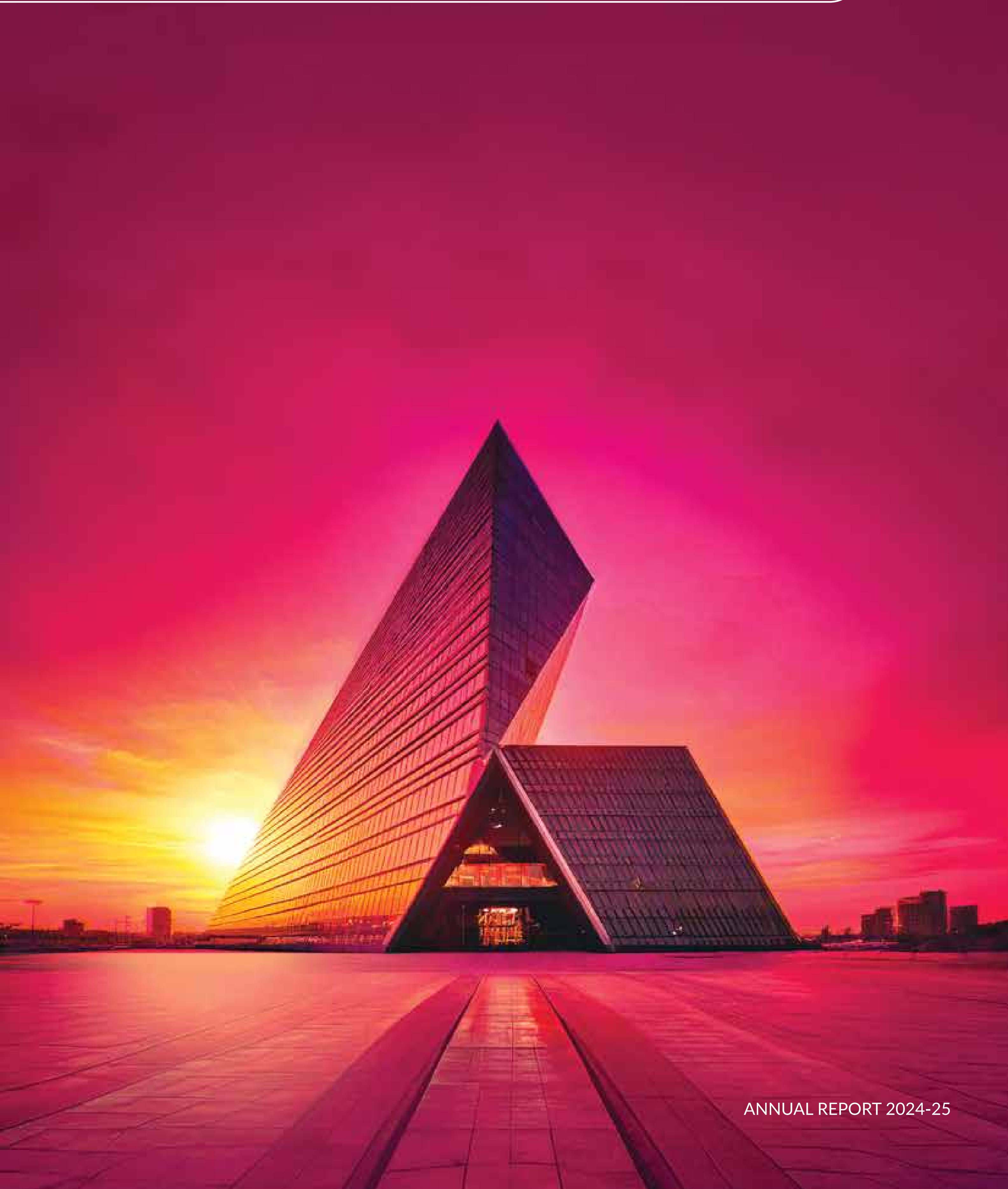
FREECHARGE BUSINESS AND TECHNOLOGY SERVICES LIMITED



ANNUAL REPORT 2024-25

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BOARDS' REPORT

Dear Members,

Your director's have the pleasure in presenting the First (1st) Annual Report of the Company, along with Audited Financial Statements for the period commencing from the date of incorporation i.e. March 16, 2024 till financial year ended March 31, 2025.

Financial Highlights and Business Operations

Particular	As at March 31, 2025 (₹ in Lakhs)
Revenue from Operations	Nil
Other Income	Nil
Finance Income	231.52
Loss After Tax	(134.41)

State of Company's Affairs and Future Outlook

Pursuant to the direction received from Reserve Bank of India("RBI") vide letter dated January 15, 2024 regarding setting-up of a wholly owned subsidiary company of Axis Bank Ltd ("Bank") which shall act as Business Correspondent (BC) and Technology Service Provider (TSP) for the Bank, the Company was incorporated on March 16, 2024 for the purpose of carrying on the said BC and TSP activities for the Bank. These activities are currently being carried out by Freecharge Payment Technologies Pvt. Ltd ("Freecharge"), a wholly owned subsidiary of the Bank and will be transferred to the Company through the arrangement of demerger between Freecharge and the Company The Company will start operations post transfer of BC and TSP activities pursuant to demerger.

Accordingly, the Company had filed a petition before Hon'ble NCLT, Chandigarh for the approval of a scheme of arrangement for demerger of the business undertaking of Freecharge related to BC and TSP activities being provided to the Bank and thereby vesting the same with the Company. The same is under process.

Share Capital

During the period under review, the Company was incorporated with the Authorised Share Capital of 1,000,000,000 Equity shares of ₹ 10/- each aggregating to ₹ 10,000,000,000/- (One Thousand Crores Only). The Company received the entire subscription money amounting to ₹ 400,000,000/- (Forty Crores Only) from the subscribers of Memorandum of Association. The issued, subscribed and paid-up Share capital of the Company is 40,000,000 Equity shares of ₹ 10/- each aggregating to ₹ 400,000,000/- (Forty Crores Only). There was no change in the Authorised, Issued, Subscribed and Paid-up Share Capital of the Company during the period under review.

In terms of provisions of Rule 9A of Companies (Prospectus and Allotment of Securities) Rules, 2014, the Company had admitted all it's equity shares in the Depository system of National Securities Depository Limited (NSDL). The Company had appointed MUFG Intime India Pvt. Ltd. (formerly known as Link Intime India Pvt. Ltd.) as the Registrar & Transfer Agent (RTA) for the Depository.

Particulars of Employees

The Company being an unlisted company, the provisions of Section 197 (12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time are not applicable on the Company.

Particulars of Contracts or Arrangements with Related Parties

During the period under review, all contracts or arrangements with related parties entered into at arm's lengths basis and in ordinary course of business. As required pursuant to provisions of Section 134(3) of the Companies Act, 2013 read with Companies (Accounts) Rules 2014, particulars of all such contracts or arrangements are enclosed in prescribed Form AOC-2 as **Annexure-1** to this report.

Public Deposits

The Company has not accepted any deposits from the public as defined under Chapter V of the Companies Act, 2013 and the Rules made thereunder.

Statutory Auditors

During the period under review, Nangia & Company, LLP, Chartered Accountants (Firm Registration No -002391C/N500069) were appointed as First Auditors of the Company w.e.f. April 05, 2024 to hold the office as such till the conclusion of First Annual General Meeting of the Company. However, the said firm has tendered it's resignation on May 28, 2024 from the office of Statutory Auditors of the Company.

Pursuant to the provisions of Sections 139(8) and other applicable provisions, if any, of Companies Act, 2013 and the rules made thereunder and with the approval of members at the Extra-Ordinary General meeting of the Company held on August 09, 2024, Thakur, Vaidyanath Aiyar & Co. Chartered Accountants (Firm Registration No-000038N), were appointed as Statutory Auditors of the Company to fill the casual vacancy caused by resignation of Nangia & Co. LLP, Chartered Accountants (Firm Registration No- 002391C/N500069) to hold the office up to the date of First Annual General Meeting of the Company.

Auditors Report

The Auditor's report to the shareholders on financial statements for the period commencing from March 16, 2024 to March 31, 2025 does not contain any qualification or adverse comment.

The comments made by Statutory Auditors in their report for financial statements for the period commencing from March 16, 2024 to March 31, 2025 are self-explanatory and therefore, do not call for any further explanation or comments from the Board.

Secretarial Auditors

During the period under review, the Company is not required to appoint Secretarial Auditors in accordance with the provisions of Section 204 of Companies Act, 2013 and rules made thereunder.

Board of Directors, Key Managerial Personnel and Board and Committee Meetings

During the period under review, following directors were appointed as First Directors of the Company w.e.f. date of incorporation i.e. March 16, 2024:-

1. Subrat Mohanty

2. Sameer Bhujanga Shetty

3. Balaji Narayanamurthy

4. Mohit Jain

In terms of provisions of Section 203 of Companies Act, 2013 read with Rules made thereunder, Rashmeet Kaur was appointed as Company Secretary (CS) of the Company w.e.f. April 05, 2024. Further, Anil Kumar Singh and Sunil Arora were appointed as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) respectively of the Company w.e.f. July 17, 2024. However, Sunil Arora has resigned from the office of CFO of the Company w.e.f closure of business hours of November 27, 2024. Consequently, Shabita has been appointed as CFO of the Company w.e.f April 16, 2025 to fill up the vacancy caused by the resignation of Sunil Arora.

Pursuant to provisions of Section 152 of the Companies Act, 2013, Mohit Jain retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. A resolution seeking approval from the members for the re-appointment of Mohit Jain as director of the Company shall be placed before the members of the Company at the ensuing First Annual general meeting of the Company.

During the financial period under review, the Board of Directors met 4 times on April 05, 2024; July 17, 2024; October 09, 2024 and January 13, 2025. The time gap between two meetings did not exceed 120 days. The summary of number of meetings attended by each Board Member is as under:

S.No.	Name of Director	No. of Meetings Attended
1	Subrat Mohanty	4
2	Mohit Jain	4
3	Sameer Bhujanga Shetty	4
4	Balaji Narayanamurthy	4

Directors’ Responsibility Statement

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, and save as otherwise mentioned elsewhere in this Report, the Directors, to the best of their knowledge and belief, confirm that:

a) in the preparation of the annual accounts for the period commencing from date of incorporation i.e. March 16, 2024 till end of the financial year i.e. March 31, 2025, applicable accounting standards, have been followed along with proper explanations relating to material departures; whenever applicable

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e. March 31, 2025 and of the profit and loss of the Company for that period;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) the Directors have prepared the annual accounts of the Company on a going concern basis;

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

Compliance of Secretarial Standards

Your Company complied with the applicable Secretarial Standards SS-1 and SS-2 with respect to Board Meetings and General Meetings respectively specified by the Institute of Company Secretaries of India.

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

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

Conservation of Energy:

Steps taken for conservation	
Steps taken for utilizing alternate sources of energy	**Not Applicable**
Capital investment on energy conservation equipment's	

Technology Absorption:

Efforts made for technology absorption	
Benefits derived	
Expenditure on Research & Development, if any	
Details of technology imported, if any	**Not Applicable**
Year of import	
Whether imported technology fully absorbed	
Areas where absorption of imported technology has not taken place, if any	

Foreign Exchange Earnings/ Outgo:

Earnings	**Nil**
Outgo (₹ In Lakhs)	**Nil**

General Disclosures

- During the period under review, Board does not propose to transfer any amount to any reserves.
- During the period under review, your directors do not recommend any dividend.
- The Company doesn't have any Subsidiary, Joint Venture or Associate Company
- The Company has not granted any loans, guarantees or made investments in terms of provisions of Section 186 of the Companies Act, 2013.
- No material changes and commitments occurred between the end of financial year ended March 31, 2025, and the date of this report which may affect the financial position of the Company.
- During the year under review, your Company was not required to maintain any cost records under provisions of Section 148 of Companies Act,2013 and rules made thereunder.
- No significant and material order has been passed by the regulator/court/tribunal which may impact the going concern and company's operations in future.
- Your Company would formulate Risk Management Policy as and when the Company commences it's business operations.

- The Company would constitute Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and adopt Policy on Prevention of Sexual Harassment at workplace as and when the Company commences it's business operations.
- No application has been made or any proceeding is pending under the Insolvency and Bankruptcy Code (IBC), 2016.
- The Company, being a wholly owned subsidiary company, is not required to constitute Audit Committee and Nomination and Remuneration Committee for the year under review.
- The Company is not required to constitute Corporate Social Responsibility (CSR) Committee and formulate CSR Policy in terms of provisions of Section 135 of Companies Act, 2013 for the year under review.
- No fraud has been reported by auditors under Section 143(12) of the Companies Act, 2013
- The Company has laid down adequate internal financial controls over financial reporting to be followed by the Company and such internal financial controls were operating effectively.

Acknowledgement

The Directors wish to convey their appreciation to all the members, bankers, government departments and other stakeholders for their invaluable support to Company.

By the Order of Board
For Freecharge Business and Technology Services Limited

	Mohit Jain	**Sameer Bhujanga Shetty**
Place : Mumbai	Director	Director
Date: April 16, 2025	DIN: 07945124	DIN: 08536421

Annexure - 1

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.)

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions **not at Arm's length basis**.

NOT APPLICABLE

2. Details of contracts or arrangements or transactions **at Arm's length basis.**

S. NO.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements /transaction	Duration of the contracts/ arrangement/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1	Freecharge Payment Technologies Pvt. Ltd	1. Right to use Registered Office premises	15.01.2026	Refer financial statements	- Not applicable as transaction entered in ordinary course of business and at Arm's Length.	Nil
		2. Secondment Agreement for deputation of employees of Freecharge Payment Technologies Pvt. Ltd into the Company.	04.04.2026			
		3. Service Provider Agreement- Finance and Accounting Support from Freecharge Payment Technologies Pvt. Ltd	31.03.2026			
		4. Service Provider Agreement- Treasury Services	31.03.2026			
2	Axis Bank Ltd. – Holding Company	1. Banking services 2. Reimbursement of Incorporation Expenses	-	Refer financial statements	- Not applicable as transaction entered in ordinary course of business and at Arm's Length.	Nil

By the Order of Board

For Freecharge Business and Technology Services Limited

Mohit Jain
Director
DIN: 07945124

Sameer Bhujanga Shetty
Director
DIN: 08536421

Place : Mumbai
Date: April 16, 2025

Independent Auditor's Report

To The Members of
Freecharge Business and Technology Services Limited

Report On The Audit Of Financial Statements

1. Opinion

We have audited the accompanying financial statements of **Freecharge Business and Technology Services Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the period then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2025;

b) In the case of Statement of Profit and Loss (including other comprehensive income), of the loss for the period from March 16, 2024 to March 31, 2025;

c) In the case of the Cash Flow Statement and statement of changes in equity, its cash flows and the changes in equity for the period from March 16, 2024 to March 31, 2025.

2. Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Financial Statements and our auditor's report thereon.

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

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

4. Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India and other applicable Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2023, 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

5. Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

6. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 ("the order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraph 3 and 4 of the order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

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

   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2023, as amended.

   e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.

   f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B** to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

   g) According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration to its directors during the period ended March 31, 2025. Accordingly, the provisions of Section 197 read with Schedule V to the Companies Act, 2013 are not applicable.

   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 does not have any pending litigations which would impact its financial position in its financial statements.

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

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

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

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

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v) No dividend has been declared or paid during the period by the Company.

3. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable for the financial year ended March 31, 2025. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the period for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN: 000038N

Anil Kumar Aggarwal
Partner
M. No: 087424
UDIN: 25087424BMLXXY6298

Place: New Delhi
Date: April 16, 2025

ANNEXURE 'A'

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE OF FINANCIAL STATEMENTS OF FREECHARGE BUSINESS AND TECHNOLOGY SERVICES LIMITED

(Referred to in paragraph 6.1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

i. (a) In respect of the Company's fixed assets (property, plant and equipment):

(A) The Company does not own any property, plant and equipment as at March 31, 2025. Accordingly, reporting under clause 3(i)(a)(A) is not applicable to the Company.

(B) The Company does not own any intangible assets as at March 31, 2025. Accordingly, reporting under clause 3(i)(a)(B) is not applicable to the Company.

(b) In view of the fact that the Company does not own any property, plant and equipment during the year, the requirement to comment on physical verification and discrepancies, if any, does not arise.

(c) The Company does not own any other immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) and hence reporting under paragraph 3(i)(c) is not applicable.

(d) In view of the fact that the Company does not own any property, plant and equipment (including Right of Use assets) or intangible assets during the year, the requirement to comment on the revaluation under clause 3(i)(d) of the Order does not arise.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. In respect of inventory and working capital:

(a) Since the Company is a service-based organization, it does not hold any inventories and hence reporting under paragraph 3(ii)(a) of the order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limit in excess of five crore rupees, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. In respect of investments, any guarantee or security or advances or loans given:

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties and hence reporting under paragraph 3(iii)(a) to (f) is not applicable to the Company.

iv. In respect of Loans, Investments, Guarantee and Security:

Based on our verification of the records of the Company and according to the information and explanations given to us, the Company has not given/make any loan, investment, guarantee and security for the ended year on March 31, 2025 and hence compliance of the provisions of sections 185 and 186 of the Act are not applicable to the Company.

v. In respect of deposits accepted:

Based on our verification of the records of the Company and according to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Section 73 to 76 and the rules made thereunder, to the extent applicable, or any other relevant provisions of the Companies Act, 2013 during the period ended on March 31, 2025. Hence, the provisions under clause 3(v) of the CARO 2020 are not applicable to the Company.

vi. In respect of maintenance of Cost Records:

The maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. Hence, the provisions under clause 3(vi) of the CARO 2020 are not applicable to the Company.

vii. In respect of statutory dues:

(a) The Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Value Added Tax, Customs Duty, Excise Duty, Cess as applicable to it to the appropriate authorities and there are no undisputed amounts payable in respect of these dues as at March 31, 2025 for a period of more than six months from the date they became payable.

(b) Based on our examination and according to the information and explanations given to us, there are no statutory dues including of income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax cess and any other statutory dues as applicable that have not been deposited with the appropriate authorities on account of any disputes.

viii. In respect of Unrecorded Transaction:

This is the first financial statement post incorporation of the Company, hence clause 3(viii) of the order is not applicable to the Company.

ix. In respect of default in repayment of loans or borrowings or the payment of interest thereon, according to the information and explanations given to us and on the basis of our examination of the records of the Company:

(a) The Company has neither taken any loans or borrowings from a financial institution, bank, Government nor issued any debentures, hence the clause 3(ix)(a) is not applicable to the Company.

(b) The Company has not been declared a willful defaulter by any bank or financial institution or any other lender. Accordingly, clause 3(ix)(b) of the Order is not applicable to the Company.

(c) The Company has not obtained any term loans in the earlier year or in the current year. Accordingly, clause 3(ix)(c) of the Order is not applicable to the Company.

(d) No funds raised on short-term basis have been used for long term purposes by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable to the Company.

(e & f) The Company does not have any subsidiaries, Associates & Joint Ventures. Hence the reporting under clause 3 ix (e & f) of the Order are not applicable to the Company.

x. In respect of money raised by way of initial public offer or further public offer (including debt instruments) during the period and its application:

(a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable to the Company.

xi. In respect of fraud by the Company or on the Company or whistle blowing etc:

(a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed by us or reported to us during the course of the audit.

(b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by us, as statutory auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 as amended with the Central Government. Hence, clause 3(xi)(b) of the Order is not applicable to the Company.

(c) According to the information and explanations given to us by the Company, we report that no whistle blower complaints have been received by the Company during the course of the audit.

xii. In respect of compliance by a Nidhi Company:

The Company is not a Nidhi Company and hence reporting under clause 3(xii)(a),(b) and (c) of the order is not applicable to the Company.

xiii. In respect of transactions with related parties:

According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable for transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

xiv. In respect of Internal Audit:

(a) Based on information and explanations provided to us, the Company is not required to have an internal audit system as per the provisions of section 138 of the Companies Act, 2013. However, internal control aspects are being taken care of by the management.

(b) Since the Company is not required to have an internal audit system hence the clause 3(xiv)(b) is not applicable to the Company.

xv. In respect of Non-Cash Transactions with its directors:

In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or directors of its holding, subsidiary or associate Company or persons connected with them and hence, provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi. In respect of registration with RBI:

(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) As the Company has not conducted any Non-Banking Financial or Housing Finance Activity. Therefore, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided and representations given by the management to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

xvii. In respect of cash losses:

The Company has incurred cash losses in the current financial year. Since this is the first financial year of the Company post incorporation, the requirement to comment on cash losses in the immediately preceding financial year does not arise.

xviii. In respect of resignation of Statutory Auditors:

This is the first financial statements post incorporation; first auditor has resigned due to independence issue. There is no issue, objections or concerns raised by the outgoing auditors. Hence the clause 3(xviii) of the order is complied with.

xix. In respect of material uncertainty on meeting liabilities:

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

xx. In respect of transfer to fund specified under Schedule VII:

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company for the financial year ended March 31, 2025. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable.

xxi. In respect of qualification or adverse remarks in other group entities:

According to the information and explanations given to us and based on examination, in our opinion, as the Company is not having any subsidiary or associate Company and does not prepare a consolidated financial statement. Therefore, the inclusion of qualification or adverse remarks in the CARO reports of other auditors in the reports of the consolidated financial statement does not arise.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN 000038N

Anil Kumar Aggarwal
Partner
M. No: 087424
UDIN: 25087424BMLXXY6298

Place: New Delhi
Date: April 16, 2025

ANNEXURE 'B'

TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 6.2(f) of the Independent Auditor's Report of even date to the members of Freecharge Business and Technology Services Limited

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

We have audited the internal financial controls over financial reporting of Freecharge Business and Technology Services Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal financial controls over Financial Reporting with reference to these financial statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has in all material respects, internal financial controls with reference to the financial statements of the Company and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN: 000038N

Anil Kumar Aggarwal
Partner
M. No: 087424
UDIN: 25087424BMLXXY6298

Place: New Delhi
Date: April 16, 2025

Balance Sheet

As at March 31, 2025

(₹ in lakhs)

	Notes	As at March 31, 2025
ASSETS		
Non-current assets		
Financial assets		
Other financial assets	3	1.60
Deferred tax asset	8	31.36
Total non-current assets		**32.96**
CURRENT ASSETS		
Financial Assets		
Investments	5	832.17
Cash and cash equivalents	6	19.52
Other Bank Balances	7	2,952.33
Current Tax Assets		14.56
Other current assets	4	23.21
Total current assets		**3,841.79**
Total Assets		**3,874.75**
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	9(a)	4,000.00
Other equity	9(b)	(134.41)
Total equity		**3,865.59**
CURRENT LIABILITIES		
Financial liabilities		
Trade payables	10	
Total outstanding dues of micro enterprises and small enterprise		-
Total outstanding dues of creditors other than micro enterprises and small enterprise		2.25
Other payables	10	5.85
Other current liabilities	11	1.06
Total current liabilities		**9.16**
Total equity and liabilities		**3,874.75**

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
ICAI Firm Registration Number: 000038N

Anil Kumar Aggarwal
Partner
Membership Number : 087424

Place: New Delhi
Date: April 16, 2025

For and on behalf of Board of Directors of Freecharge Business and Technology Services Limited

Mohit Jain
Director
DIN : 07945124

Sameer Bhujanga Shetty
Director
DIN : 08536421

Anil Kumar Singh
Chief Executive Officer

Shabita
Chief Financial Officer

Rashmeet Kaur
Company Secretary
M. No. A41868

Statement of Profit or Loss

For the period from March 16, 2024 to March 31, 2025

(₹ in lakhs)

	Notes	For the period from March 16, 2024 to March 31, 2025
Finance income	12	231.52
Total income		**231.52**
EXPENSES		
Employee benefits expense	13	33.42
Other expenses	14	359.20
Total expenses		**392.62**
Loss for the period before tax		**(161.10)**
Current tax		4.67
Deferred tax charge	8	(31.36)
Total tax expenses		**(26.69)**
Loss for the period after tax		(134.41)
Other comprehensive (loss)/gain for the period, net of tax		-
Total comprehensive income for the period, net of tax		**(134.41)**
Profit per equity share [nominal value per equity share ₹10]		
Basic, computed on the basis of profit/(loss) for the period attributable to equity holders of the Company (₹)	15	(0.34)
Diluted, computed on the basis of profit/(loss) for the period attributable to equity holders of the Company (₹)	15	(0.34)

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
ICAI Firm Registration Number: 000038N

Anil Kumar Aggarwal
Partner
Membership Number : 087424

Place: New Delhi
Date: April 16, 2025

For and on behalf of Board of Directors of
Freecharge Business and Technology Services Limited

Mohit Jain
Director
DIN : 07945124

Sameer Bhujanga Shetty
Director
DIN : 08536421

Anil Kumar Singh
Chief Executive Officer

Shabita
Chief Financial Officer

Rashmeet Kaur
Company Secretary
M. No. A41868

Cash Flow Statement

For the period from March 16, 2024 to March 31, 2025

(₹ in lakhs)

	For the period from March 16, 2024 to March 31, 2025
Cash flow from/ (used in) operating activities	
Loss before tax (inclusive of other comprehensive income)	**(161.10)**
Adjustment to reconcile Loss before tax to net cash flows	
Mark to market loss (Gain) on current investment	(35.41)
Gain on sale of current investments (net)	(3.76)
Interest income on bank deposits	(192.35)
Operating flow before working capital changes	**(392.62)**
Adjustment for change in working capital:	
(Increase) in financial assets	(16.16)
(Increase) in other assets	(23.21)
Increase in trade and other payables	3.31
Increase in Other liabilities	5.85
Cash generated from/ (used in) operations	**(422.83)**
Income taxes refund/(paid) (net)	(4.67)
Net cash flow from/ (used in) operating activities (A)	**(427.50)**
Cash flows from/ (used in) investing activities	
Interest income on bank deposits	192.35
Net Investment in fixed deposits (having original maturity of more than 12 months)	(2,952.33)
(Purchase) of current investment	(955.00)
Redeemption of current investment	162.00
Net cash generated/ (used) in investing activities (B)	**(3,552.98)**
Cash flow from financing activities	
Equity share issued	4,000.00
Net cash flow from financing activities (C)	**4,000.00**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**19.52**
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	**19.52**

Cash Flow Statement (Cont.)

For the period from March 16, 2024 to March 31, 2025

(₹ in lakhs)

	For the period from March 16, 2024 to March 31, 2025
Components of cash and cash equivalents	
Balances with banks:	
– On current accounts with related party	19.52
Total cash and cash equivalents (Refer note 6)	**19.52**

The accompanying notes are an integral part of the financial statements.

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Cash Flow Statements notified under the Companies (Indian Accounting Standards) Rules, 2015 as notified by Ministry of Corporate Affairs (as amended).
2. The above cash flow statement has been compiled from and is based on the Balance Sheet as at March 31, 2025 & March 16, 2024 (i.e. incorporation date) and the related Statement of Profit and Loss for the period from March 16, 2024 to March 31, 2025.
3. Figures in brackets indicates cash outflow.

As per our report of even date.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
ICAI Firm Registration Number: 000038N

Anil Kumar Aggarwal
Partner
Membership Number : 087424

For and on behalf of Board of Directors of
Freecharge Business and Technology Services Limited

Mohit Jain
Director
DIN : 07945124

Sameer Bhujanga Shetty
Director
DIN : 08536421

Anil Kumar Singh
Chief Executive Officer

Place: New Delhi
Date: April 16, 2025

Shabita
Chief Financial Officer

Rashmeet Kaur
Company Secretary
M. No. A41868

Statement of Changes in Equity

As at March 31, 2025

a. Equity share capital

(₹ in lakhs)

Particulars	Number of shares	Amount
As at March 16, 2024	-	-
Issue of share capital during the period	40,000,000	4,000.00
As at March 31, 2025	**40,000,000**	**4,000.00**

b. Other Equity

(₹ in lakhs)

	Retained earnings	Total Equity
As at March 16, 2024	-	-
Loss for the period	(134.41)	(134.41)
As at March 31, 2025	**(134.41)**	**(134.41)**

The accompanying notes are an integral part of the financial statements.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
ICAI Firm Registration Number: 000038N

For and on behalf of Board of Directors of
Freecharge Business and Technology Services Limited

Anil Kumar Aggarwal
Partner
Membership Number : 087424

Mohit Jain
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DIN : 08536421

Anil Kumar Singh
Chief Executive Officer

Place: New Delhi
Date: April 16, 2025

Shabita
Chief Financial Officer

Rashmeet Kaur
Company Secretary
M. No. A41868

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

1. Corporate Information

Freecharge Business and Technology Services Limited ("the Company") (CIN:U82990HR2024PLC119900) is domiciled and incorporated in India on March 16, 2024, to carry on the activity of Business Correspondent for Axis Bank Ltd and such other activities in compliance with the Master Circulars/ Regulations/ Directions of the Reserve Bank of India issued from time to time and to act as Technology Service provider and to provide technology services to Axis Bank Ltd. The registered office of the Company is located at 11th Floor, Tower C, Cyber Greens, DLF Cyber City, Phase 3, Gurugram, Haryana 122002.

2. Material Accounting Policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Company Affairs and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount - refer accounting policy regarding financial instruments. The financial statement has been presented in Indian Rupees to the nearest lakhs, except as stated otherwise.

This financial statements has been authorised for issue in accordance with the resolution of the Board of Directors of the Company on April 16, 2025.

This is the first financial statements for the period from March 16, 2024 to March 31, 2025 post incorporation hence comparatives are not applicable.

2.2 Summary of material accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Fair value measurement

The Company measures financial instruments, such as, derivatives / investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Interest

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit or loss.

d. Taxes

Current income tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The taxrates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in statement of profit or loss.

e. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

Contingent Liabilities and Contingent Assets

A disclosure of contingent liability is made when there is:

- a possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non occurrence of one or more uncertain future events not within the control of the Company; or

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

- a present obligation arising from a past event which is not recognised as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

f. Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement;

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are measured at amortised cost e.g., loans, deposits, and bank balance

b) Available for sale financial assets

c) Lease receivables under Ind AS 116

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit or loss. This amount is reflected under the head 'other expenses' in the statement of profit or loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Available for sale financial assets: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

g. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

h. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

3. Other financial assets

(₹ in lakhs)

	As at March 31, 2025
Other financial assets	
Unsecured, considered good unless stated otherwise	
Security deposits	
- considered good	1.60
- considered doubtful	-
	1.60
Less: Provision for doubtful deposits	-
Total Other financial assets	**1.60**
Current	-
Non-current	1.60
Total other financial assets	**1.60**

4. Other assets

(₹ in lakhs)

	As at March 31, 2025
Other assets	
Balances with statutory/government authorities	23.21
Total other assets	**23.21**
Current	23.21
Non-current	-
Total other assets	**23.21**

5. Investments

(₹ in lakhs)

	As at March 31, 2025
Investments	
Investments at fair value through profit & loss (fully paid)	
Unquoted mutual funds	
23,010 units of Axis Liquid Fund	663.50
12,483 units of Axis Overnight Fund	168.67
Total investments at fair value through profit & loss	**832.17**
Total investments	**832.17**
Current	832.17
Non-current	-
Total investments	**832.17**

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

6. Cash and cash equivalents

(₹ in lakhs)

	As at March 31, 2025
Cash and cash equivalents	
Balances with banks:	
– On current accounts with related party (refer note 20)	19.52
Total cash and cash equivalents	**19.52**
Current	19.52
Non-current	-
Total cash and cash equivalents	**19.52**

7. Bank balances other than above

(₹ in lakhs)

	As at March 31, 2025
Deposits with original maturity of more than 12 months with Related party (refer note 20)	**2,952.33**
	2,952.33

8. Income tax

The major components of income tax expense for the period ended March 31, 2025 are:

(₹ in lakhs)

Statement of Profit & Loss	For the period from March 16, 2024 to March 31, 2025
Current income tax:	
Current income tax charge	4.67
Deferred tax charge	(31.36)
Income tax expense reported in the statement of profit and Loss	**(26.69)**
OCI section	
Deferred tax related to items recognised in other comprehensive income during the year	
Net loss/(gain) on remeasurements of defined benefit plans	-
Tax charged to other comprehensive income	**-**

In view of the reasonable certainty of future taxable income, the Company has recognised deferred tax assets.

The deferred tax and current tax have been computed at 25.17%.

(₹ in lakhs)

Particulars	As at March 31, 2025
Deferred tax assets	**31.36**
	31.36

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

9(a) Share capital

(₹ in lakhs)

	As at March 31, 2025
Authorized shares	
1,000,000,000 equity shares of ₹ 10 each	100,000.00
Issued, subscribed and fully paid-up shares	
40,000,000 equity shares of ₹ 10 each	4,000.00
Total issued, subscribed and fully paid-up share capital	**4,000.00**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

(₹ in lakhs)

	As at March 31, 2025	
	No. of shares	Amount
At the beginning of the period	-	-
Issued during the period	40,000,000	4,000.00
Outstanding at the end of the period	**40,000,000**	**4,000.00**

(b) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries / associates are as below:

	As at March 31, 2025
Axis Bank Limited, holding company and their nominees	**40,000,000**

(d) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2025	
	No. of shares	Holding percentage
Axis Bank Limited, holding company and their nominees	**40,000,000**	**100.00%**

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

(e) Shares held by promoters

Promoter Name	As at March 31, 2025	
	No of Shares	% of total shares
Axis Bank Limited, holding company and their nominees	**40,000,000**	**100%**

9(b) Other Equity

(₹ in lakhs)

	As at March 31, 2025
Retained earnings	
Opening balance	-
Add : Loss for the period	(134.41)
Closing balance	**(134.41)**
Total other equity	**(134.41)**

Nature and purpose of reserves

Retained earnings

Retained earnings are the profits/(loss) that the Company has earned/incurred till date.

Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.

10. Trade and other payables

(₹ in lakhs)

	As at March 31, 2025
Trade payables	
Total outstanding dues of micro enterprises and small enterprise	-
Total outstanding dues of creditors other than micro enterprises and small enterprise	2.25
Total trade payable	**2.25**
Trade creditors	-
Accrued expenses	2.25
Total trade payable	**2.25**
Trade payables	2.25
Trade payables - related parties	-
Total trade payable	**2.25**
Other payables	
Payable to related parties	5.85
Total other payables	**5.85**
Total trade and other payables	**8.10**
Current	8.10
Non-current	-
Total trade and other payables	**8.10**

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

Ageing of Trade payables as at March 31, 2025

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Provisions	Not Due	Less than 1 year	1-2 years	2-3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	2.25	-	-	-	-	2.25
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

11. Other current liabilities

(₹ in lakhs)

	As at March 31, 2025
Statutory liabilities payable	1.06
Total other current liabilities	**1.06**
Current	1.06
Non-current	-
Total other current liabilities	**1.06**

12. Finance income

(₹ in lakhs)

	For the period from March 16, 2024 to March 31, 2025
Interest income on bank deposits (refer note 20)	192.35
Realised gain on sale of current investments	3.76
Mark to market gain on current investments	35.41
Total finance income	**231.52**

13. Employee benefits expense

(₹ in lakhs)

	For the period from March 16, 2024 to March 31, 2025
Salaries, wages and bonus (amount paid to employees on deputation)	33.42
Total employee benefit expenses	**33.42**

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

14. Other expenses

(₹ in lakhs)

	For the period from March 16, 2024 to March 31, 2025
Rent (refer note 20)	7.50
Payment to auditor (Refer note A below)	2.75
Legal and professional fees (refer note 20)	94.89
Stamp duty	4.04
Incorporation Fees (refer note 20)	250.02
Total other expenses	**359.20**

A. Payment to Auditors*

As auditor:	
Audit fee	2.50
Certification fees	0.25

*Excluding Taxes

15. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the period attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the period plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	As at March 31, 2025
Nominal value of equity shares (₹)	10
Loss for the period attributable to equity share holders of the company (₹ in lakhs) (A)	(134.41)
Weighted average number of equity shares in calculating basic EPS (Nos) (B)	40,000,000
Basic earning per equity share (₹) (A/B)	(0.34)
Weighted average number of equity shares in calculating diluted EPS (Nos) (C)	40,000,000
Diluted earning per equity share (₹) (A/C)	(0.34)

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

16. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(₹ in lakhs)

	Carrying Value As at March 31, 2025	Fair Value As at March 31, 2025
Financial assets		
Investments at fair value through profit & loss	832.17	832.17
Other financial assets	1.60	1.60
Total	**833.77**	**833.77**
Financial liabilities		
Other financial liabilities	-	-
Lease liabilities	-	-
Total	**-**	**-**

The management assessed that cash and cash equivalents, Other bank balance, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(a) The financial instruments in the nature of investment in mutual funds which are recognised at Fair Value are categorised as Level 1 within the fair value hierarchy, as the Quoted prices (unadjusted) being available in active markets for identical assets.

17. The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include, credit, liquidity risk and market risk. The Board provides independent oversight to the effectiveness of the risk management process.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities, cash and short-term deposits), the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Excessive risk concentration

Concentration arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with credit worthy debtors with good payment record with the Company. Cash and short-term deposits and investment securities that are neither past due nor impaired are placed with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in notes.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company maintains a balance between continuity of funding and flexibility.

(c) Capital Management

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

18. Commitments and contingencies

a. Contingent liabilities

As at March 31, 2025, the Company has no contingent liabilites.

b. Capital commitments and other commitments

As at March 31, 2025, the Company has no capital commitments

19. Amounts due to micro and small enterprises under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 based on the information available with the Company:

(₹ in lakhs)

		As at March 31, 2025
(a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	-
(b)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-
(c)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year;	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

20. Related party disclosures

a) Names of related parties where control exists and/or with whom transactions have taken place during the period

Holding Company	Axis Bank Limited

b) Names of subsidiary with whom transactions have taken place during the period

Fellow Subsidiary	Freecharge Payment Technologies Private Limited

c) Names of related parties where control exists irrespective of transactions occured or not during the period

Key management personnel (KMP)	Subrat Mohanty, Director (w.e.f March 16, 2024)
	Sameer Bhujanga Shetty, Director (w.e.f March 16, 2024)
	Balaji Narayanamurthy, Director (w.e.f March 16, 2024)
	Mr. Mohit Jain, Director (w.e.f March 16, 2024)
	Mr. Anil Kumar Singh, CEO (w.e.f July 17, 2024 on deputation)
	Mr. Sunil Arora, CFO (w.e.f July 17, 2024 till November 27, 2024 on deputation)
	Shabita, CFO, (w.e.f. April 16, 2025 on deputation)
	Rashmeet Kaur, CS (w.e.f. April 05, 2024 on deputation)

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant period:

(₹ in lakhs)

Particulars	From March 16, 2024 to March 31, 2025		
	Holding Company	Fellow Subsidiary	Key management personnel
Transactions during the period			
Finance income (refer note 12)			
Axis Bank Limited	192.35	-	-
Rent (refer note 14)			
Freecharge Payment Technologies Private Limited	-	7.04	-
Reimbursement of expenses by / (to) related party (net) (refer note 14)			
Axis Bank Limited	250.02	-	-
Reimbursement of Employee benefits expense (refer note 13)			
Freecharge Payment Technologies Private Limited	-	-	33.42
Other expenses (refer note 14)			
Freecharge Payment Technologies Private Limited	-	90.60	-
Equity Share Capital (refer note 9(a))			
Axis Bank Limited, holding company and their nominees	4,000.00	-	-

Terms and Conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

Related party disclosures (Cont.)

(₹ in lakhs)

Particulars	As at March 31, 2025		
	Holding Company	Fellow Subsidiary	Key management personnel
Balance as at the period end:			
Equity Share Capital (refer note 9(a))			
Axis Bank Limited, holding company and their nominees	4,000.00	-	-
Cash and cash equivalents (refer note 6)			
Axis Bank Limited	19.52	-	-
Bank balances other than above (refer note 7)			
Axis Bank Limited	2,952.33	-	-
Other payables (refer note 10)			
Freecharge Payment Technologies Private Limited	-	5.85	-

21. Ratio Analysis

(All amount in ₹ lakhs, except ratio)

	Particulars	Numerator	Denominator	Numerator March 31, 2025	Denominator March 31, 2025	Ratio March 31, 2025	% Variance	Reason for variance
(a)	Current ratio	Current assets	Current liabilities	3,841.79	9.16	419.41	Not Applicable	
(b)	Debt-equity ratio	Total debt	Shareholder's equity	Not Applicable				
(c)	Debt service coverage ratio	Earnings available for debt service	Debt service	Not Applicable				
(d)	Return on equity ratio	Net profits after taxes	Closing shareholder's equity	(134.41)	3,865.59	(0.03)	Not Applicable	
(e)	Inventory turnover ratio	Cost of goods sold	Average inventory	Not Applicable				
(f)	Trade receivables turnover ratio	Net credit sales	Closing trade receivable	Not Applicable				
(g)	Trade payables turnover ratio	Net credit purchases	Closing trade payables	138.56	8.10	17.11	Not Applicable	
(h)	Net capital turnover ratio	Net sales	Working capital	Not Applicable				
(i)	Net profit ratio	Net profit after tax	Net sales	Not Applicable				
(j)	Return on capital employed	Earnings before interest and taxes	Capital employed	(161.10)	3,865.59	(0.04)	Not Applicable	
(k)	Return on investment	Interest (Finance Income)	Investment	39.17	832.17	0.05	Not Applicable	

Notes

Total Debts = Total lease liabilities

Debt Service = Interest and Lease payments

Net credit sales = Represent sales for which collections are not happened immediately.

Net credit purchases = Represent Services taken from vendors for which Company availed credit period.

Working capital = Total Current Assets - Total Current Liabilities

Capital employed = Total Equity and Total Debts

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

22. Disclosure of Struck off Companies

There are no amount payable or receivable with respect to any company which has been stuck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

23. Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Company's financial statements.

24. Other Statutory Information

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

The Company does not have any such transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

25. The Company's primary business is to carry on the activity of Business Correspondent for Axis Bank Ltd and such other activities in compliance with the Master Circulars/ Regulations/ Directions of the Reserve Bank of India issued from time to time and to act as Technology Service provider and to provide technology services to Axis Bank Ltd within India. The Chief Operating Decision Makers of the Company review aforementioned services under support service. Hence do not identify any separate reportable business or geographical segments to be disclosed as per notified IND-AS 108 "Operating Segments".

26. The Company have Microsoft Navision accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further no instance of audit trail feature being tampered with in respect of the accounting software.

Notes to Financial Statements

For the period from March 16, 2024 to March 31, 2025

27. On July 17, 2024, the Board of Directors of Freecharge Business and Technology Services Limited (the Company), has approved a Scheme of Demerger (the Scheme) for the transfer of Business Correspondence ("BC") and Technology Service Provision ("TSP") activities currently being carried out by Freecharge Payment Technologies Pvt. Ltd. a 100% subsidiary of Axis Bank Limited to the Company. Accordingly, a joint petition under section 230- 232 of the Companies Act, 2013 for the approval of the Scheme has been filed with the National Company Law Tribunal ("NCLT") Chandigarh bench on July 31, 2024 and the same is under process.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
ICAI Firm Registration Number: 000038N

For and on behalf of Board of Directors of
Freecharge Business and Technology Services Limited

Anil Kumar Aggarwal
Partner
Membership Number : 087424

Mohit Jain
Director
DIN : 07945124

Sameer Bhujanga Shetty
Director
DIN : 08536421

Anil Kumar Singh
Chief Executive Officer

Place: New Delhi
Date: April 16, 2025

Shabita
Chief Financial Officer

Rashmeet Kaur
Company Secretary
M. No. A41868