



DIRECTORS' REPORT

Dear Members,

The Board of Directors have the pleasure of presenting the 9th Annual Report of the Company together with the Audited Statement of Accounts, Auditors' Report and the Report on the business and operations of the Company for the financial year ended March 31, 2025.

FINANCIAL PERFORMANCE:

During the year, the Company achieved a total income of ₹ 91.61 crores. The highlights of the Financial Results of your Company for the financial year ended March 31, 2025 as compared to the previous financial year ended March 31, 2024 is summarized below:

(Amount in ₹)		
Particulars	2023-24	2024-25
Income from Operation (A)	548,255,175	880,391,974
Other Income (B)	12,177,016	35,664,754
Total Income (A+B)	560,432,191	916,056,728
Operating Expenses	363,232,160	478,648,673
Profit/(Loss) before Depreciation, provisions for tax	197,200,031	437,408,055
Depreciation	19,091,897	31,973,678
Provision for Tax & Deferred tax	-	29,201,378
Profit / (Loss) After Tax	178,108,134	376,232,999
Appropriations	-	-
Balance carried to Balance Sheet	178,108,134	376,232,999

BUSINESS OVERVIEW AND FUTURE OUTLOOK:

In **March 2025**, the Company celebrated a remarkable achievement by surpassing **₹1.8 lakh crores** (approximately **US\$22.5 billion**) in MSME invoice financing since its inception. This milestone underscores the platform's unwavering leadership in the industry, having financed over **40 lakh** MSME invoices.

During **FY 2025**, the Company, saw increased registration of participants, ending the year with **2980+ buyers**, **44300+ MSMEs**, and **71 financiers**. The Company now serves MSMEs in over **1,000 cities** and towns across more than **6,500 postal codes** in the country. This growth reflects the increasing awareness among MSMEs, driven by various awareness-building sessions supported by buyers, the government, the Reserve Bank of India, and reputed industry associations like CII, FICCI, and ASSOCHAM.

Invoicemart recorded a total income of **₹91.61 crores** in **FY 2025**, up from **₹56.04 crores** in **FY 2024**. This growth is largely attributed to increased transaction volumes, which boosted transaction revenues. The Company ended **FY 2025** with an EBITDA of **₹43.74 crores**, up from **₹19.72 crores** in **FY 2024**. The focus remains on building a granular business, diversifying the customer base, and increasing buyer activation.

The Company has successfully achieved twin ISO certifications: Information Security Management System ISO 27001:2022 and Cloud Security ISO 27017:2015. These certifications reinforce the Company security posture and conformance towards cloud security compliance, ensuring that the Company maintains the highest standards of data protection and cloud security.

Invoicemart has achieved a significant diversity milestone, with **45% women representation** at the workplace. This accomplishment reflects our commitment to fostering an inclusive and diverse work environment, promoting gender equality, and empowering women in the fintech industry.

The Company has received several prestigious awards and recognitions, highlighting its excellence and innovation in the fintech space:

- **Invoice Finance Provider of the Year – Non-Bank** at The RFlx 24 Awards. This marks the first international award received by Invoicemart and TReDS.
- **Gold Award** in the category of Financial Inclusion Fintech of the Year at the BW Festival of Fintech organized by Business World.
- **Winner** of the APAC Payments Excellence Awards in Australia for Sustainable & Inclusive Payments Innovation.
- **Most Innovative Fintech Product** award at the India Fintech Summit.

Following a government notification on November 7, 2024, companies with turnover above ₹250crs were to mandatorily register on TReDS and confirm compliance by 31st March 2025. The notification led to a surge in registration, Invoicemart onboarded the highest no of buyers on the platform.

Additionally, the increase in investment and turnover thresholds for MSME classification effective 1st April 2025 will facilitate scalability and technological advancement for MSMEs. For Invoicemart, this means a larger pool of MSMEs eligible for financing, leading to increased transaction volumes and further solidifying its leadership position in the TReDS space.

The outlook for the Company remains positive, with several growth opportunities on the horizon. The focus will be on leveraging technology to enhance the platform's capabilities, expanding the customer base, and increasing transaction volumes. The Company aims to deepen its strategic accounts, drive granular growth. Additionally, the Company will continue to explore new enablers such as insurance-backed transactions and the secondary market to drive further growth.

CHANGE IN THE NATURE OF BUSINESS:

During the year under review, there has been no change in the nature of business of the Company.

DIVIDEND:

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its activities, and therefore do not recommend payment of any dividend on shares for the financial year ended as on 31st March, 2025.

TRANSFER TO GENERAL RESERVE:

During the financial year under review, the Company has not transferred any amount to General Reserves.

SHARE CAPITAL:

During the year under review, there has been no fresh infusion of capital in the Company.

The issued and paid-up equity share capital of the Company, as on 31st March 2025 stands at ₹ 45 crores and Non cumulative Compulsorily Convertible Preference Shares (NCCCPs) stands at ₹ 20 crores. The total paid up share capital of the Company is ₹ 65 crores while Authorized Capital stands at ₹ 70 crores.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments, affecting the financial position of the Company which occurred between the end of the Financial Year 2024-25 of the Company to which the Financial Statements relate and the date of this Report.

SUBSIDIARY COMPANIES, JOINT VENTURE OR ASSOCIATE COMPANIES:

During the year under review, there were no Companies which have become/ceased to become a Subsidiary/Joint Ventures/ Associate Companies.

ANNUAL RETURN:

In accordance with the Companies (Amendment) Act, 2017, read with Section 134(3) of the Companies Act, 2013, the Annual Return, under Section 92 (3) of the Companies Act, 2013, can be accessed on the website of the Company at <https://www.invoicemart.com/disclosure>.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143 (12) OF THE COMPANIES ACT, 2013:

There was no occurrence of fraud pursuant to Section 143 (12) of The Companies Act, 2013. This is also being supported by the report of the auditors of the Company as no fraud has been reported in their Report for the Financial Year ended 31st March, 2025.

EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATIONS, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR IN HIS REPORT:

The Audit Report for FY 2024-25 does not contain any qualification, reservation or adverse remark.

RISK MANAGEMENT POLICY:

The Company has formulated a Risk Management Policy to identify and mitigate the risks. Major risks identified by the management are: Strategic & Business Environment Risk, Participants Risk, Operational Risk, Information Security & IT Risk, Financial and Capital Erosion Risk, People Risk, Legal and Reputational risk. Mitigation measures against each kind of risk has been strategized which is tracked on an ongoing basis and presented before Risk Management Committee in every meeting.

SECRETARIAL STANDARDS:

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, from time to time.

INTERNAL FINANCIAL CONTROLS:

The internal financial controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material observation has been received from the Statutory Auditors of the Company for inefficiency or inadequacy of such controls. These internal financial controls help in safeguarding of assets, prevention and detection of frauds and/or errors, maintaining the accuracy and completeness of the accounting and financial records. These controls help in the timely preparation of transparent, complete and accurate financial information and statements as per the laid down accounting standards and principles.

WHISTLEBLOWER POLICY, CODE OF CONDUCT:

The Company has formulated a Whistleblower Policy to ensure highest degree of transparency, integrity, accountability. No complaints were received under Whistleblower during the year under review. There were no cases of Code of Conduct violations during the year under review.

BOARD OF DIRECTORS:

During the year under review:

- i. Shri Dipak Kumar Banerjee (DIN: 00028123) and Shri Rakesh Makhija (DIN: 00117692) Independent Directors of the Company, stepped down from the Board of the company owing to completion of their tenure with effect from 28th July, 2024.
- ii. Shri Sumit Bali (DIN: 02896088) Director of the Company, resigned from the Board of Directors of the Company with effect from 16th August, 2024.
- iii. Shri Vijay Mulbagal (DIN: 10740060) was appointed as an Additional director of the company w.e.f 21.08.2024 and appointed as a director by shareholders of the company on 26.09.2024. He is liable to retire by rotation.

- iv. Shri Arjun Chowdhry (DIN: 02947622) was appointed as a Director by shareholders of the Company in the Annual General Meeting held on 26.09.2024. He is liable to retire by rotation.
- v. Shri Soma Sankara Prasad (DIN: 02966311) was appointed as an Additional Independent Director of the Company w.e.f. 10th September 2024. He was appointed as an Independent Director by the shareholders in the Annual General Meeting held on 26.09.2024 and subsequently resigned with effect from 14th November, 2024 due to other commitments.
- vi. Shri Manish Bhatia (DIN: 7412775) was appointed as Additional Independent Director of the Company with effect from 11.10.2024 to hold office as such upto the date of ensuing Annual General Meeting. He is liable to retire by rotation.

During the year, no other changes took place in the composition of the Board of Directors of the Company and the composition of the Board of Directors is in compliance with the applicable norms.

In accordance with the provisions of the Companies Act, 2013 and the relevant rules made thereunder, Shri Arjun Chowdhry (DIN: 02947622) and Shri Aninda Chatterjee (DIN: 01760865) shall retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment as Directors of the Company.

Resolution(s) in respect of appointment / re-appointment of the Directors, as aforesaid, shall be included in the Notice convening the 9th Annual General Meeting of the Company.

The Board has formed an opinion that the Independent Directors have the integrity, expertise and experience (including proficiency), which is beneficial to the business interest of the Company.

PARTICULARS OF MEETINGS:

During the year, the number of Board and Committee Meetings convened are as follows:

Sr. No.	Type of Meeting	Number of meetings
1	Board Meeting	4
2	Audit Committee Meeting	4
3	Nomination & Remuneration Committee Meeting	3
4	Risk Management Committee Meeting	3

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

BOARD MEETING:

The Board comprises of eight (8) members, of which two (2) are Independent Directors and five (5) are Non-Executive Directors. As at the year end, position of 1 Independent director is vacant owing to resignation of Shri Soma Sankara Prasad. During the financial year 2024-25, the Board met four (4) times on 12th April, 2024, 11th July, 2024, 11th October, 2024 and 10th January, 2025.

Name of the Director	Date and attendance of the meeting				Attendance (in %)
	12.04.2024	11.07.2024	11.10.2024	10.01.2025	
Shri Dipak Kumar Banerjee	Present	Present	-	-	100%
Shri Rakesh Makhija	Present	Present	-	-	100%
Shri Manish Bhatia	-	-	Present	Present	100%
Shri Soma Sankara Prasad	-	-	Present	-	100%
Shri Vinaya Varma	Present	Present	Present	Present	100%
Shri Prakash Sankaran	Present	Present	Present	Present	100%
Shri Aninda Chatterjee	Present	Present	Present	Present	100%
Shri Munish Sharda	Present	Present	Present	Present	100%
Shri Arjun Chowdhry	Present	Present	Present	Present	100%
Shri Sumit Bali	Absent	Absent	-	-	0%
Shri Vijay Mulbagal	-	-	Present	Absent	50%



The Company and its Board has constituted a set of independent, qualified and focused Committees of the Board constituting Directors of the Company. These Board Committees have specific terms of reference/scope to focus effectively. Currently the Board has three (3) committees i.e. Audit Committee, Nomination & Remuneration Committee and Risk Management Committee.

AUDIT COMMITTEE:

The Audit Committee comprises of three (3) members, of which two (2) are Independent Directors. During the financial year 2024-25, the Committee held four (4) meetings on 12th April, 2024, 11th July, 2024, 11th October, 2024 and 10th January, 2025:

Name of the Director	Date and attendance of the meeting				% of attendance
	12.04.2024	11.07.2024	11.10.2024	10.01.2025	
Shri Rakesh Makhija	Present	Present	-	-	100%
Shri Dipak Kumar Banerjee	Present	Present	-	-	100%
Shri Arjun Chowdhry	Present	Present	Present	Present	100%
Shri Soma Sankara Prasad	-	-	Present	-	100%
Shri Manish Bhatia	-	-	Present	Present	100%

NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee comprises of Four (4) members, of which two (2) are Independent Directors. During the financial year 2024-25 the Committee held three (3) meetings on 12th April, 2024, 11th October, 2024 and 10th January 2025:

Name of the Director	Date and attendance of the meeting			% of attendance
	12.04.2024	11.10.2024	10.01.2025	
Shri Dipak Kumar Banerjee	Present	-	-	100%
Shri Rakesh Makhija	Present	-	-	100%
Shri Aninda Chatterjee	Present	Present	Present	100%
Shri Vijay Mulbagal	-	Present	Absent	50%
Shri Soma Sankara Prasad	-	Present	-	100%
Shri Manish Bhatia	-	Present	Present	100%
Shri Sumit Bali	Absent	-	-	0%

RISK MANAGEMENT COMMITTEE:

The Risk Management Committee comprises of Four (4) members, of which two (2) are Independent Directors. During the financial year 2024-25, the Committee held three (3) meetings on 11th July, 2024, 11th October, 2024 and 10th January, 2025:

Name of the Director	Date and attendance of the meeting			% of attendance
	11.07.2024	11.10.2024	10.01.2025	
Shri Rakesh Makhija	Absent	Present	Present	67%
Shri Dipak Kumar Banerjee	Present	Present	Present	100%
Shri Vijay Mulbagal	-	Present	Absent	50%
Shri Soma Sankara Prasad	-	Present	-	100%
Shri Manish Bhatia	-	Present	Present	100%
Shri Sumit Bali	Absent	-	-	0%

BOARD EVALUATION:

The performance evaluation of Board, its Committees, Chairperson and Individual Directors was done in accordance with the relevant provisions of the Companies Act, 2013, the relevant Rules made thereunder.

The Nomination and Remuneration Committee is the nodal agency for conducting the said performance evaluation. The Nomination and Remuneration Committee approved the manner for conducting the said performance evaluation, determined the criteria for the same and appointed an Independent external agency to administer the same.

The process was carried out by feedback survey from each Director covering Board functioning such as composition of Board and its Committees, experiences, competencies, governance issues etc. Separate process was carried out to evaluate the performance of individual Directors which included the Chairperson of the Board who were evaluated on parameters such as attendance, contribution at the meeting etc. The Directors evaluation results reflected the overall engagement of the Board and its Committee with the Company.

DECLARATION OF INDEPENDENCE:

Both the Independent Directors of the Company have given their respective declarations stating that they meet the criteria prescribed for independence under the applicable laws and in the opinion of the Board, the Independent Directors meet the said criteria.

KEY MANAGERIAL PERSONNEL:

Shri Prakash Sankaran, Managing Director & CEO, Shri Saurabh Jain, Chief Financial Officer and Smt Meenakshi Agarwal, Company Secretary, are the Key Managerial Personnel of the Company, as defined in Section 2(51) of the Companies Act, 2013.

No changes took place in the composition of the Key Managerial Personnel of the Company.

PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any deposit pursuant to Section 73 and Section 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTFLOWS:

Information as per Section 134(3)(m) of the Act relating to the Conservation of Energy and Technology Absorption is not given since the Company is not engaged in any manufacturing activity.

During the year under review, the Company has spent ₹ 0.10 crores in Foreign exchange towards services and other expenses. The Company has not earned any foreign exchange. The details of the Foreign exchange outflow are enclosed in **Annexure – A**.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186:

The Company has not made any Loans, Guarantees or Investments covered under Section 186 of the Act hence information as per Section 134(3)(g) of the Companies Act, 2013 is not applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SUB - SECTION (1) OF SECTION 188:

Information as per Section 134(3)(h) of the Act relating to the particulars of Contracts or Arrangements with Related Parties under Sub - Section (1) of Section 188 is as mentioned below:-

All Related Party Transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.



Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseen and repetitive in nature. The transactions entered pursuant to the omnibus approval so granted are audited and a statement giving details of all Related Party Transactions are placed before the Audit Committee half yearly.

None of the Directors have any pecuniary relationship or transactions vis-à-vis the Company. Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC – 2 is enclosed herewith as **Annexure – B** to this report.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company recognized the importance of good corporate governance and corporate social responsibility in promoting and strengthening the trust of its clients, employees, society and other stakeholders. The Company's Corporate Social Responsibility (CSR) activities reflect its philosophy of helping to build a better, more sustainable society by taking into account the societal needs of the Community.

The Company's CSR Policy has been framed in accordance with Section 135 of the Companies Act, 2013 and the rules thereunder. The policy shall apply to all CSR programs undertaken/sponsored by the Company. As part of its initiatives under "Corporate Social Responsibility" (CSR), the Company has contributed/undertaken project namely Sustainable Livelihood Program FY 2024-25.

Through this program, the Company aims at creating and enhancing livelihoods to contribute to poverty alleviation and integrated development, especially in some of the most backward regions of the country. The program also endeavors to promote better natural resource management, income enhancement, promote community leadership, promote women empowerment, support improvement in quality of life, and facilitate access to finance and access to markets and Skill Development.

The program is identified as an ongoing program and the duration of the CSR Program would be for a period of 4 years including the financial year in which the program has commenced viz. FY 2024-25 to FY 2027-28, which may be extended for such further period(s) as decided by the Board, from time to time, in pursuance to the CSR Policy of the Company. The Sustainable Livelihood Program was executed through Axis Bank Foundation. The said project is in accordance with Schedule VII of the Companies Act, 2013.

During the year under review, the Company has spent ₹ 13.12 lakhs towards CSR activity undertaken. For detailed report refer **Annexure – C**.

The CSR policy and projects/programs approved by the Board shall be made available on the website of the company.

PARTICULARS OF EMPLOYEES AS REQUIRED UNDER COMPANIES ACT, 2013 AND COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Information as required under the section 197(12) of the Companies Act, 2013, read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, in accordance with the provisions of Section 136 (1) of the Act, the annual report excluding the aforesaid information, is being sent to the members of the Company and others entitled thereto. The said information is also available for inspection by the members at the Corporate Office of the Company during business hours of the Company up to the date of the ensuing Annual General Meeting.

Any member interested in obtaining a copy thereof, may write to the Company Secretary of the Company at its Corporate Office.

REMUNERATION POLICY:

The Company has a Remuneration Policy formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto as amended from time to time. The policy shall apply to all Directors, Key Managerial Personnel, Senior Management and other employees of the Company. The Policy laid down the roles of the Committee, criteria for appointment of Directors, Key Managerial Personnel and Senior Management and parameters

for determining the remuneration of Directors, Key Managerial Personnel, and Senior Managerial Personnel of the Company. Remuneration policy of the Company has also been uploaded on the website and can be accessed with this weblink: <https://invoicemart.com/disclosure>.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company is committed to providing a safe and conducive work environment to its employees and has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

EMPLOYEE STOCK OPTION PLAN (ESOP):

Axis bank (Bank) has issued Employee Stock Options (ESOS) and Employee Stock Units (ESUs) to employees of A.Treds Ltd. under ESOP scheme –Grant XXVII of Axis Bank Ltd. The objective of the said ESOS is to enhance employee motivation, enable employees to participate, directly or indirectly, in the long-term growth and financial success of the Company, to act as a retention mechanism by enabling employee participation in the business of the Company as its active stakeholder and to usher an ‘owner-manager’ culture and to achieve greater synergy between the Company and the Bank.

RBI has issued clarification for all private banks on 30th August, 2021, to value all share-linked instruments under Fair value method using Black-Scholes model. Above clarification applies for all share linked instruments issued on or after 1st April 2021. Pursuant to the above, the Bank has recommended allocation of ESOP charges to all subsidiaries, for options issued to subsidiary employees post 1st April 2021.

In terms of the said ESOS, Bank has issued below stock options in FY25:

Type	No. of Units	Price
ESUs granted	43,721	₹356.192/- per option
ESOPs granted	6,058	₹1,059.513/- per option

The price of the said ESOP has been calculated as per the Black-Scholes Method which has been certified by an independent valuer. The eligibility and number of stock options to be granted to such eligible employees is determined on the basis of the outcome of their performance evaluation. The said stock options were granted subject to standard vesting and other conditions as set out in the respective ESOS of the Bank.

All the options granted in 2024-25 are unvested as at end of the year.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to sub-section (5) of Section 134 of the Act, the Board of Directors of the Company hereby state and confirm that:

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- II. The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- III. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. The Directors had prepared the annual accounts on a going concern basis.
- V. 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.



VI. The Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.

COMPLIANCES:

The Company's policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, inter alia, priority to clients' interests over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

AUDITORS:

STATUTORY AUDITORS:

The Members of the Company at the 6th Annual General Meeting (AGM) held on July 14, 2022, had appointed M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No.: 301003E/E300005) as Statutory Auditors of the Company for a period of 4 years from the conclusion of 6th AGM till the conclusion of 10th AGM of the Company under the provision of the Companies Act, 2013.

M/s. S.R. Batliboi & Co. LLP vide their letter dated May 19, 2025, have resigned as the Statutory Auditors of the Company citing enhanced voluntary independence requirements at their end to be responsive to regulatory expectations and which have extended to their network firms who have services relationships with the holding company of A.Treds Limited, namely Axis Bank Limited. The firm has confirmed that there is no other reason whatsoever, including but not limited to conduct of audit(s), observations or exceptions which is prompting their pre-term resignation.

The Company has received a consent and an eligibility letter from the proposed Statutory Auditor, V C Shah & Co. (Firm Registration No.: 109818W) to hold the office as the Statutory Auditor of the Company for FY 2025-2026 subject to the approval of the Members of the Company in the ensuing Annual General Meeting.

INTERNAL CUM CONCURRENT AUDITORS:

The Board of Directors had appointed M/s. RVA & Associates LLP, Chartered Accountants, Mumbai (Firm Registration No: 115003W), as the Internal cum Concurrent Auditors of the Company to undertake the Internal cum Concurrent Audit of the Company for the financial year under review.

SECRETARIAL AUDITORS:

The Company had appointed M/s Parikh & Associates, Company Secretaries, Mumbai as the Secretarial Auditors of the Company to undertake the Secretarial Audit of the Company for the financial year under review.

The secretarial audit of the Company was conducted in respect of the matters as prescribed in the said Rules and set out in the Secretarial Audit Report, for the financial year 2024-25.

There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor of the Company, in its report.

SECRETARIAL STANDARDS:

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, from time to time.

OTHERS:

1. The Balance Sheet and Statement of Profit and Loss for the period under review are revised as per the new format of Schedule III as notified by the Ministry of Corporate Affairs.
2. During the year, the Company is not required to maintain cost records or conduct cost audit pursuant to section 148 of the Companies Act, 2013 read with the rules thereunder.
3. No application has been made nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

4. No Loan has been taken from any bank or financial institution and hence there are no details of valuation which is required to be disclosed pursuant to Rule 8(5)(xii) of the Companies (Accounts) Amendment Rules, 2023.

ACKNOWLEDGEMENTS:

Your Directors would like to express their gratitude for all the guidance and co-operation received from Axis Bank Limited and Mjunction Services Limited. Your Directors would like to place on record their gratitude to the esteemed Clients, Advisors, Ministry of Corporate Affairs, Central, State and Local Government Departments and regulators for their continued support and cooperation.

The Directors also express their warm appreciation to all the employees of the Company for their diligence and contribution.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 9th June, 2025

Munish Sharda
Chairperson
(DIN: 06796060)

Prakash Sankaran
Managing Director & CEO
(DIN: 08581871)



ANNEXURE-A

PARTICULARS OF FOREIGN EXCHANGE OUTFLOWS

Name of the Party	Particulars of Purpose	Amount of outflow (Rupees in Crores) FY 2024-25
Amazon Web Services Inc	Cloud Service	0.04
LinkedIn Singapore Pte Ltd	Recruitment - Job Dashboard	0.06

For and on behalf of the Board of Directors

Place: Mumbai
Date: 9th June, 2025

Munish Sharda
Chairperson
(DIN: 06796060)

Prakash Sankaran
Managing Director & CEO
(DIN: 08581871)

FORM 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 arm's length transactions under third proviso thereto

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

a)	Name (s) of the related party and nature of relationship	:	NIL
b)	Nature of contracts/arrangements/transactions	:	NIL
c)	Duration of the contracts / arrangements / transactions	:	NIL
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	NIL
e)	Justification for entering into such contracts or arrangements or transactions	:	NIL
f)	Date (s) of approval by the Board	:	NIL
g)	Amount paid as advances, if any	:	NIL
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	:	NIL

2. Details of material contracts or arrangement or transactions at arm's length basis

a)	Name (s) of the related party and nature of relationship	:	1. Axis Bank Limited (Common director /Holding Company) 2. Mjunction Services Limited (Investing Company)
b)	Nature of contracts/arrangements/transactions	:	Fixed Deposit & Interest from Fixed Deposit Operating Income (Transaction fees & Onboarding fees) Reimbursement of Fees income (CERSAI), Reimbursement of Expenses (Deputation Cost, Rent, Facility charges, Software Expenses, ESOP cost, Miscellaneous Expenses (Mediclaime & GLT Insurance), NACH charges, file processing charges).
c)	Duration of the contracts / arrangements / transactions	:	1) Continuous 2) Continuous
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	As per Financial Statements
e)	Date (s) of approval by the Board, if any	:	12-April-2024
f)	Amount paid as advances, if any	:	NIL

For A.TREDS Limited

Place: Mumbai
Date: 9th June, 2025

Munish Sharda
Chairman
(DIN: 06796060)

Prakash Sankaran
Managing Director & CEO
(DIN: 08581871)



ANNEXURE - C

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to Section 135 of the Act & Rules made thereunder]

1. Brief Outline on the CSR Policy of the Company:

The Company's Corporate Social Responsibility (CSR) activities reflect its philosophy of helping to build a better, more sustainable society by taking into account the societal needs of the Community. The policy is available at www.invoicemart.com/disclosure.

2. Composition of the CSR Committee

Pursuant to the provisions of Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the MCA clarifications, the Company is not required to constitute the CSR Committee of the Board as the amount required to be spent by your company on CSR during the year in terms of Section 135(5) of the Companies Act, 2013 is less than INR 50L. All the duties of CSR Committee as mentioned in the Act will be undertaken by the Board.

3. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Not Applicable**

4. Declarations as per section 135

Particulars	Amount (in INR)
Average net profit	65,614,140/-
Two percent of average net profit	1,312,300/-
Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	NIL
i) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	1,312,300/-
ii) Amount spent in Administrative Overheads	
iii) Amount spent on Impact Assessment, if applicable	Not Applicable
Total amount spent for the Financial Year (i+ii+iii):	1,312,300/-
Excess amount for set-off, if any	NIL

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of Fund	Amount	Date of transfer
13,12,300	NA	NA	NA	NA	NA

5. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: **Not Applicable**

For A.TREDS Limited

Place: Mumbai
Date: 9th June, 2025

Munish Sharda
Chairman
(DIN: 06796060)

Prakash Sankaran
Managing Director & CEO
(DIN: 08581871)

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

**(Pursuant to Section 204 (1) of the Companies Act, 2013 and
rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)**

To,

The Members,

A. Treds Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by A.Treds Limited. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information to the extent provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by The Ministry of Corporate Affairs, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2025, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the audit period)
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and amendments from time to time; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (vi) Other laws applicable specifically to the Company namely:
 - a. RBI TReDS Guidelines
 - b. Payment and Settlement System Act, 2007
 - c. Factoring Regulation Act, 2011
 - d. Prevention of Money Laundering Act, 2022
 - e. The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006
 - f. Information Technology Act, 2000

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc.

We further report that:

The Board of Directors of the Company is constituted with Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no events had occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For **Parikh & Associates**
Company Secretaries

Anuja Parikh

Partner

ACS No: A52937 CP No: 21367

UDIN: A052937G000083517

PR No.: 6556/2025

Place: Mumbai

Date: April 11, 2025

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

To,
The Members,
A. Treds Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh & Associates**
Company Secretaries

Anuja Parikh
Partner

ACS No: A52937 CP No: 21367
UDIN: A052937G000083517
PR No.: 6556/2025

Place: Mumbai
Date: April 11, 2025



INDEPENDENT AUDITOR'S REPORT

To the Members of A.Treds Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of A.Treds Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board 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, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended, specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements 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.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.



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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standards) Rules, 2021, as amended, specified under section 133 of the Act;
- (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 Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which 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, during the course of our audit we did not come across any instance of audit trail feature being tampered with the accounting software's. Additionally, the audit trail for direct changes to database for accounting software i.e. Sun system for period before June 10, 2024 has not been preserved by the Company as per the statutory requirements for record retention, as stated in Note 30 to the financial statement.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Jitendra Ranawat

Partner

Membership Number: 103380

UDIN: 25103380BMMHJB4653

Place: Mumbai

Date: April 11, 2025



Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our reports of even date

Re: A.Treds Limited ("the Company")

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

- (i) (a) (A): The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i) (a) (B): The Company has maintained proper records showing full particulars of intangibles assets.
- (i) (b): Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (i) (c): There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (i) (d): The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.
- (i) (e): There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a): The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (ii) (b): The Company has not been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a): During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (iii) (b): During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (iii) (c): The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (iii) (d): The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (iii) (e): There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (iii) (f): The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

- (iv): There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v): The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi): The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a): The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions of sales-tax, service tax, customs duty, excise duty, value added tax are currently not applicable to the Company.
- (vii) (b): There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, cess, and other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a): The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
- (ix) (b): The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) (c): The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (ix) (d): The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (ix) (e): The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (ix) (f): The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a): The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x) (b): The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a): No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (xi) (b): During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.



- (xi) (c): As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a): The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- (xii) (b): The Company is not a Nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
- (xii) (c): The Company is not a Nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii): Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) (a): The Company has an internal audit system commensurate with the size and nature of its business.
- (xiv) (b): The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv): The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a): The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi) (b): The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (xvi) (c): The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvi) (d): There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii): The Company has not incurred cash losses in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.
- (xviii): There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix): On the basis of the financial ratios disclosed in note 28 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a): In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 18 to the financial statements.
- (xx) (b): There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 18 to the financial statements.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Jitendra H. Ranawat

Partner

Membership Number: 103380

UDIN: 25103380BMMHJB4653

Place: Mumbai

Date: April 11, 2025



ANNEXURE '2' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF A.TREDS LIMITED

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

We have audited the internal financial controls with reference to financial statements of A.Treds 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements 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 issued by the ICAI.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Jitendra H. Ranawat

Partner

Membership Number: 103380

UDIN: 25103380BMMHJB4653

Place: Mumbai

Date: April 11, 2025



Balance Sheet

As at 31 March, 2025

	Note No.	As at 31 March 2025	(Amount in ₹) As at 31 March 2024
I. EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	3	650,000,000	650,000,000
Reserves and surplus	4	73,957,607	(302,275,392)
Non-current liabilities			
Long term provisions	5	8,705,781	10,440,176
Deferred tax liability (net)	6	5,259,452	-
Other long term liabilities	7	377,914	363,362
Current liabilities			
Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	8	2,121,708	1,978,548
- Total outstanding dues of creditors other than micro enterprises and small enterprises	8	30,168,566	18,686,133
Other current liabilities	9	219,455,127	136,084,953
Short term provisions	5	51,277,864	40,192,200
Total		1,041,324,019	555,469,980
II. ASSETS			
Non-current assets			
Property, plant and equipments & intangible assets	10		
Property, plant and equipments		8,037,240	9,102,124
Intangible assets		142,589,717	82,289,282
Capital work-in-progress		21,013,540	15,994,552
Long term loans and advances	11	142,160	36,553,356
Other non current assets	12	2,149,375	1,334,375
Trade receivables	14	274,889	1,224,175
Current assets			
Short term loans and advances	11	65,071,965	18,107,326
Cash and bank balances	13	721,419,936	345,434,970
Trade receivables	14	80,625,197	45,429,820
Total		1,041,324,019	555,469,980
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of these financial statements

As per report of even date

For S. R. Batliboi & Co. LLP

ICAI Firm Registration No: 301003E/E300005

Chartered Accountants

per Jitendra H. Ranawat

Partner

Membership No. :- 103380

Date : 11 April, 2025

Place: Mumbai

For and on behalf of the Board of Directors**Munish Sharda**

Director

DIN No: 06796060

Saurabh Jain

Chief Financial Officer

Prakash Sankaran

Managing Director & CEO

DIN: 08581871

Meenakshi Agarwal

Company Secretary

Statement of Profit and Loss

For the year ended 31 March, 2025

		(Amount in ₹)	
	Note No.	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from operations	15	880,391,974	548,255,175
Other income	16	35,664,754	12,177,016
Total income		916,056,728	560,432,191
Expenses:			
Employee benefits expense	17	257,580,089	213,557,068
Depreciation and amortization expense	10	31,973,678	19,091,897
Other expenses	18	221,068,584	149,675,092
Total expenses		510,622,351	382,324,057
Profit before tax		405,434,377	178,108,134
Tax expenses:			
Current tax	19	23,941,926	-
Deferred Tax	19	5,259,452	-
Total tax expense		29,201,378	-
Profit for the year		376,232,999	178,108,134
Earning per equity share: Nominal value of share ₹ 10/- (31 March 2024: ₹ 10)	21		
Basic		8.36	3.96
Diluted		5.79	2.74
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of these financial statements

As per report of even date

For S. R. Batliboi & Co. LLP

ICAI Firm Registration No: 301003E/E300005

Chartered Accountants

per Jitendra H. Ranawat

Partner

Membership No. :- 103380

Date : 11 April, 2025

Place: Mumbai

For and on behalf of the Board of Directors

Munish Sharda

Director

DIN No: 06796060

Saurabh Jain

Chief Financial Officer

Prakash Sankaran

Managing Director & CEO

DIN: 08581871

Meenakshi Agarwal

Company Secretary



Cash Flow Statement

For the year ended 31 March, 2025

	(Amount in ₹)	
	For the Year ended 31 March 2025	For the Year ended 31 March 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (loss) before taxation	405,434,377	178,108,134
Adjustments for :		
Depreciation and amortization expenses	31,973,678	19,091,897
Profit on sale of asset	(176,702)	-
Lease equilization	(784,292)	(791,896)
Provision for Gratuity	2,964,808	2,548,972
Provision for Compensated absences	(5,191,071)	1,561,813
Interest on income tax refund	(1,800,842)	(802,236)
Interest income on fixed deposit	(28,274,158)	(11,001,248)
Operating Profit before working capital changes	404,145,798	188,715,436
Movements in working capital :		
Increase/ (Decrease) in Provisions	11,825,542	10,474,932
Increase/ (Decrease) in Other current liabilities	83,370,174	67,414,456
Increase/ (Decrease) in Other non current liabilities	798,844	(188,193)
(Increase)/ Decrease in Trade receivable	(34,246,090)	(24,734,712)
Increase/ (Decrease) in Trade payables	11,625,594	12,704,299
(Increase)/ Decrease in Non-current loans and advances	44,633,943	(19,867,185)
(Increase)/ Decrease in Current loan and advances	(46,964,638)	(6,588,842)
(Increase)/ Decrease in Other non current assets	(815,000)	200,000
Cash generated from Operating activities	474,374,168	228,130,193
Direct taxes paid (net of refund)	(30,363,831)	(726,219)
Net cash used in Operating activities (A)	444,010,335	227,403,974
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment including CWIP and capital advances	(96,533,227)	(68,100,120)
Proceeds from sale of fixed assets	233,700	-
Interest received	28,274,158	11,001,248
Net cash used in Investing activities (B)	(68,025,369)	(57,098,872)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of shares	-	-
Net cash from/ (used in) Financing activities (C)	-	-
Net Increase in cash and cash equivalents (A+B+C)	375,984,966	170,305,102
Cash and cash equivalents at the beginning of the year	345,434,970	175,129,868
Cash and cash equivalents at the end of the year	721,419,936	345,434,970

	(Amount in ₹)	
	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Cash in hand	-	2,278
Cheque in transit	-	-
Balances with banks:		
- On current accounts	24,579,793	47,299,252
- Deposits with original maturity of less than 3 months	10,488,958	20,073,432
Other bank balances:		
- Deposits with remaining maturity of more than 12 months	115,000,000	25,000,000
- Deposits with remaining maturity of less than 12 months	571,351,185	253,060,008
Total	721,419,936	345,434,970

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS 3) - 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013, read together with rule 7 of Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2021.
- Cash and Cash equivalents in the balance sheet comprises of cash in hand, current account with bank and fixed deposit with bank.

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of these financial statements

As per report of even date

For S. R. Batliboi & Co. LLP

ICAI Firm Registration No: 301003E/E300005

Chartered Accountants

per Jitendra H. Ranawat

Partner

Membership No. :- 103380

Date : 11 April, 2025

Place: Mumbai

For and on behalf of the Board of Directors

Munish Sharda

Director

DIN No: 06796060

Saurabh Jain

Chief Financial Officer

Prakash Sankaran

Managing Director & CEO

DIN: 08581871

Meenakshi Agarwal

Company Secretary



Notes

Notes forming part of the financial statements

1. Corporate information

A.Treds Limited (the 'Company') is public company domiciled in India. The principal activity of the Company is to carry on business of setting up and operating of Trade Receivable Discounting System under Payment and Settlements Systems Act, 2007.

2. Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 read together with the Companies (Accounting Standards) Rules, 2021 and presentation requirements of Division I of Schedule III to the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1 Summary of significant accounting policies

i. Use of estimates

The preparation of the financial statements in conformity with the Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities at the end of reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

ii. Current-non-current classification of assets/ liabilities

The Company has prepared the financial statements as per Schedule III under the Companies Act, 2013 applicable for the preparation and presentation of financial statements. Since the normal operating cycle for the Company cannot be identified, it is assumed to be 12 months as per Schedule III notified under the Companies Act, 2013. Accordingly, assets/liabilities expected to be realised / settled within 12 months from the date of financial statements are classified as current and other assets/liabilities are classified as non-current.

iii. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

a. Onboarding Fee, Transaction Fee and Annual Fee

Onboarding Fee is one time fee and is recognized at the time of onboarding of Buyer, Seller or Financier. Transaction fee is recurring in nature and is recognised on time proportion basis over the of tenure of transaction. Transaction fees received from sellers is recognised upfront on the date of transaction. The Company follows recognition of annual fee on time proportion basis over the tenure of one year.

Onboarding Fees, Transaction Fees and Annual fees are included under "Income from Operations" in the Statement of profit and loss.

b. Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest is included under the head 'Other Income' in the Statement of profit and loss.

Notes

Notes forming part of the financial statements

iv. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net off accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and Equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of profit and loss for the period during which such expenses are incurred. All other repair and maintenance costs are recognised in profit or loss as incurred.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortised on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Company amortises the intangible asset over the best estimate of its useful life. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

v. Depreciation on Property, Plant and Equipment / Amortization of intangible asset

Depreciation on fixed assets is calculated on straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its fixed assets.

Depreciation has been provided using the following estimated useful lives:

Particulars	Useful life estimated by the management (same as specified in Schedule II of Companies Act, 2013)
Office Equipment	5 Years
Computers	3 Years
Servers	6 Years
Softwares	5 Years
Furnitures & Fixtures	10 Years
Leasehold Improvement	9 Years (Over lease period)



Notes

Notes forming part of the financial statements

The residual values, useful lives and methods of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on assets sold during the year is recognised on a pro-rata basis to the Statement of profit and loss till the date of sale of assets.

vi. Impairment of property, plant and equipment and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

vii. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of profit and loss on a straight-line basis over the lease term.

viii. Retirement Benefits

a. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

b. Gratuity

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated year mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date.

Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise.

Notes

Notes forming part of the financial statements

c. Leave availment

Earned leave cannot be carried forward and availed beyond current financial year. Any unutilised leaves in are bound to lapse post March 31st of the current year.

ix. Income taxes

Tax expense comprises current and deferred 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 tax rates 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 directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the Statement of profit and loss.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

x. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

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

xi. Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.



Notes

Notes forming part of the financial statements

xii. Cash and cash equivalents

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less.

xiii. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

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.

xiv. Foreign currency translation

Foreign currency transactions and balances

a. Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

c. Exchange differences

Exchange differences are recognized as income or as expenses in the period in which they arise.

Notes

Notes forming part of the financial statements

3. Share capital

	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Authorized share capital		
50,000,000 (31 March 2024 : 50,000,000) Equity Shares of ₹ 10 each.	500,000,000	500,000,000
20,000,000 (31 March 2024 : 20,000,000) 9.69% Non-Cumulative Compulsorily Convertible Preference Shares of ₹ 10 each	200,000,000	200,000,000
Issued subscribed and fully paid-up shares		
45,000,000 (31 March 2024: 45,000,000) Equity Shares of ₹ 10/- each	450,000,000	450,000,000
20,000,000 (31 March 2024 : 20,000,000) 9.69% Non-Cumulative Compulsorily Convertible Preference Shares of ₹ 10 each	200,000,000	200,000,000
Total issued & subscribed share capital	650,000,000	650,000,000

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

Equity shares

	31 March 2025		31 March 2024	
	Nos.	(Amount in ₹)	Nos.	(Amount in ₹)
At the beginning of the Year	45,000,000	450,000,000	45,000,000	450,000,000
Add: Issued during the Year	-	-	-	-
Outstanding at the end of the Year	45,000,000	450,000,000	45,000,000	450,000,000

Preference shares

	31 March 2025		31 March 2024	
	Nos.	(Amount in ₹)	Nos.	(Amount in ₹)
At the beginning of the Year	20,000,000	200,000,000	20,000,000	200,000,000
Add: Issued during the Year	-	-	-	-
Outstanding at the end of the Year	20,000,000	200,000,000	20,000,000	200,000,000

(b) Terms/ rights attached to equity shares and preference shares

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. The dividend, if any, is proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

Preference shares

The Company has only one class of 9.69% Non-Cumulative Compulsorily Convertible Preference Shares having face value of ₹ 10 per share. The shares will be convertible into equity shares at a date not later than 10 years from the date of allotment viz. 29th Oct, 2018. The shares will be convertible at the option of the Company in the ratio 1:1.



Notes

Notes forming part of the financial statements

(c) Shares held by holding/ ultimate holding company and/or their subsidiaries/associates

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

Name of the shareholder	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Axis Bank Limited, the holding company and its nominees		
30,150,000 (31 March 2024: 30,150,000 shares) equity shares of ₹ 10/- each	301,500,000	301,500,000
Axis Bank Limited the holding company		
13,400,000 (31 March 2024: 13,400,000) 9.69% non cumulative compulsory convertible pref shares of ₹10/- each	134,000,000	134,000,000

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

Name of the shareholder	31 March 2025		31 March 2024	
	Nos.	%	Nos.	%
Axis Bank Limited, the holding company and its nominees				
30,150,000 (31 March 2024 : 30,150,000 shares) equity shares of ₹ 10/- each	30,150,000	67%	30,150,000	67%
Mjunction Services Limited				
14,850,000 (31 March 2024 : 14,850,000 shares) equity shares of ₹ 10/- each	14,850,000	33%	14,850,000	33%
Axis Bank Limited the holding company and its nominees				
13,400,000 (31 March 2024 : 13,400,000) 9.69% non cumulative compulsory convertible pref shares of ₹ 10/- each	13,400,000	67%	13,400,000	67%
Mjunction Services Limited				
6,600,000 (31 March 2024 : 6,600,000) 9.69% non cumulative compulsory convertible pref shares of ₹ 10/- each	6,600,000	33%	6,600,000	33%

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 ownerships of shares.

Notes

Notes forming part of the financial statements

- (e) **Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:**

	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	-	-
Equity shares bought back by the Company	-	-

- (f) **Details of shares held by promoters**

	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Promoters Name		
Axis Bank Limited		
Equity Shares	30,150,000	30,150,000
Preference Shares	13,400,000	13,400,000
% of total shares	67%	67%
% change during the year	-	-
Mjunction Services Ltd		
Equity Shares	14,850,000	14,850,000
Preference Shares	6,600,000	6,600,000
% of total shares	33%	33%
% change during the year	-	-

4. Reserves & Surplus

	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Deficit in the statement of profit and loss	(302,275,392)	(480,383,526)
Profit/(Loss) for the year	376,232,999	178,108,134
Net surplus/(deficit) in the statement of profit & loss	73,957,607	(302,275,392)
Total Reserves & surplus	73,957,607	(302,275,392)



Notes

Notes forming part of the financial statements

5. Provisions

	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Long Term		
Provision for gratuity	8,705,781	6,321,549
Provision for compensated absences	-	4,118,627
Total Long Term	8,705,781	10,440,176
Short Term		
Provision for bonus	19,540,000	13,000,000
Provision for gratuity	431,006	783,064
Provision for compensated absences	-	1,072,444
Provision for expenses	31,306,858	25,336,692
Total Short Term	51,277,864	40,192,200

6. Deferred tax liability (net)

	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Deferred tax liability		
Property, plant and equipment and intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	9,952,381	-
Gross deferred tax liability	9,952,381	
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	2,187,032	-
Provision for doubtful debts and advances	2,373,242	-
Lease Equalisation	132,655	-
Gross deferred tax asset	4,692,929	-
Net deferred tax liability	5,259,452	-

7. Other long term liabilities

	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Lease Obligation	377,914	363,362
Total	377,914	363,362

Notes

Notes forming part of the financial statements

8. Trade payable

	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro enterprises and small enterprises	2,121,708	1,978,548
Total outstanding dues of creditors other than micro enterprises and small enterprises	30,168,566	18,686,133
Total	32,290,274	20,664,681

As at March 2025

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	2,121,708	-	-	-	2,121,708
Others	29,133,168	1,035,398	-	-	30,168,566

As at March 2024

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	1,978,548	-	-	-	1,978,548
Others	18,070,045	616,088	-	-	18,686,133

There are no disputed trade payables during the year & previous year.

9. Other current liabilities

	As at 31 March 2025	As at 31 March 2024
Due to holding company- 'Axis Bank Limited'	10,550,423	10,954,306
Due to others	-	26,121
Statutory dues	25,336,327	10,194,688
Unearned revenue	183,094,851	113,796,424
Lease obligation	149,164	948,009
Other current liabilities	324,362	165,404
Total	219,455,127	136,084,953



Notes

Notes forming part of the financial statements

10. Property, plant and equipments & intangible assets

Assets	Gross Block					Depreciation			Net Block	
	As at 1 April, 2024	Addition for the year	Disposals/ Adjustment for the year	As at 31 March, 2025	As at 1 April, 2024	Charge for the year	Disposals/ Adjustment for the year	As at 31 March, 2025	As at 31 March, 2025	As at 31 March, 2024
Tangible asset										
Leasehold improvement	13,134,682	-	-	13,134,682	10,381,479	1,456,074	-	11,837,553	1,297,129	2,753,203
Furniture	1,116,441	209,000	-	1,325,441	716,251	118,604	-	834,855	490,586	400,189
Office equipment	7,224,517	413,655	-	7,638,172	7,061,352	85,558	-	7,146,910	491,262	163,165
Computers	22,998,614	3,369,325	2,775,971	23,591,968	17,213,047	3,385,025	2,764,368	17,833,704	5,758,263	5,785,567
	44,474,254	3,991,980	2,775,971	45,690,263	35,372,130	5,045,261	2,764,368	37,653,022	8,037,240	9,102,124
Intangible assets										
Software	173,556,727	87,274,249	338,201	260,492,775	91,267,446	26,928,417	292,806	117,903,057	142,589,717	82,289,282
	173,556,727	87,274,249	338,201	260,492,775	91,267,446	26,928,417	292,806	117,903,057	142,589,717	82,289,282
Capital work-in-progress										
Software	15,994,552	57,632,976	52,613,988	21,013,540	-	-	-	-	21,013,540	15,994,552
	15,994,552	57,632,976	52,613,988	21,013,540	-	-	-	-	21,013,540	15,994,552
Total	234,025,533	148,899,205	55,728,160	327,196,578	126,639,576	31,973,678	3,057,174	155,556,079	171,640,497	107,385,958
31 March 2024	165,484,758	105,992,910	37,452,135	234,025,533	107,547,679	19,091,897	-	126,639,576	107,385,958	-

Notes

Notes forming part of the financial statements

11. Loans and advances (Unsecured, considered good)

	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Loans and advances		
Long Term		
Prepaid expenses	142,160	17,949
TDS & Advance tax (net)*	-	36,535,407
Total Long Term	142,160	36,553,356
Short Term		
Prepaid expenses	7,454,097	6,684,314
Accrued interest	14,445,559	5,176,228
TDS & Advance tax	32,164,673	1,528,455
GST input credit/ Service tax input	5,260,237	-
Other receivables	2,825,950	2,058,725
Other advances	2,921,449	2,659,604
Total Short Term	65,071,965	18,107,326

* Net of provision for tax ₹ 23,941,926 in FY 24-25 and ₹ NIL in FY 23-24

12. Other non current assets

	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Security deposit (unsecured, considered good)	2,149,375	1,334,375
Total	2,149,375	1,334,375

13. Cash and bank balance

	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents		
Cash on hand	-	2,278
Balances with banks:		
- On current accounts	24,579,793	47,299,252
- Deposits with original maturity of less than 3 months	10,488,958	20,073,432
Other bank balances:		
- Deposits with remaining maturity for more than 12 months	115,000,000	25,000,000
- Deposits with remaining maturity for less than 12 months	571,351,185	253,060,008
Total	721,419,936	345,434,970



Notes

Notes forming part of the financial statements

14. Trade receivables

	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Non-current		
Unsecured, considered bad & doubtful	9,704,491	4,250,798
Provision for doubtful debts and bad debts*	(9,429,602)	(3,026,623)
Total (A)	274,889	1,224,175
Current		
Unsecured, considered good	80,625,197	45,429,820
Total (B)	80,625,197	45,429,820
Total (A) + (B)	80,900,085	46,653,995

* Bad debts of ₹ NIL written off in FY 24-25 and ₹ NIL written off in FY 23-24

Trade Receivables ageing schedule

As at March 2025

Particulars	Outstanding for following periods from due date of payments						Total
	Current but not due	Less than 6 months	6 months -1 yr	1-2 years	2-3 yrs	more than 3 yrs	
Undisputed trade receivables, considered good	-	80,625,197	-	-	-	-	80,625,197
Undisputed trade receivables, considered doubtful	-	-	3,682,181	6,022,310	-	-	9,704,491
Disputed trade receivables, considered good	-	-	-	-	-	-	-
Disputed trade receivables, considered doubtful	-	-	-	-	-	-	-

As at March 2024

Particulars	Outstanding for following periods from due date of payments						Total
	Current but not due	Less than 6 months	6 months -1 yr	1-2 years	2-3 yrs	more than 3 yrs	
Undisputed trade receivables, considered good	-	45,429,820	-	-	-	-	45,429,820
Undisputed trade receivables, considered doubtful	-	-	2,448,349	1,802,449	-	-	4,250,798
Disputed trade receivables, considered good	-	-	-	-	-	-	-
Disputed trade receivables, considered doubtful	-	-	-	-	-	-	-

Notes

Notes forming part of the financial statements

15. Revenue from operations

	(Amount in ₹)	
	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Onboarding charges	38,120,783	30,554,405
Transaction charges	842,201,385	517,606,146
Annual charges	69,806	94,624
Total	880,391,974	548,255,175

16. Other income

	(Amount in ₹)	
	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Interest income on bank deposits	28,274,158	11,001,248
Miscellaneous receipts	5,413,052	373,532
Profit on sale of fixed assets	176,702	-
Interest on income tax refund	1,800,842	802,236
Total	35,664,754	12,177,016

17. Employee benefits expense

	(Amount in ₹)	
	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Salaries, wages and bonus	229,002,444	189,249,392
Contribution to provident funds	7,345,038	5,662,523
Staff welfare expenses	331,904	437,200
Gratuity expenses	2,964,808	2,548,972
Compensated absences	-	1,561,813
ESOP expenses	17,935,895	14,097,168
Total	257,580,089	213,557,068

18. Other expense

	(Amount in ₹)	
	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Travelling and conveyance	16,406,962	11,895,181
Professional fees	27,359,009	21,101,092
Rent, rates and taxes	9,973,837	8,793,706
Business promotion	3,661,537	795,925
Software expenses	23,294,617	16,441,979
Information technology expense	92,651,553	65,924,652
Telephone expenses	2,013,010	2,717,060
Director fees	2,600,000	2,300,000
Director commission	235,616	-



Notes

Notes forming part of the financial statements

	(Amount in ₹)	
	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Transaction charges	19,400,389	7,259,693
Electricity expenses	2,889,885	2,325,986
Printing & Stationery	749,195	667,662
Provision for doubtful debts	6,376,359	2,036,706
Security services	1,481,303	1,153,702
Insurance expenses	219,148	218,440
Membership & subscription fees	75,000	77,750
House keeping charges	1,811,832	1,497,061
Auditor remuneration (Refer note B below)	2,696,454	2,432,192
Repair & maintenance	522,254	318,963
Exchange differences (net)	20,210	-
Royalty Charges	1,320,588	-
CSR expenditure (Refer note A below)	1,312,300	-
Misc expenses	3,997,525	1,717,342
Total	221,068,584	149,675,092

A. Details of CSR Expenditure

	(Amount in ₹)	
	For the Year ended 31 March 2025	For the Year ended 31 March 2024
a. Gross amount required to be spent by the Company during the year	1,312,300	-
b. Amount approved by the Board to be spent during the year	1,312,300	-
c. Amount spent during the year ending on 31st March, 2025:	In cash	Total
i. Construction/acquisition of any asset	-	-
ii. On purposes other than (i) above	1,312,300	1,312,300

Cash yet to be paid nil

	(Amount in ₹)	
	For the Year ended 31 March 2025	For the Year ended 31 March 2024
d. Details related to spent / unspent obligations:		
i. Contribution to Public Trust	-	-
ii. Contribution to Charitable Trust	1,312,300	-
iii. Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-

Notes

Notes forming part of the financial statements

B. Audit Remuneration

	(Amount in ₹)	
	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Audit fee	1,985,002	1,615,000
Limited review	600,002	735,000
Out of Pocket expenses	111,450	82,192
Total	2,696,454	2,432,192

19. Income Tax

The major components of income tax expense for the years ended 31 March 2025 and 31 March 2024 are:

Statement of profit and loss:

	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Current income tax:		
Current income tax charge	23,941,926	-
Adjustments in respect of current income tax of previous year	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	5,259,452	-
Income tax expense reported in the statement of profit and loss	29,201,378	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2024 and 31 March 2025:

	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Accounting profit before tax	405,434,377	178,108,134
At India's statutory income tax rate of 25.168% (31 March 2024: 25.168%)	102,039,724	-
Adjustment of brought forward business loss and unabsorbed depreciation	(74,424,518)	-
Adjustment for depreciation differences	(5,863,790)	-
Adjustment for leave expense reversal	(1,306,489)	-
Adjustment for Lease equalisation	(197,391)	-
Adjustment for Preliminary expenses	(252)	-
Non-deductible expenses for tax purposes:		-
CSR Expenditure	330,280	-
Provision for doubtful debts	1,604,802	-
Gratuity Expenses	633,669	-
Other Expenses	1,125,891	-
At the effective income tax rate of 6% (31 March 2024: 0%)	23,941,926	-
Income tax expense reported in the statement of profit and loss	23,941,926	-

Note: During the current year effective tax for the Company has been calculated post set-off of brought forward losses and unabsorbed depreciation.



Notes

Notes forming part of the financial statements

20. Leases

Operating Lease:

The Company has entered into agreements in the nature of cancellable and non-cancellable lease / leave and license agreements with different lessors / licensors for the purpose of establishment of office premises and office equipments.

These are generally in the nature of operating leases / leave and licenses. There are no assets given or taken on sub-lease. Future minimum rentals payable for premises under operating leases are as follows:

Particulars	(Amount in ₹)	
	2024-25	2023-24
Minimum lease payments :		
Within one year	6,425,409	7,124,675
Later than one year but not later than five years	3,113,734	4,689,307
Later than five years	-	-
Lease charged for the year*	9,292,058	8,245,190

* Lease equalisation expenses included in Rent, rates and taxes (Note 18)

Future minimum rentals payable for office equipment under operating leases are as follows:

Particulars	(Amount in ₹)	
	2024-25	2023-24
Minimum lease payments :		
Within one year	391,004	278,400
Later than one year but not later than five years	-	256,412
Later than five years	-	-
Lease charged for the year	484,454	183,794

21. Earnings per share ('EPS')

Particulars	(Amount in ₹)	
	2024-25	2023-24
Net Profit after tax	376,232,999	178,108,134
Net profit for calculation of basic and diluted EPS	376,232,999	178,108,134
Weighted average number of equity shares in calculating basic EPS	45,000,000	45,000,000
Effect of dilution:		
Convertible preference shares	20,000,000	20,000,000
Weighted average number of equity shares in calculating diluted EPS	65,000,000	65,000,000
Basic earnings per share	8.36	3.96
Diluted earnings per share	5.79	2.74

Notes

Notes forming part of the financial statements

22. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year

Particulars	(Amount in ₹)	
	2024-25	2023-24
Principal amount due to micro and small enterprises	2,121,708	1,978,548
Interest due on above	-	-

The Company also has not received any claims against interest outstanding amount due to any vendor registered under Micro, Small and Medium Enterprises Development Act, 2006. The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 (Act) has been determined to the extent such parties have been identified on the basis of information available with the Company.

23. Estimated amount of contracts remaining to be executed on capital account and not provided for:

Particulars	(Amount in ₹)	
	2024-25	2023-24
Commitment for addition/acquisition of software	35,036,210	28,387,019
Commitment for acquisition of other capital asset	153,000	47,000

24. Expenditure in foreign currency (accrual basis)

Particulars	(Amount in ₹)	
	2024-25	2023-24
Professional fees	11,146	-
Information technology expense	9,064	-
Total	20,210	-

25. Gratuity and other post employment benefit plan

Liability for Gratuity and compensated leave absence has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Accounting Standard 15 (Revised) as prescribed by Companies (Accounting Standards) Rules, 2021, the details of which are as under:

I Gratuity

A. Statement of profit and loss

Net employee benefit expense recognized in the employee cost

Particulars	(Amount in ₹)	
	Gratuity (Funded)	
	As at 31 March 2025	As at 31 March 2024
Interest cost	623,867	490,501
Current service cost	1,861,739	1,519,067
Expected return on plan assets	(4,234)	(10,758)
Actuarial (gain)/ loss on obligations	483,436	550,162
Net gratuity cost	2,964,808	2,548,972
Actual return on plan asset	27,131	(85,655)



Notes

Notes forming part of the financial statements

B. Balance Sheet

Benefit asset/liability

Particulars	(Amount in ₹)	
	Gratuity (Funded)	
	As at 31 March 2025	As at 31 March 2024
Present value of funded obligation	9,709,978	7,165,092
Fair value of plan assets	(573,191)	(60,479)
Plan (asset)/liability	9,136,787	7,104,613

C. Change in present value of defined benefit obligation

Particulars	(Amount in ₹)	
	Gratuity (Funded)	
	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Present value of the obligation as at the beginning of the year	7,165,092	5,428,698
Interest cost	623,867	490,501
Current service cost	1,861,739	1,519,067
Benefit paid	(447,053)	(726,924)
Liabilities assumed on acquisition/ (settled on divestiture)	-	-
Actuarial (gain)/ loss on obligations	506,333	453,749
Present value of the obligation as at the end of the year	9,709,978	7,165,092

D. Change in fair value of plan assets

Particulars	(Amount in ₹)	
	Gratuity (Funded)	
	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Opening fair value of plan asset	60,479	373,058
Expected return on plan assets	4,234	10,758
Actuarial (gain)/losses	22,897	(96,413)
Contributions by employer	932,634	500,000
Asset acquired on acquisition/(distributed on divestiture)	-	-
Benefits Paid	(447,053)	(726,924)
Closing fair value of plan asset	573,191	60,479
Expected employer contribution next year	951,111	843,543

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	(Amount in ₹)	
	Gratuity (Funded)	
	As at 31 March 2025	As at 31 March 2024
Investments with insurer	100%	100%

Notes

Notes forming part of the financial statements

E. Experience adjustments

Particulars	Gratuity (Unfunded)	Gratuity (Funded)	Gratuity (Funded)	(Amount in ₹) Gratuity (Funded)
	For the Year ended 31 March 2022	For the Year ended 31 March 2023	For the Year ended 31 March 2024	For the Year ended 31 March 2025
Defined benefit obligation	5,165,026	5,428,698	7,165,092	9,709,978
Plan assets	64,642	373,058	60,479	573,191
Surplus/(deficit)	(5,100,384)	(5,055,640)	(7,104,613)	(9,136,787)
Exp. Adj. on plan liabilities	(113,736)	(507,473)	364,782	109,305
Exp. Adj. on plan assets	(64,384)	(52,474)	(96,413)	22,897

The principal assumptions used in determining obligations for the Company's plans are shown below:

Assumptions	(Amount in ₹) Gratuity (Funded)	
	As at 31 March 2025	As at 31 March 2024
Discount rate	6.75% p.a	7.25% p.a
Increase in compensation cost	10.00%p.a.	10.00%p.a.
Employee turnover		
21 to 30 (age in years)	24.00%	24.00%
31 to 44 (age in years)	14.00%	14.00%
45 to 59 (age in years)	8.00%	8.00%

II Compensated absences

Particulars	(Amount in ₹)	
	As at 31 March 2025	As at 31 March 2024
Present value of obligations	-	5,191,071
Expense recognised in the Statement of Profit and Loss	-	1,561,813
Discount Rate (p.a.)	-	7.25% p.a
Increase in compensation cost	-	10.00%p.a.
Employee turnover		
21 to 30 (age in years)	-	24.00%
31 to 44 (age in years)	-	14.00%
45 to 59 (age in years)	-	8.00%



Notes

Notes forming part of the financial statements

26. Related Party Disclosure

The related parties of the Company are broadly classified as:

Holding Company	Axis Bank Limited ('ABL')
Key Management Personnel	Mr. Prakash Sankaran (Managing Director & Chief Executive Officer) ('MD & CEO')
	Mr. Saurabh Jain (Chief Financial Officer) ('CFO')
	Ms. Meenakshi Agarwal (Company Secretary) ('CS')
Fellow Subsidiaries	Axis Capital Limited ('ACL')
	Axis Asset Management Company Limited ('AAMC')
	Axis Mutual Fund Trustee Limited ('AMFT')
	Axis Trustee Services Limited ('ATSL')
	Axis Bank UK Limited ('ABUKL')
	Axis Finance Limited ('AFL')
	Axis Securites Limited ('ASL')
	Freecharge Payment Technologies Private Limited ('FPTPL')
Subsidiaries of fellow subsidiaries companies	Axis Capital USA LLC (subsidiary of Axis Capital Limited)
	Axis Pension Fund Management Limited (subsidiary of Axis Asset Management Company Limited)
Investing Company	Mjunction Services Limited ('MSL')

The details of transactions and balances payable to/receivable of the Company with its related parties for the year ended 31 March, 2025 are given below;

Transaction/Nature of Relationship	Holding Company	Key Management Personnel	Investing Company	Fellow Subsidiaries	Grand Total
Transactions during the year ended 31 March 2025					
Assets					
Proceeds from fixed deposit	47,470,710	-	-	-	47,470,710
	(133,593,593)	-	-	-	(133,593,593)
Income					
Interest on fixed deposit	28,274,158	-	-	-	28,274,158
	(11,001,248)	-	-	-	(11,001,248)
Income from transaction charges	4,544,050	-	-	-	4,544,050
	(6,132,219)	-	-	-	(6,132,219)
Expenses					
Reimbursement for expenses by the Company	8,738,680	-	-	-	8,738,680
	(12,033,167)	-	-	-	(12,033,167)
Reimbursement for expenses to the Company	-	-	600,000	-	600,000
	-	-	(565,000)	-	(565,000)
Royalty	1,320,588				1,320,588
	-				-

Notes

Notes forming part of the financial statements

Transaction/Nature of Relationship	Holding Company	Key Management Personnel	Investing Company	Fellow Subsidiaries	Grand Total
Reimbursement for expenses (Deputation cost of MD & CEO)	16,145,284	233,380	-	-	16,378,664
	(18,131,949)	(449,001)	-	-	(18,580,950)
Reimbursement for expenses (Deputation cost other employee)	17,448,875	-	-	-	17,448,875
	(16,436,521)	-	-	-	(16,436,521)
ESOP expense	17,935,895	-	-	-	17,935,895
	(14,097,169)	-	-	-	(14,097,169)
Salary (CFO)		6,370,717	-	-	6,370,717
	-	(4,846,660)	-	-	(4,846,660)
Salary (CS)		2,411,724	-	-	2,411,724
	-	(1,497,839)	-	-	(1,497,839)
Outstanding balance as at 31 March 2025					
Other Payable	10,550,423	-	-	-	10,550,423
	(10,954,306)	-	-	-	(10,954,306)
Other Receivable	-	-	600,000	-	600,000
	-	-	(565,000)	-	(565,000)
Balances with banks in current account	24,579,793	-	-	-	24,579,793
	(47,299,252)	-	-	-	(47,299,252)
Fixed deposit (incl. accrued interest)	711,285,702	-	-	-	711,285,702
	(303,309,668)	-	-	-	(303,309,668)

Notes

- 1) Related party relationships have been identified by the management and relied upon by the auditors.
- 2) There are no transaction during the period with fellow subsidiaries.
- 3) Brackets indicate figures of previous period.
- 4) The remuneration to Key Managerial Persons does not include the provisions made for retirement benefits, as they are made on actuarial basis for the Company as a whole.



Notes

Notes forming part of the financial statements

- 27.** During the year, the holding company has issued stock options to certain employees on deputation and on payroll of the Company. Annual charge towards the stock options amounting to ₹ 17,935,895 (PY - ₹ 14,097,169), has been accounted as an expense in books of Company and is payable to holding company.

28. Ratios

Particulars	Numerator	Denominator	31 March 2025	31 March 2024	% Change	Reason for Variance
a. Current ratio	Current Assets	Current Liabilities	2.86	2.08	27%	-
b. Trade receivable turnover ratio	Net sales	Average trade receivables	12.58	15.11	-20%	-
c. Return on equity ratio	Net profit after tax	Average Shareholder's equity	0.70	0.69	2%	-
d. Net capital turnover ratio	Net sales	Working capital	1.56	2.59	-66%	Ratio improved as working capital (cash & bank) has grown more than 50%.
e. Net profit ratio	Net profit	Net sales	0.43	0.32	24%	-
f. Return on capital employed ratio	Earnings before interest & tax	Capital employed	0.56	0.51	9%	-

NCCRPS Preference shares is included while calculating Return on Equity

Debt equity ratio, Debt service coverage ratio, Return on investment, Inventory turnover ratio are not applicable to the Company

29. Intangibles under development ageing schedule

As at March 2025

Intangibles under development	Amount in Intangibles under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress	21,013,540	-	-	-	21,013,540
Projects temporarily suspended	-	-	-	-	-

As at March 2024

Intangibles under development	Amount in Intangibles under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	15,994,552	-	-	-	15,994,552
Projects temporarily suspended	-	-	-	-	-

30. Accounting Software

The Company has used 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, during the course of our audit we did not come across any instance of audit trail feature being tampered with the accounting software. Additionally, the audit trail for direct changes to database for accounting software i.e. Sun system for period before 10 June 2024 has not been preserved by the Company as per the statutory requirements for record retention.

Notes

Notes forming part of the financial statements

31. Revaluation of plant, property & equipment and intangible assets

The Company has not revalued its plant, property & equipment and intangible assets in current year and previous year.

32. Details of Benami Property held

There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at end of current year or previous year.

33. Borrowings from bank and financial institutions

The Company has not taken any borrowing from banks or financial institutions on the basis of security of current assets, during current year and previous year.

34. Wilful Defaulter

The Company is not declared as wilful defaulter by any bank or financial institution or other lender, during current year and previous year.

35. Relationship with Struck off Companies

The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during current year and previous year.

36. Compliance with number of layer of companies

Since the Company does not have any subsidiary, the provision of section 2 clause 87 of the Act, read with Companies (Restriction on number of Layers) Rules, 2017, is not applicable to the Company.

37. Undisclosed income

The Company has not have any unrecorded transaction in the books of accounts that has been surrendered or disclosed as income during the current year and previous 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).

38. Utilisation of borrowed funds and share premium

- (A) Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) or provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- (B) Company has not received any funds from any persons or entities, including foreign entities (Intermediaries) or provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;



Notes

Notes forming part of the financial statements

39. Crypto Currency or Virtual Currency

The Company has not traded or invested in crypto currency or virtual currency during the current and previous financial year.

40. Previous year figures

Previous year figures have been regrouped/reclassified wherever necessary, to confirm to the current year's classification.

For S. R. Batliboi & Co. LLP

ICAI Firm Registration No: 301003E/E300005
Chartered Accountants

per Jitendra H. Ranawat

Partner
Membership No. :- 103380

Date : 11 April, 2025
Place: Mumbai

For and on behalf of the Board of Directors

Munish Sharda

Director
DIN No: 06796060

Saurabh Jain

Chief Financial Officer

Prakash Sankaran

Managing Director & CEO
DIN: 08581871

Meenakshi Agarwal

Company Secretary