FREECHARGE BUSINESS AND TECHNOLOGY SERVICES LIMITED

Annual Report **2025-26**

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Board's Report

To
The Members,

Freecharge Business and Technology Services Limited

Your Director's have pleasure in presenting the Second (2nd) Annual Report on the business and operation of the Company together with Audited Financial Statements of your Company for the financial year ended March 31, 2026.

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Overview

FreechargeBiz (FCBiz), a 100% subsidiary of Axis Bank, is building a technology-led, inclusive financial ecosystem focused on the Bharat segment—serving micro and small businesses and individuals, across Tier 2/3 cities and rural India. We operate in the capacity of

- Business Correspondent ("BC") (Distribution of Financial Services)
- Technology Service Provider (Tech Centre of Excellence (CoE) for Axis Bank)

Current State of Affairs

1. **Strong Growth Across Lending & Distribution**
   - Scaled to 220 branches, significantly expanding on-ground reach
   - Achieved ₹600+ Cr disbursements during the year with closing AUM of ₹610+ Cr
   - Expanded into secured lending (Micro LAP), strengthening portfolio mix
2. **Expanding into Micro and Small Businesses (Merchant) and Individuals Financial Ecosystem**

   Comprehensive product suite including unsecured & secured lending, and payments (UPI, Gold OD on UPI, other Axis Bank products)
3. **Technology-Led Transformation**
   - Built end-to-end digital lending journeys (CKYC, face auth, automated underwriting)
   - Enabled AI-driven engagement and operations, achieving high customer satisfaction
   - Modernized infrastructure for rapid experimentation and scalable fintech innovation

Strategic Priorities

1. **Scale Bharat Distribution**
   - Deepen presence in underserved geographies via low-cost BC-led model
   - Strengthen merchant acquisition and expand MFI and lending penetration
2. **Build a Profitable Channel**
   - Position FCBiz as a high-quality sourcing and distribution engine for Axis Bank
   - Scale merchant lending and credit card acquisition funnels
3. **Leveraging AI for solving business use case and contributing to efficiency**
   - Building AI driven Stack for faster roll outs.
   - Leveraging existing platforms for solving other applicable use cases in the Bank and help in consolidation of services.

Future Outlook

FreechargeBiz is well-positioned to evolve into a scaled, tech-first distribution and innovation partner for Axis Bank by:

- Expanding deep Bharat penetration through hybrid (BC + digital) distribution
- Driving sustainable growth via diversified lending and merchant monetization
- Leveraging AI and platform capabilities for efficiency and differentiation
- Strengthening its role as a core contributor to financial inclusion and Priority Sector Lending objectives.

FINANCIAL HIGHLIGHTS AND BUSINESS OPERATIONS

The highlights of the Company's financial performance for the year/period ended March 31, 2026 and March 31, 2025 respectively are as under:

(₹ in Lakhs)

Particular	For the Year ended March 31, 2026	For the Period from March 16, 2024 to March 31, 2025*
Revenue from contracts with customers	21,441.39	11,629.37
Other Income	67.78	-
Finance Income	519.65	606.60
Total Income	**22,028.82**	**12,235.97**
Expenses for the Year/period	**29,371.61**	**16,856.64**
Profit/(Loss) before tax	(7,342.79)	(4,620.67)
Current Tax	-	-
(-) Deferred Tax	(1,839.09)	(1,401.94)
Net Profit /(Loss)	**(5,503.70)**	**(3,218.73)**
Earnings per share (Basic/Diluted)	(3.18)/(0.83)	(8.05)/(0.66)

*Previous period information is as per special purpose financial statements post giving effect of demerger as detailed in notes 36 of financial statements.

DIVIDEND

The Company has not declared any dividends during the Financial Year under consideration.

RESERVES

During the year under review, the Board does not recommend any amount transferred to Reserves.

CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY

Pursuant to the direction received from Reserve Bank of India ("RBI") vide letter dated January 15, 2024 regarding setting-up of a wholly owned subsidiary company of Axis Bank Ltd ("Bank") which shall act as Business Correspondent (BC) and Technology Service Provider (TSP) for the Bank, the Company was incorporated on March 16, 2024 for the purpose of carrying on the said BC and TSP activities for the Bank.

Further, in response to RBI direction, the Company had filed a joint petition before Hon'ble National Company Law Tribunal ("NCLT"), Chandigarh for the approval of a scheme of arrangement for demerger of the business undertaking of Freecharge Payment Technologies Pvt. Ltd. (Freecharge) related to BC and TSP activities being provided to the Bank. The Hon'ble NCLT, Chandigarh Bench has passed the Order of the said scheme of arrangement on December 10, 2025.

Pursuant to the Scheme of Arrangement approved by the NCLT, the Demerger became effective from January 01, 2026 with the appointed date from July 1, 2024. Accordingly, the Business Correspondence (BC) and Technology Service Provider (TSP) activities of Freecharge were transferred to and vested in the Company from July 1, 2024. The Company commenced business operation from January 1, 2026.

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

CHANGE IN SHARE CAPITAL

During the financial year under review, the Company increased its paid-up equity share capital from ₹ 40,00,00,000 to ₹ 663,21,47,810 by issuing 62,32,14,781 Equity Shares of face value of ₹ 10 each. These shares were allotted on January 13, 2026 to Axis Bank Limited pursuant to the scheme of arrangement as approved by Hon'ble NCLT, Chandigarh Bench.

As on March 31, 2026, the share capital of the Company is as follows:

Authorized Share Capital: ₹ 1000,00,00,000/- (One Thousand Crores only) divided into 100,00,00,000/- (One Hundred Crores only) Shares of ₹ 10/- each.

Paid-up Share Capital: ₹ 663,21,47,810/- (Six Hundred Sixty-Three Crores Twenty-One Lakhs Forty-Seven Thousand Eight Hundred Ten only) divided into 66,32,14,781 (Sixty-Six Crores Thirty-Two Lakhs Fourteen Thousand Seven Hundred Eighty-One only) shares of ₹ 10/- each.

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

ISSUE OF DEBENTURES AND BUYBACK OF SHARES

The Company has neither issued any debentures nor undertaken any buy-back of its securities during the year under review.

DETAILS OF SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES

During the year under consideration, no company became or ceased to be a subsidiary/joint venture/associate of the Company.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of report.

PARTICULARS OF EMPLOYEES

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

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

The details of all related party transactions are also mentioned in Note 33 to the financial statements for the year ended March 31, 2026.

PUBLIC DEPOSITS

The Company has neither invited nor accepted any deposit from the members or public under the provisions of Section 73 to 76 of the Companies Act, 2013 and rules made thereunder. The Company has not accepted any funds from the Directors of the Company during the financial year under review.

CONFIRMATION ON NIL FRAUD, MISFEASANCE OR ANY IRREGULARITY IN THE COMPANY

There were no instances of fraud, misfeasance or irregularity detected and reported by the auditors during the financial year 2025-26.

RISK MANAGEMENT POLICY

Your Company has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to ensure that there is a robust system of risk controls and mitigation in place. Senior management periodically reviews the risk management framework to keep updates and address emerging challenges.

Major risk identified for the Company by the management are strategic risk, operational risk, financial risk, compliance-regulatory-legal risk, reputational risk, etc.

The management is however, of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize.

INTERNAL FINANCIAL CONTROL

The Company has laid down a system of internal financial controls with reference to its financial statements. The integrity and reliability of the internal control systems are achieved through clear policies and procedures, process automation, training and development of employees, and an organisation structure that segregates responsibilities. These controls are reviewed and tested by the management to ensure the accuracy and completeness of the accounting records and the preparation of reliable financial statements.

The internal financial controls of the Company with respect to the financial statements are adequate and are operating effectively.

BOARD DIVERSITY POLICY

The Company recognizes and embraces the importance of a diverse Board in enhancing the quality of its performance. The Board has adopted a Policy on Board Diversity which sets out the approach to diversity on the Board of Directors. The Policy provides that the Board shall comprise an appropriate mix of qualifications, skills, experience, knowledge, and other attributes to ensure that the Board functions effectively and efficiently.

The Board Diversity Policy aims to ensure that the Board has the appropriate balance of skills, experience, and diversity of perspectives necessary to achieve the Company's strategic objectives and sustainable development.

CORPORATE GOVERNANCE

The Board is aware that the Companies Act, 2013 has tried to overhaul the various provisions relating to strong Corporate Governance. The Company being an unlisted Public Limited company is not required to comply with the provisions of corporate governance. Furthermore, the Company is taking effective steps and measures as may be required to enhance corporate governance and ensure the management and affairs of the companies are conducted in the interest of stakeholders of the Company.

CORPORATE SOCIAL RESPONSIBILITY

During the period under review, the Company was not required to constitute Corporate Social Responsibility (CSR) Committee and formulate CSR Policy in terms of provisions of Section 135 of Companies Act,2013 read with rules framed thereunder.

POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT AND OTHER EMPLOYEES

Pursuant to the provisions of Section 178(3) of Companies Act, 2013, the Company has devised a comprehensive Remuneration Policy on remuneration of directors, Key Managerial Personnel, Senior Management and other employees. The objective of the Remuneration Policy is to attract, motivate and retain qualified and expert individuals that Company needs in order to achieve its strategic and operational objectives. The Policy is accessible on website of the Company at https://www.freechargebiz.in/statutory-disclosures.

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

During the year under review, there were no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and companies operation in future.

Reference may be made to the NCLT demerger order disclosed in this report under "Change in Nature of Business of the Company."

MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records pursuant to the provisions of Section 148(1) of the Companies Act, 2013 and rules made thereunder.

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

The Company has implemented a Prevention of Sexual Harassment (POSH) Policy in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee (IC), including Central and Regional committees, has been constituted to address concerns.

The Company is committed to maintaining a respectful, safe, and inclusive workplace, free from any form of harassment. Awareness initiatives are undertaken to reinforce a culture of dignity and mutual respect across the organization.

During the year under review, details on the complaints received by the Company under POSH Act as below:

Sr. No.	Number of Complaints received	Number of Complaint dispose off	Number of cases pending for more than ninety days
1	NIL	NIL	NIL
Total			

COMPLIANCE WITH MATERNITY BENEFIT ACT 1961

During the year under review, the Company is in compliance with the applicable provisions of the Maternity Benefit Act, 1961. Eligible employees are provided maternity leave of up to 26 weeks, a one-time maternity benefit, and access to day care facilities, in accordance with statutory requirements and Company policy.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND NOMINATION AND REMUNERATION COMMITTEE

The Company, being a wholly owned subsidiary company, is not required to constitute Audit Committee and Nomination & Remuneration Committee as per provisions of Section 177 and 178 of Companies Act, 2013 read with rule framed thereunder.

EXTRACT OF ANNUAL RETURN

The extract of annual return in Form MGT-9 requirement pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, has been omitted and as provided under Section 92 (3) of the Companies Act, 2013, the Annual Return of the Company can be accessed at https://www.freechargebiz.in/statutory-disclosures.

AUDITORS

Statutory Auditors and their report

Thakur, Vaidyanath Aiyar & Co. Chartered Accountants (Firm Registration No-000038N), were appointed as Statutory Auditors of the Company for a term of Five (5) years in the First Annual General Meeting of the company to hold office from the conclusion of First Annual General Meeting until the conclusion of Sixth Annual General Meeting of the Company, on such terms and conditions, including remuneration, as may be approved by the board.

Statutory auditor's Report

The Auditors' Report on the Financial Statements for the year ended on March 31, 2026 together with notes on Financial Statement are self-explanatory and do not call for any further comments. No qualification, reservation or adverse remark or disclaimer made in auditor's report.

Secretarial Auditor's

During the year under review, the Company was not required to appoint Secretarial Auditor's in accordance with the provisions of Section 204 of Companies Act, 2013 and rules made thereunder.

Internal Auditor's

During the year under review, the Company was not required to appoint Internal Auditor's in accordance with the provisions of Section 138 of Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rule, 2014.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2026, Board comprises of Four (4) non-executive directors. During the year under review one director has been resigned and one director has been appointed. Details of which provided below:

Name of Director	DIN	Designation	Change During the Year	Date of Appointment/ Cessation
Subrat Mohanty	08679444	Director	No Change	16.03.2024
Sameer Bhujanga Shetty	08536421	Director	No Change	16.03.2024
Mohit Jain	07945124	Director	No Change	16.03.2024
Avinash Raghavendra	09021230	Additional Director	Appointment	13.01.2026
Balaji Narayanamurthy	07441381	Director	Cessation	20.11.2025

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

Key Managerial Personnel

As on March 31, 2026, the Key Managerial Personnel ("KMP") of the Company as per Section 203(1) read with Section 2(51) of the Act and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

S. No.	Name	Designation
1.	Anil Kumar Singh	Chief Executive Officer
2.	Prasenjit Saha	Chief Financial Officer
3.	Nitika Khandelwal	Company Secretary

During the year under review, following changes have been taken place in Key Managerial Personnel (KMP). Details of which provided below:

Name of the KMP	Designation	Changes during year	Date of Appointment/Cessation
Prasenjit Saha	Chief Financial Officer	Appointment	01.01.2026
Shabita	Chief Financial Officer	Cessation	31.12.2025
Nitika Khandelwal	Company Secretary	Appointment	24.10.2025
Rashmeet Kaur	Company Secretary	Cessation	23.10.2025

NUMBER OF MEETINGS OF THE BOARD

The schedule in respect of the meetings of the Board to be held during the next fiscal year is circulated in advance to all the members of the Board.

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Notice, Agenda and Notes on agenda duly circulated to Board before the Board Meeting.

During the Financial Year March 31, 2026, the Board of Directors duly met Six (6) times and the time gap between two meetings did not exceed 120 days. The dates on which the meetings were held are as follows:

S. No.	Type of Meeting	Date of Meeting
1.	Board Meeting	16.04.2025
2.	Board Meeting	11.07.2025
3.	Board Meeting	13.10.2025
4.	Board Meeting	17.12.2025
5.	Board Meeting	13.01.2026
6.	Board Meeting	06.03.2026

The summary of number of meetings attended by each Board Member is as under:

S.No.	Name of Director	No. of Meetings Attended
1	Subrat Mohanty	6
2	Mohit Jain	6
3	Sameer Bhujanga Shetty	5
4	Balaji Narayanamurthy	3
5	Avinash Raghavendra	2

COMPLIANCE OF SECRETARIAL STANDARDS

The Company complied with the applicable Secretarial Standards SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively issued by Institute of Company Secretaries of India (ICSI).

DESIGNATED PERSON

Nitika Khandelwal Company Secretary of the Company is designated person for furnishing, and extending co-operation for providing, information to the Registrar or any other authorised officer with respect to beneficial interest in shares of the company pursuant to rule 9, sub-rule (5) of Companies (Management and Administration), Rule 2014, Second Amendment Rules, 2023.

WHISTLE BLOWER AND VIGIL MECHANISM

Your Company is committed to highest standards of professionalism, honesty, integrity, transparency and ethical behavior. The Board of Directors have approved the Policy on vigil mechanism/whistle blower which provides mechanism to its directors, employees, vendors, customers, business partners/associates or any third party and other stakeholders to raise concerns about any wrongdoing in the Company and provide for adequate safeguards against victimization of employees and other persons who avail this mechanism. The mechanism under the policy has been appropriately communicated within the organization.

Board reviews the functioning and implementation of the Whistle-blower mechanism. During the year under review, the Company has not received any complaints under the said mechanism.

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

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

Conservation of Energy:

Steps taken to impact on conservation	As the Company is not engaged in manufacturing activities, disclosures relating to energy conservation are not directly applicable to its functioning. However, the Company remains committed to responsible energy usage and continues to take necessary measures to conserve and optimize energy across its operations.
Steps taken for utilization of alternate sources of energy	
Capital investment on the energy conservation equipment's	

Technology Absorption:

Efforts made for technology absorption	The Company has not imported technical know-how. Your Company has not established any separate R&D facilities.
Benefits derived	
Expenditure on Research & Development, if any	
Details of technology imported, if any	
Year of import	
Whether imported technology fully absorbed	
Areas where absorption of imported technology has not taken place, if any	

Foreign Exchange Earnings/Outgo:

Earnings	Nil
Outgo (₹In Lakh)	6.06

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:

During the year under review, declaration by Independent Directors under Section 149(6) is not applicable.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the year under review, no application made or no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

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

During the year under review no such instance applicable.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company during the year under review has not given any loans or given any guarantee or provided any securities in connection with any loan to any other body corporate or person or made any investment under section 186 of the Companies Act, 2013 and hence the said provision is not applicable.

ANNUAL EVALUATION OF PERFORMANCE BY BOARD OF DIRECTORS

Pursuant to the requirements as prescribed in Section 134(3)(p) the Companies Act, 2013, the annual evaluation of the performance of the Board as collective body and also of individual directors was carried out through an external agency.

A questionnaire based methodology used for the performance evaluation of the board on parameters such as board functioning, governance, strategic planning, customer grievance/protection, identification and management of risk, audit and compliance etc. Outcome of said performance evaluation was placed before the board meeting for its review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(C) read with Section 134(5) of the Companies Act 2013, with respect to Directors' Responsibility Statement, the Directors confirm that:

a) in the preparation of the annual accounts for the period year ended March 31, 2026, the applicable Indian accounting standards (IND-AS) and Schedule III to the Companies Act, 2013 have been followed with proper explanation relating to material departures, if any;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e. March 31, 2026 and of the profit and loss of the Company for that period;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

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

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

General Disclosures

- The Company has not issued any equity shares with differential rights during the financial year.
- The Company has not issued any Sweat Equity Shares during the year.
- The Company has not issued any shares under Employee Stock option during the year.

Acknowledgement

Your directors thanks the Government of India, various State Government and their concerned Department/ Agencies / Regulatory Authorities for their continued support and cooperation. The Directors also wish to place on record the support extended by various Banks, Financial Institutions and every stakeholder of the company.

The Director further wished to appreciate and value the contributions made by every employee of the company.

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

Place: Mumbai Date: April 16, 2026	**Mohit Jain** Director DIN: 07945124	**Sameer Bhujanga Shetty** Director DIN: 08536421

Annexure - 1

FORM NO. AOC -2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

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

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

   NOT APPLICABLE

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

(CIN) or (FCRN) or (LLPIN) or (FLLPIN) or (PAN)/ Passport for individuals or any other registration number	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements / transaction	Duration of the contracts/ arrangement/ transaction	Salient terms of the contracts or arrangements or transaction including actual/ expected contractual amount	Date of approval by the Board	Amount paid as advances, if any
L65110GJ1993PLC020769	Axis Bank Ltd. - Holding Company	1. Business Correspondent Services including amendments/ addendums.	05.10.2027	Refer financial statements.	– Not applicable as transaction entered in ordinary course of business and at Arm's Length.	Nil
		2. Technology Service Provider including amendments/ addendums	30.09.2027			

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

Mohit Jain
Director
DIN: 07945124

Sameer Bhujanga Shetty
Director
DIN: 08536421

Place: Mumbai
Date: April 16, 2026

Independent Auditor's Report

To
The Members of
Freecharge Business and Technology Services Limited

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

1. Opinion

We have audited the accompanying financial statements of **Freecharge Business and Technology Services Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the Year ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

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

a) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2026;

b) In the case of Statement of Profit and Loss (including other comprehensive income), of the loss for the year ended on that date.;

c) In the case of the Cash Flow Statement and statement of changes in equity, its cash flows and the changes in equity for the year ended on that date.

2. Basis for Opinion

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

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

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

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

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

4. Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India and other applicable Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2023, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

6. Report on Other Legal and Regulatory Requirements

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

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

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

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

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

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

   e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.

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

   g) According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration to its directors during the Year ended March 31, 2026. Accordingly, the provisions of Section 197 read with Schedule V to the Companies Act, 2013 are not applicable.

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

      i) The Company does not have any pending litigations which would impact its financial position in its financial statements.

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

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

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

      b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding

Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v) No dividend has been declared or paid during the year by the company.

3. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable for the financial year ended March 31, 2026. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the 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 in respect of the accounting software.

7. Other Matter

- We draw attention to Note 36 of the Financial Statements in respect of a Scheme of Arrangement Between Freecharge Payment Technologies Private Limited and Freecharge Business and Technology Services Limited. The said Arrangement ("the Scheme") was approved by the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), vide order dated 10 December 2025.

  Accordingly, the Business Correspondent ("BC") and Technology Service Provider ("TSP") business income and its corresponding expenditure have been transferred to Freecharge Business and Technology Services Limited on a going concern basis from the Appointed Date, i.e July 01, 2024.

- We draw attention to Note no 41 of the financial statements, that the comparative figures for the previous period from March 16, 2024 to March 31, 2025 have been presented after giving effect to the demerger effected from July 01, 2024.

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

Anil Kumar Aggarwal
Partner
M. No: 087424
UDIN: 26087424QXJEVD7884

Place: New Delhi
Date: April 16, 2026

ANNEXURE 'A'

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

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

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

(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

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

(b) Property, plant and equipment were physically verified by the management during the year and no material discrepancies were identified on such verification.

(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.

(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, 2026.

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

ii. In respect of inventory and working capital:

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

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

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

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

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

Based on our verification of the records of the Company and according to the information and explanations given to us, the Company has not given/make any loan, investment, guarantee and security for the ended year on March 31, 2026 and hence compliance of the provisions of sections 185 and 186 of the Act are not applicable to the Company.

v. In respect of deposits accepted:

Based on our verification of the records of the Company and according to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Section 73 to 76 and the rules made thereunder, to the extent applicable, or any other relevant provisions of the Companies Act, 2013 during the period ended on March 31, 2026. Hence, the provisions under clause 3(v) of the CARO 2020 are not applicable to the Company.

vi. In respect of maintenance of Cost Records:

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

vii. In respect of statutory dues:

(a) The Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Value Added Tax, Cess as applicable to it to the appropriate authorities and there are no undisputed amounts payable in respect of these dues as at March 31, 2026 for a period of more than six months from the date they became payable. The provisions of Customs duty and excise duty is not applicable to the Company.

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

viii. In respect of Unrecorded Transaction:

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

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

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

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

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

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

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

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

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

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

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

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

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

xii. In respect of compliance by a Nidhi Company:

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

xiii. In respect of transactions with related parties:

According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable for transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. Section 177 of the Companies Act, 2013 is not applicable to the company in the current financial year.

xiv. In respect of Internal Audit:

(a) The Company has internal audit system commensurate with the size of the Company and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

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

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

xvi. In respect of registration with RBI:

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

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

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

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

xvii. In respect of cash losses:

The Company has incurred cash losses in the current financial year and as well as in the immediately preceding financial year as depicted in the statement of cash flow for the Year.

xviii. In respect of resignation of Statutory Auditors:

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. In respect of material uncertainty on meeting liabilities:

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors & management plans, their written representations and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company.

We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company for the financial year ended March 31, 2026. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable.

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

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

For Thakur, Vaidyanath Aiyar & Co.

Chartered Accountants
FRN: 000038N

Anil Kumar Aggarwal
Partner
M. No: 087424
UDIN:26087424QXJEVD7884

Place: New Delhi
Date: April 16, 2026

ANNEXURE 'B'

TO INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of Freecharge Business and Technology Services Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has in all material respects, internal financial controls with reference to the financial statements of the Company and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Anil Kumar Aggarwal
Partner
M. No: 087424
UDIN:26087424QXJEVD7884

Place: New Delhi
Date: April 16, 2026

Balance Sheet

As at March 31, 2026

(₹ in Lakhs)

	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current Assets			
Property, plant and equipment	3	1,070.45	768.94
Capital work-in-progress	3	11.80	7.67
Intangible assets	4	23.35	46.79
Right of use asset	5		
Buildings		1,869.41	817.89
Financial assets			
Other financial assets	6	442.28	141.61
Other non-current assets	7	9.51	0.47
Deferred tax asset (net)	12	3,313.59	1,433.74
Total non-current Assets		**6,740.39**	**3,217.11**
Current Assets			
Financial assets			
Investments	8	5,276.39	832.17
Trade receivables	9	8,163.83	2,896.01
Cash and cash equivalents	10	2,667.04	5,165.03
Other bank balances	11	10.23	9,709.81
Other financial assets	6	198.80	4,190.89
Current tax assets (net)		578.92	258.38
Other current assets	7	926.10	381.22
Total current assets		**17,821.31**	**23,433.51**
		24,561.70	**26,650.62**
Equity and Liabilities			
Equity			
Equity share capital	13 (a)	66,321.48	4,000.00
Other equity	13 (b)	(48,935.97)	19,010.39
Total equity		**17,385.51**	**23,010.39**
Non-current liabilities			
Financial liabilities			
Lease liabilities	14	1,101.48	632.99
Net employee defined benefit obligations	15	747.91	497.34
Total non-current liabilities		**1,849.39**	**1,130.33**
Current Liabilities			
Financial liabilities			
Trade payables	16		
Total outstanding dues of micro enterprises and small enterprise		42.49	2.09
Total outstanding dues of creditors other than micro enterprises and small enterprise		1,312.19	318.92
Other payables	16	1,131.19	861.40
Lease liabilities	14	860.90	253.05
Other current liabilities	17	1,172.78	427.22
Net employee defined benefits obligations	15	807.25	647.22
Total current liabilities		**5,326.80**	**2,509.90**
Total liabilities		**7,176.19**	**3,640.23**
Total equity and liabilities		**24,561.70**	**26,650.62**

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

As per our report of even date.

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

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

Anil Kumar Aggarwal
Partner
Membership Number : 087424

Mohit Jain
Director
DIN : 07945124

Sameer Bhujanga Shetty
Director
DIN: 08536421

Anil Kumar Singh
Chief Executive Officer

Prasenjit Saha
Chief Financial Officer

Nitika Khandelwal
Company Secretary
M. No. : A51981

Place: New Delhi
Date: April 16, 2026

Place: Mumbai
Date: April 16, 2026

Statement of Profit or Loss

for the year ended March 31, 2026

(₹ in Lakhs)

	Notes	For the year ended March 31, 2026	For the period from March 16, 2024 to March 31, 2025
Revenue from contracts with customers	18	21,441.39	11,629.37
Other income	19	67.78	-
Finance income	20	519.65	606.60
Total income		**22,028.82**	**12,235.97**
Expenses			
Service charges	21	1,073.65	661.67
Advertisement and publicity expenses	22	428.77	184.06
Employee benefits expense	23	23,588.85	13,248.97
Depreciation expense	24	977.06	462.60
Finance costs	25	155.65	73.75
Other expenses	26	3,147.63	2,225.59
Total expenses		**29,371.61**	**16,856.64**
(Loss) for the year/period before tax		**(7,342.79)**	**(4,620.67)**
Current tax		-	-
Deferred tax charge/(credit)	12	(1,839.09)	(1,401.94)
Total tax expenses		**(1,839.09)**	**(1,401.94)**
(Loss) for the year/period after tax		**(5,503.70)**	**(3,218.73)**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent years:			
Re-measurement loss/(gain) on defined benefit plans		161.94	126.35
Income tax effect		(40.76)	(31.80)
Other comprehensive loss/(gain) for the year/period, net of tax		**121.18**	**94.55**
Total comprehensive (loss) for the year/period, net of tax		**(5,624.88)**	**(3,313.28)**
Profit per equity share [nominal value per equity share ₹10]			
Basic, computed on the basis of profit/(loss) for the year/period attributable to equity holders of the Company (₹)	27	(3.18)	(8.05)
Diluted, computed on the basis of profit/(loss) for the year/period attributable to equity holders of the Company (₹)	27	(0.83)	(0.66)

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

As per our report of even date.

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

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

Anil Kumar Aggarwal
Partner
Membership Number : 087424

Mohit Jain
Director
DIN : 07945124

Sameer Bhujanga Shetty
Director
DIN: 08536421

Anil Kumar Singh
Chief Executive Officer

Place: New Delhi
Date: April 16, 2026

Place: Mumbai
Date: April 16, 2026

Prasenjit Saha
Chief Financial Officer

Nitika Khandelwal
Company Secretary
M. No. : A51981

	For the year ended March 31, 2026	For the period from March 16, 2024 to March 31, 2025
Cash flow from operating activities		
(Loss) / Profit before tax (inclusive of other comprehensive income)	**(7,504.73)**	(4,747.02)
Adjustment to reconcile profit before tax to net cash flows		
Depreciation of property, plant and equipment	456.62	263.60
Amortization of intangible assets	23.44	20.42
Depreciation of right of use asset	497.00	178.59
Unwinding of discount on financial assets at amortised cost	(15.38)	(5.84)
Interest on income tax refund	(0.80)	-
Finance charges on leases	137.32	90.70
Bank charges	18.33	3.99
Mark to market gain on current investment	(22.41)	(35.41)
Gain on sale of current investments (net)	(93.81)	(3.76)
Interest income on bank deposits	(387.25)	(561.59)
Operating flow before working capital changes	**(6,891.67)**	**(4,796.32)**
Adjustment for change in working capital:		
(Increase) in trade receivables	(5,267.82)	(2,896.01)
Decrease/(Increase) in financial assets	3,653.01	(4,322.09)
(Increase) in other assets	(553.92)	(381.69)
Increase in trade and other payables	1,303.46	322.07
Increase in net employee defined benefits liabilities	410.60	1,144.56
Increase in Other liablities	745.56	1,287.56
Cash generated from operations	**(6,600.78)**	**(9,641.92)**
Income taxes (paid) (net)	(319.73)	(258.38)
Net cash flow (used in)/ generated from operating activities (A)	**(6,920.51)**	**(9,900.30)**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(762.26)	(1,107.42)
Sale / (Purchase) of current investments (net)	(4,328.00)	(793.00)
Interest income on bank deposits	387.25	561.59
Net Investment in fixed deposits (having original maturity of 12 months)	9,699.58	(9,709.81)
Net cash generated from/(used in) investing activities (B)	**4,996.57**	**(11,048.64)**
Cash flow from financing activities		
Equity share issued	-	4,000.00
Payment of principal amount of lease liabilities	(418.40)	(135.95)
Payment of interest amount of lease liabilities	(137.32)	(69.76)
Bank charges	(18.33)	(3.99)
Net cash flow (used in)/ generated from financing activities (C)	**(574.05)**	**3,790.30**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**(2,497.99)**	**(17,158.64)**
Cash and cash equivalent acquired on account of demerger (including net assets)	-	22,323.67
Cash and cash equivalents at the beginning of the year / period	5,165.03	-
Cash and cash equivalents at the end of the year / period	**2,667.04**	**5,165.03**
Components of cash and cash equivalents		
Balances with banks:		
– On current accounts	100.31	324.34
– On current accounts with related parties	2,566.73	4,840.69
Total cash and cash equivalents (Refer note 10)	**2,667.04**	**5,165.03**

Statement of Cash flow (Contd.)

for the year ended March 31, 2026

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

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Cash Flow Statements notified under the Companies (Indian Accounting Standards) Rules, 2015 as notified by Ministry of Corporate Affairs (as amended).

2. The above cash flow statement has been compiled from and is based on the Balance Sheet as at March 31, 2026, special purpose Balance Sheet as at March 31, 2025, Statement of Profit and Loss for the year ended March 31, 2026 and the related special purpose Statement of Profit and Loss for the period from March 16, 2024 to March 31, 2025.

3. Figures in brackets indicates cash outflow.

As per our report of even date.

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

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

Anil Kumar Aggarwal
Partner
Membership Number : 087424

Mohit Jain
Director
DIN : 07945124

Sameer Bhujanga Shetty
Director
DIN: 08536421

Anil Kumar Singh
Chief Executive Officer

Prasenjit Saha
Chief Financial Officer

Nitika Khandelwal
Company Secretary
M. No. : A51981

Place: New Delhi
Date: April 16, 2026

Place: Mumbai
Date: April 16, 2026

Statement of Changes in Equity

For the year ended 31 March, 2026

a. Equity share capital:

(₹ in Lakhs)

	Number of shares	Amount
As at March 16, 2024	**-**	**-**
Issue of share capital during the period	40,000,000	4,000.00
As at March 31, 2025	**40,000,000**	**4,000.00**
Issue of share capital during the year	623,214,781	62,321.48
As at March 31, 2026	**663,214,781**	**66,321.48**

b. Other Equity:

(₹ in Lakhs)

	Amalgamation adjustment reserve	Equity shares pending allotment	Retained earnings	Total Equity
As at March 16, 2024	**-**	**-**	**-**	**-**
Addtion on account of demerger (refer note 36)	(39,997.81)	62,321.48	-	22,323.67
(Loss) / Profit for the period	-	-	(3,218.73)	(3,218.73)
Re-measurement Gain / (loss) on defined benefit plans	-	-	(94.55)	(94.55)
As at March 31, 2025	**(39,997.81)**	**62,321.48**	**(3,313.28)**	**19,010.39**
(Loss) / Profit for the year	-	-	(5,503.70)	(5,503.70)
Shares issued during the year	-	(62,321.48)	-	(62,321.48)
Re-measurement Gain / (loss) on defined benefit plans	-	-	(121.18)	(121.18)
As at March 31, 2026	**(39,997.81)**	**-**	**(8,938.16)**	**(48,935.97)**

Refer note 13(b) for nature and purpose of reserves.

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

As per our report of even date.

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

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

Anil Kumar Aggarwal
Partner
Membership Number : 087424

Mohit Jain
Director
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Nitika Khandelwal
Company Secretary
M. No. : A51981

Place: New Delhi
Date: April 16, 2026

Place: Mumbai
Date: April 16, 2026

Notes to Financial Statements

For the year ended March 31, 2026

1. Corporate information

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

The Board of Directors of the Company at its meeting held on July 17, 2024 had approved the Composite Scheme of Arrangement for the merger of the Business Correspondent (BC) and Technology Service Provider (TSP) undertaking of Freecharge Payment Technologies Private Limited ('Demerged Company') into Freecharge Business and technology Services Limited ('the Company') on a going concern basis. The appointed date proposed under this scheme was July 01, 2024. The Company had received requisite approval from National Company Law Tribunal ('NCLT) vide its order dated December 10, 2025. Respective companies had filed the certified true copy of NCLT order along with the sanctioned scheme with the Registrar of Companies on January 01, 2026. Accordingly, the scheme was effective w.e.f. January 01, 2026. The accounting of this scheme in the books of the Company has been done in accordance with Ind AS 103 'Business Combinations· ('Ind AS 103') as on the appointed date.

As a consideration for the demerger, the Company was required to issue equity shares to the shareholders of Freecharge Payment Technologies Private Limited as on record date in 100:283 swap ratio (i.e., hundred shares of ₹10 each had to be issued by Freecharge Business and Technology Services Limited for every two hundred eighty three shares of ₹10 each held by the shareholders in Freecharge Payment Technologies Private Limited). Accordingly, the Company had allotted 623,214,781 equity shares having face value of ₹10 each to the shareholders of Freecharge Payment Technologies Private Limited on January 13, 2026.

2.0 Material Accounting Policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount - refer accounting policy regarding financial instruments. The financial statement has been presented in Indian Rupees to the nearest lakhs, except as stated otherwise.

The financial statements are authorised for issue in accordance with the resolution of the Board of Directors of the Company on April 16, 2026.

The Company has an accumulated loss of INR 8,938.16 lakhs as at March 31, 2026 (₹3,313.28 lakhs as at March 31, 2025). Further, based on the projection for next 12 months from the date of financial statements and basis available funds as on March 31, 2026, there are sufficient funds to continue the operations and to meet the liabilities. Therefore, the financial statements have been continued to be prepared on a going concern basis.

2.2 Summary of material accounting policies

a. Current versus non-current classification

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

Notes to Financial Statements

For the year ended March 31, 2026

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

b. Foreign currencies

The Company's financial statements are presented in Indian Rupees to the nearest lakhs, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign

Notes to Financial Statements

For the year ended March 31, 2026

currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ('OCI') or statement of profit or loss are also recognised in OCI or statement of profit or loss, respectively).

c. Fair value measurement

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

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

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

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

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

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

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

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

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

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

d. 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 regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable

Notes to Financial Statements

For the year ended March 31, 2026

consideration on account of various discounts and schemes offered by the Company as part of the contractual defined terms of payment and excluding taxes or duties collected on behalf of government. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from business support fee

Pursuant to arrangement with Axis Bank Limited ("Bank"), the Company in the capacity of business correspondence to Bank, sells various products or services of Bank to the end customers. Revenue from such products/services are recognised on an accrual basis based on the contractual terms of the products or services.

Revenue from technical services

Pursuant to arrangement with Axis Bank Limited, the Company provides Technological services in relation to development and management of technology products for Axis Bank. The Company recognized revenue post rendering services on an accrual basis as per contractual agreement with Axis Bank.

Interest

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit or loss.

e. Taxes

Current income tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The 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 outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Notes to Financial Statements

For the year ended March 31, 2026

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

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

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

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

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

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

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

f. Property, plant and equipment

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Notes to Financial Statements

For the year ended March 31, 2026

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred directly to retained earnings.

Depreciation is calculated on straight line basis over the estimated useful life as follows:

Category of assets	Estimated useful life
Computers and data processing units	3 - 6 years
Office machinery and equipments	3 to 5 years
Furniture and fittings	18 months to 10 years
Mobile devices	2 years
Leasehold improvement	over lease term

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

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

Capital work in progress is stated at cost.

g. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss unless such expenditure forms part of carrying value of another asset.

Notes to Financial Statements

For the year ended March 31, 2026

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

h. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i. Impairment of non-financial 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 or cash-generating unit's ('CGU') fair value less costs of disposal and its value in use. 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 Company's of assets. When the carrying amount of an asset or CGU 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 fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations are recognised in the statement of profit or loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life as estimated by the management.

For assets an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised 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

Notes to Financial Statements
For the year ended March 31, 2026

impairment loss was recognised. 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 recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

j. Provisions, Contingent Liabilities and Contingent Assets

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

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

Onerous contracts

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

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

Provision for bonus

Provision for bonus is recognised on time proportion basis over the period of service.

Contingent Liabilities and Contingent Assets

A disclosure of contingent liability is made when there is:

- a possible obligation arising from a past event, the existence of which will be confirmed by occurrence or nonoccurrence of one or more uncertain future events not within the control of the Company; or
- a present obligation arising from a past event which is not recognised as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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

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

Notes to Financial Statements

For the year ended March 31, 2026

k. 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 expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

In accordance with Indian law, the Company provides for gratuity, a defined benefit retirement plan (the “Gratuity Plan”) covering all employees. The Gratuity Plan provides a lump sum payment to vested employees on retirement or on termination of employment for an amount based on the respective employee’s salary and the years of employment with the Company.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method based on an actuarial valuation performed by an independent actuary.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit obligations, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit obligations or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. The compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the year during which services are rendered by the employee.

l. Financial instruments

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

Notes to Financial Statements

For the year ended March 31, 2026

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

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

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

Debt instrument at FVTOCI

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

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

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

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

Debt instrument at FVTPL

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

Notes to Financial Statements

For the year ended March 31, 2026

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

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

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

Equity investments

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

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

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

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Impairment of financial assets

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

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

b) Available for sale financial assets

Notes to Financial Statements

For the year ended March 31, 2026

c) Lease receivables under Ind AS 116

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

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

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

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

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

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

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Available for sale financial assets: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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

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

Notes to Financial Statements

For the year ended March 31, 2026

Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

Loans and borrowings

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

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

Derecognition

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

Embedded derivatives

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

Notes to Financial Statements

For the year ended March 31, 2026

occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

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

Reclassification of financial assets

Offsetting of financial instruments

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

m. Cash and cash equivalents

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

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

n. Earnings per share

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

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

o. Share Based Payments

The Holding Company provides share based payment schemes to employees of the companies in the group including Freecharge Business and Technology Services Limited. In accordance with para 43A of Ind AS 102 "Share Based Payments", company accounts for relevant cost in relation to options granted to its employees by the holding company. Cost for such options is recorded at fair value as on date of grant over the vesting periods.

p. Leases

Ind AS 116 sets out the principles for recognition, measurement, presentation, and disclosure of leases for both lessees and lessors.

Notes to Financial Statements

For the year ended March 31, 2026

The Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment about whether it will exercise an extension or a termination option.

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

The Aggregate depreciation expenses on the ROU assests is included under depreciation and amortisation in statement of profits and loss.

For changes in the carrying amount of ROU and lease liabilities refer notes to financials statements.

Notes to Financial Statements

For the year ended March 31, 2026

3. Property, plant and equipment and Capital work-in progress

(₹ in lakhs)

	Leasehold improvements	Computers	Office machinery and equipments	Furniture and fittings	Total
Cost					
As at March 16, 2024					
Transfer under the scheme of demerger (refer note 36)	331.11	1,201.74	188.43	97.08	1,818.36
Additions during the period	-	277.50	120.41	25.47	423.38
Disposals / adjustments	-	23.63	-	-	23.63
As at March 31, 2025	**331.11**	**1,502.87**	**308.84**	**122.55**	**2,265.37**
As at April 01, 2025	331.11	1,502.87	308.84	122.55	2,265.37
Additions during the year	2.06	441.13	196.62	118.32	758.13
Disposals / adjustments	-	-	-	-	-
As at March 31, 2026	**333.17**	**1,944.00**	**505.46**	**240.87**	**3,023.50**

Accumulated depreciation

(₹ in lakhs)

	Leasehold improvements	Computers	Office machinery and equipments	Furniture and fittings	Total
As at March 16, 2024	-	-	-	-	-
Transfer under the scheme of demerger (refer note 36)	322.03	752.38	97.48	41.71	1,213.60
Charge during the period	2.24	215.82	34.61	10.92	263.59
Disposals / adjustments	-	19.24	-	-	19.24
As at March 31, 2025	**324.27**	**987.44**	**132.09**	**52.63**	**1,496.43**
As at April 01, 2025	324.27	987.44	132.09	52.63	1,496.43
Charge during the year	3.14	352.86	75.90	24.72	456.62
Disposals / adjustments	-	-	-	-	-
As at March 31, 2026	**327.41**	**1,340.30**	**207.99**	**77.35**	**1,953.05**

Net book value

(₹ in lakhs)

	Leasehold improvements	Computers	Office machinery and equipments	Furniture and fittings	Total
As at March 31, 2025	6.84	515.43	176.75	69.92	768.94
As at March 31, 2026	5.76	603.70	297.47	163.52	1,070.45

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Capital work in progress (CWIP)	11.80	7.67

Notes to Financial Statements

For the year ended March 31, 2026

Ageing of Capital work in progress as at March 31, 2026

(₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	11.80	-	-	-	11.80
Projects temporarily suspended	-	-	-	-	-

Ageing of Capital work in progress as at March 31, 2025

(₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	7.67	-	-	7.67
Projects temporarily suspended	-	-	-	-	-

4. Intangible Assets

(₹ in lakhs)

	Software	Trademarks	Server Licence	Total
Cost				
As at March 16, 2024	-	-	-	-
Transfer under the scheme of demerger (refer note 36)	95.40	2.54	159.16	257.10
Additions during the period	-	-	-	-
Disposals / adjustments	-	-	-	-
As at March 31, 2025	**95.40**	**2.54**	**159.16**	**257.10**
As at April 01, 2025	95.40	2.54	159.16	257.10
Additions during the year	-	-	-	-
Disposals / adjustments	-	-	-	-
As at March 31, 2026	**95.40**	**2.54**	**159.16**	**257.10**

Accumulated amortisation

(₹ in lakhs)

	Software	Trademarks	Server Licence	Total
As at March 16, 2024	-	-	-	-
Transfer under the scheme of demerger (refer note 36)	95.40	1.18	93.31	189.89
Charge during the period	-	0.19	20.23	20.42
Disposals / adjustments	-	-	-	-
As at March 31, 2025	**95.40**	**1.37**	**113.54**	**210.31**
As at April 01, 2025	95.40	1.37	113.54	210.31
Charge during the year	-	0.25	23.19	23.44
Disposals / adjustments	-	-	-	-
As at March 31, 2026	**95.40**	**1.62**	**136.73**	**233.75**

Net book value

(₹ in lakhs)

	Software	Trademarks	Server Licence	Total
As at March 31, 2025	**-**	**1.17**	**45.62**	**46.79**
As at March 31, 2026	**-**	**0.92**	**22.43**	**23.35**

Notes to Financial Statements

For the year ended March 31, 2026

5. Right of use assets

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Opening balance	817.89	-
Transfer under the scheme of demerger (refer note 36)	-	555.23
Additions during the year / period	1,573.34	502.02
Disposals during the year / period	(24.82)	(60.77)
Depreciation for the year / period	(497.00)	(178.59)
Closing Balance	**1,869.41**	**817.89**

6. Other financial assets

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Other financial assets		
Unsecured, considered good unless stated otherwise		
Security deposits		
- considered good	476.77	141.61
- considered doubtful	-	-
	476.77	**141.61**
Less: Provision for doubtful deposits	-	-
	476.77	**141.61**
Advances recoverable in cash or kind		
- considered good	1.72	10.81
- considered doubtful	-	-
	1.72	**10.81**
Less: Provision for doubtful advances	-	-
	1.72	**10.81**
Recoverable from related parties (refer note 33)	91.73	4,180.08
Other receivables	70.85	-
Total Other financial assets	**641.08**	**4,332.50**
Current	198.80	4,190.89
Non-current	442.28	141.61
Total other financial assets	**641.08**	**4,332.50**

7. Other assets

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Other assets		
Advance to vendors	168.76	-
Balances with statutory/government authorities	181.17	23.21
Prepayments	585.68	358.48
Total other assets	**935.61**	**381.69**
Current	926.10	381.22
Non-current	9.51	0.47
Total other assets	**935.61**	**381.69**

Notes to Financial Statements

For the year ended March 31, 2026

8. Investments

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Investments		
Investments at fair value through profit & loss (fully paid)		
Unquoted mutual funds		
119,197 units (March 31, 2025: 23,010 units) of Axis Liquid Fund	3,652.96	663.50
113,866 units (March 31, 2025: 12,483 units) of Axis Overnight Fund	1,623.43	168.67
Total investments at fair value through profit & loss	**5,276.39**	**832.17**
Total investments	**5,276.39**	**832.17**
Current	5,276.39	832.17
Non-current	-	-
Total investments	**5,276.39**	**832.17**

9. Trade receivables

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Trade receivables		
Trade receivables	-	-
Trade receivables - related parties (refer note 33)	8,163.83	2,896.01
Total trade receivables	**8,163.83**	**2,896.01**
Breakup for Trade receivables		
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	8,163.83	2,896.01
Total	**8,163.83**	**2,896.01**
Current	8,163.83	2,896.01
Non-current	-	-
Total trade receivable	**8,163.83**	**2,896.01**

Ageing of Trade receivables as at March 31, 2026

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good	2,476.80	5,687.03	-	-	-	-	-
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	2,476.80	**5,687.03**	**-**	**-**	**-**	**-**	**-**

Notes to Financial Statements

For the year ended March 31, 2026

Ageing of Trade receivables as at March 31, 2025

(₹ in lakhs)

Particulars		Unbilled	Not Due	Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 years
		Outstanding for following periods from due date of payment						
(i)	Undisputed Trade receivables – considered good	1,652.20	-	1,243.81	-	-	-	-
ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
iv)	Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
		1,652.20	**-**	**1,243.81**	**-**	**-**	**-**	**-**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

Trade receivables are non-interest bearing and are generally on terms of 15 to 90 days. For terms and conditions relating to related party receivables (refer note 33).

10. Cash and cash equivalents

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Balances with banks:		
– On current accounts	100.31	324.34
– On current accounts with related parties (refer note 33)	2,566.73	4,840.69
Total cash and cash equivalents	**2,667.04**	**5,165.03**
Current	2,667.04	5,165.03
Non-current	-	-
Total cash and cash equivalents	**2,667.04**	**5,165.03**

11. Bank balances other than above

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Deposits with original maturity of more than 3 months but less than 12 months with Related party (refer note 33)*	10.23	9,709.81
	10.23	**9,709.81**

*Deposit with carrying amount of ₹10.00 lakh (March 31, 2025: Nil) are given to secure corporate credit card limit from Axis Bank.

Notes to Financial Statements

For the year ended March 31, 2026

12. Income tax

The major components of income tax expense for the years ended March 31, 2026 and for the period ended March 31, 2025 are:

(₹ in lakhs)

Statement of Profit & Loss	As at March 31, 2026	As at March 31, 2025
Current income tax:		
Current income tax charge	-	-
Deferred tax charge	(1,839.09)	(1,401.94)
Income tax expense reported in the statement of profit and Loss	**(1,839.09)**	**(1,401.94)**
OCI section		
Deferred tax related to items recognised in other comprehensive income during the year/ period	-	-
Net (loss) / gain on remeasurements of defined benefit plans	(40.76)	(31.80)
Tax charged to other comprehensive income	**(40.76)**	**(31.80)**

The Major Components of deferred tax assets and liabilities are as followed.

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

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

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets	3,313.59	1,433.74
Deferred tax liabilities	-	-
	3,313.59	**1,433.74**

(₹ in lakhs)

Movement in deferred tax balances:	Recognised in balance sheet		Recognised in statement of profit and loss	
	As at March 31, 2026	As at March 31, 2025	For the year ended March 31, 2026	For the period from March 16, 2024 to March 31, 2025
Difference in carrying values of property, plant & equipment and intangible assets	62.23	45.42	16.81	45.42
Provision for Leave encashment	164.13	135.12	29.01	135.12
Provision for Gratuity	227.27	152.94	74.33	152.94
Losses available for offsetting against future taxable income	2,793.18	1,039.66	1,753.52	1,039.66
Incorporation cost	30.20	40.27	(10.07)	40.27
Impact of Ind AS 116 - Leases	40.40	17.18	23.23	17.18
Others	(3.83)	3.15	(6.98)	3.15
Deferred tax charge			**1,879.85**	**1,433.74**
Net deferred tax assets	**3,313.59**	**1,433.74**	**-**	**-**

Notes to Financial Statements

For the year ended March 31, 2026

13. (a) Share capital

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Authorized shares		
100,00,00,000 equity shares of ₹10 each	100,000.00	100,000.00
Issued, subscribed and fully paid-up shares		
66,32,14,781 (March 31, 2025: 4,00,00,000) equity shares of ₹10 each	66,321.48	4,000.00
Total issued, subscribed and fully paid-up share capital	**66,321.48**	**4,000.00**

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

(₹ in lakhs)

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year / period	40,000,000	4,000.00	-	-
Issued during the year / period	623,214,781	62,321.48	40,000,000	4,000.00
Outstanding at the end of the year / period	**663,214,781**	**66,321.48**	**40,000,000**	**4,000.00**

(b) Terms / rights attached to equity shares

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

(c) Shares held by holding company

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

	As at March 31, 2026	As at March 31, 2025
Axis Bank Limited, holding company and their nominees	663,214,781	40,000,000

66,32,14,781 (March 31, 2025: 4,00,00,000) equity shares of ₹10 each

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

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Holding percentage	No. of shares	Holding percentage
Axis Bank Limited, holding company and their nominees	663,214,781	100%	40,000,000	100%

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

(e) Shares held by promoters

Promoter Name	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	% of total shares	No. of Shares	% of total shares
Axis Bank Limited, holding company and their nominees	663,214,781	100%	40,000,000	100%

The Company has not reserved any share for issue under options and contracts/ commitments for the sale of shares/disinvestment.

Notes to Financial Statements

For the year ended March 31, 2026

The Company has allotted fully paid-up shares pursuant to the scheme of demerger (refer note 36) without payment in cash. The Company has not allotted fully paid up shares by way of bonus shares and has not bought back any class of shares.

13 (b) Other Equity

(₹ in lakhs)

		As at March 31, 2026	As at March 31, 2025
(i)	**Share application pending allotment**		
	Opening balance	62,321.48	-
	Addition during the year / period	-	62,321.48
	Equity shares issued during the year (refer note 36)	62,321.48	-
	Closing balance (A)	**-**	**62,321.48**
(ii)	**Amalgamaion adjustment reserve**		
	Opening balance	(39,997.81)	-
	Addition during the year / period (refer note 36)	-	(39,997.81)
	Closing balance (B)	**(39,997.81)**	**(39,997.81)**
(iii)	**Retained earnings**		
	Opening balance	(3,313.28)	-
	Add : (Loss) / Profit for the year / period	(5,503.70)	(3,218.73)
	Add : Re-measurement (Loss) / Gain on defined benefit plans	(121.18)	(94.55)
	Closing balance (C)	**(8,938.16)**	**(3,313.28)**
Total other equity (A+B+C)		**(48,935.97)**	**19,010.39**

Nature and purpose of reserves

(i) Share application pending allotment

Share application pending allotment represent shares alloted to shareholders of demerged company (i.e. Freecharge Payment Technologies Private Limited) under the scheme of Demerger (refer note 36).

(ii) Amalgamaion adjustment reserve

Amalgamation adjustment reserve represents difference between the Net assets value transferred on account of demerger from Freecharge Payment Technologies Private Limited (FCPTL), a wholly owned subsidiary of Axis Bank Limited and shares allotted to shareholders of demerged company under the scheme of Demerger. This reserve will be utilised in accordance with the provisions of the Companies Act.

(iii) Retained earnings

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

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

Notes to Financial Statements

For the year ended March 31, 2026

14. Lease liabilities

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Opening Balance	886.04	-
Transfer under the scheme of demerger (refer note36)		597.78
Additions during the year/ period	1,517.92	483.42
Disposals during the year/ period	(23.18)	(59.21)
Finance cost accrued during the year/ period	137.32	69.76
Payment of lease liabilities	(555.72)	(205.71)
Closing Balance	**1,962.38**	**886.04**
Current	860.90	253.05
Non-current	1,101.48	632.99
Total other financial liabilities	**1,962.38**	**886.04**

15. Net employee defined benefits obligations

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Provision for gratuity	903.03	607.68
Provision for compensated absences	652.13	536.88
Total net employee defined benefit obligations	**1,555.16**	**1,144.56**
Current	807.25	647.22
Non-current	747.91	497.34
Total net employee defined benefit obligations	**1,555.16**	**1,144.56**

In accordance with applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employee. The gratuity plan provides for lumpsum payment to vested employees on retirement (subject to completion of continuous employement as per Gratuity Act 1972), death incapacitation or termination of employement of amounts that are based on salary and tenure of employement liability with regard to the Gratuity Plan are determined by acturial valuation on the reporting date.

The following tabel summarises the components of net defined expense recognised in the income statement and the funded status and amount recognised in the balance sheet for the plan:

(₹ in lakhs)

	For the year ended on March 31, 2026
Current Service Cost	152.29
Interest cost on benefit obligation	36.41
Net benefit expense	**188.70**

Notes to Financial Statements

For the year ended March 31, 2026

Changes in the present value of the defined benefit obligation are as follows:

	As at March 31, 2026
Defined benefit obligation as at April 01, 2025	607.68
Current service cost	152.29
Past service cost	-
Interest cost on benefit obligation	36.41
Benefits paid	(23.03)
Acquisition	(32.26)
Acturial gain/(loss) on obligation	161.94
Defined benefit obligation as at March 31, 2026	**903.03**

The principal acturial assumptions used in determining gratuity benefit obligations for the Company's plan are shown below:

	As at March 31, 2026
Discount rate	6.48%
Salary escalation rate	8.50%
Withdrawal rate	30%

Sensitivity Analysis

The Company regularly assess these assumptions with the projected long term plans and prevalent industry standards.

The impact of sensitivity due to change in the significant acturial assumptions on the defined benefit obligations is given in the table below:

(₹ in lakhs)

	As at March 31, 2026	
	Change in Assumption	
Discount rate	1%	-871.91
	-1%	936.36
Salary Increase rate	1%	937.10
	-1%	-870.30

The above sensitivity analysis is determined based on a method that extrapolates the impact on the defined benefit obligations, as a result of reasonable possible changes in the significant assumptions. Further, the above sensitivity analysis is based on a resonably possible changes in a particular underlying acturial assumption, while assuming all other assumptions to be constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

The table below summarises the maturity profile of the Company's gratuity liability:

(₹ in lakhs)

	As at March 31, 2026
Within one year	155.12
Between two to three years	331.36
Between four to five years	280.14
Above five years	403.96
weighted average duration	**3.32**

For the period ended on March 31, 2025, the gratuity liability is transferred through the scheme of demerger (refer note 36), hence no details are presented in comparative period. However, the company has recognised ₹230.83 lakh

Notes to Financial Statements

For the year ended March 31, 2026

{inclusive of remeasurement gain/(loss)} as an expense in the income statement and other comprehensive income and has paid ₹20.03 Lakhs on account of gratuity settlement to the employees till March 31, 2025.

16. Trade and other payables

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Trade payables		
Total outstanding dues of micro enterprises and small enterprise	42.49	2.09
Total outstanding dues of creditors other than micro enterprises and small enterprise	1,312.19	318.92
Total trade payable	**1,354.68**	**321.01**
Trade creditors	481.69	12.67
Accrued Expense	872.99	308.34
Total trade payable	**1,354.68**	**321.01**
Trade payables	1,353.95	321.01
Trade payables - related parties (refer note 33)	0.73	-
Total trade payable	**1,354.68**	**321.01**
Other payables		
Accrued salaries and benefits	1,079.65	828.71
Payable to creditors for capital goods	3.24	9.01
Payable to related parties (refer note 33)	19.81	23.68
Other payables	28.49	-
Total other payables	**1,131.19**	**861.40**
Total trade and other payables	**2,485.87**	**1,182.41**
Current	2,485.87	1,182.41
Non-current	-	-
Total trade and other payables	**2,485.87**	**1,182.41**

Ageing of Trade payables as at March 31, 2026

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Provisions	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	42.49	-	-	-	-	42.49
(ii) Others	872.99	416.37	22.83	-	-	-	1,312.19
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-

Ageing of Trade payables as at March 31, 2025

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Provisions	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	2.09	-	-	-	-	2.09
(ii) Others	308.34	10.58	-	-	-	-	318.92
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-

Notes to Financial Statements

For the year ended March 31, 2026

17. Other current liabilities

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Statutory liabilities payable	1,172.78	427.22
Total other current liabilities	**1,172.78**	**427.22**
Current	1,172.78	427.22
Non-current	-	-
Total other current liabilities	**1,172.78**	**427.22**

18. Revenue from contracts with customers

Disaggregated revenue information

(₹ in lakhs)

	For the year ended March 31, 2026	For the period from March 16, 2024 to March 31, 2025
Revenue from Business Support (refer note 33)	3,467.32	459.72
Revenue from Technical Services (refer note 33)	17,939.48	11,136.16
Other operating revenue	34.59	33.49
Total revenue from contracts with customers	**21,441.39**	**11,629.37**
India	21,441.39	11,629.37
Outside India	-	
Total revenue from contracts with customers	**21,441.39**	**11,629.37**
Timing of revenue recognition		
Services transferred over time	21,406.80	11,595.88
Services transferred at a point in time	34.59	33.49
Total revenue from contracts with customers	**21,441.39**	**11,629.37**
Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price	21,441.39	11,629.37
Adjustments	-	-
Revenue from contract with customers	**21,441.39**	**11,629.37**

Contract Balances	As at March 31, 2026	As at March 31, 2025
Trade receivable including unbilled revenue (refer note 9)	8,163.83	2,896.01

19. Other income

(₹ in lakhs)

	For the year ended March 31, 2026	For the period from March 16, 2024 to March 31, 2025
Other non - operating income	67.78	-
Total other income	**67.78**	**-**

Notes to Financial Statements

For the year ended March 31, 2026

20. Finance income

(₹ in lakhs)

	For the year ended March 31, 2026	For the period from March 16, 2024 to March 31, 2025
Interest income on bank deposits	387.25	561.59
Interest on income tax refund	0.80	-
Unwinding of discount on financial assets at amortised cost	15.38	5.84
Realised gain on sale of current investments (net)	93.81	3.76
Mark to market gain on current investments	22.41	35.41
Total finance income	**519.65**	**606.60**

21. Service charges

(₹ in lakhs)

	For the year ended March 31, 2026	For the period from March 16, 2024 to March 31, 2025
Web hosting charges	1,073.65	661.67
Total service charges	**1,073.65**	**661.67**

22. Advertisement and publicity expenses

(₹ in lakhs)

	For the year ended March 31, 2026	For the period from March 16, 2024 to March 31, 2025
Advertisement and other expenses	428.77	184.06
Total advertisement and publicity expenses	**428.77**	**184.06**

23. Employee benefits expense

(₹ in lakhs)

	For the year ended March 31, 2026	For the period from March 16, 2024 to March 31, 2025
Salaries, wages and bonus	21,663.39	12,344.20
Contribution to provident and other fund	1,040.93	538.14
Gratuity expense (refer note 15)	188.70	104.48
Employee stock option scheme (refer note 34)	158.55	125.07
Staff welfare expenses	537.28	137.08
Total employee benefit expenses	**23,588.85**	**13,248.97**

Notes to Financial Statements

For the year ended March 31, 2026

24. Depreciation expense

(₹ in lakhs)

	For the year ended March 31, 2026	For the period from March 16, 2024 to March 31, 2025
Depreciation of property, plant and equipment (refer note 3)	456.62	263.59
Amortisation of intangible assets (refer note 4)	23.44	20.42
Depreciation of right of use asset (refer note 5)	497.00	178.59
Total depreciation expense	**977.06**	**462.60**

25. Finance costs

(₹ in lakhs)

	For the year ended March 31, 2026	For the period from March 16, 2024 to March 31, 2025
Finance charges on leases	137.32	69.76
Bank charges	18.33	3.99
Total finance costs	**155.65**	**73.75**

26. Other expenses

(₹ in lakhs)

	For the year ended March 31, 2026	For the period from March 16, 2024 to March 31, 2025
Power and fuel	62.69	24.71
Rent	273.45	192.79
Payment to auditor*	6.00	2.75
Legal and professional fees	799.98	710.81
Rates and taxes	9.50	4.68
Repairs and maintenance		
- Building	57.46	41.34
- Others	25.89	13.27
Traveling and conveyance	416.67	221.91
Software expenses	955.50	484.45
Collection agency commission	25.68	0.80
Recruitment expenses	121.77	113.71
Loss due to technical configuration issues	29.84	13.93
Administrative & miscellaneous expenses	363.20	146.38
Stamp duty	-	4.04
Incorporation Fees	-	250.02
Total other expenses	**3,147.63**	**2,225.59**

*** Payment to Auditors**

(₹ in lakhs)

	For the year ended March 31, 2026	For the year ended March 31, 2025
As auditor:		
Audit fee	5.00	2.50
Tax audit fee	1.00	-
Certification fee	-	0.25
	6.00	**2.75**

Notes to Financial Statements

For the year ended March 31, 2026

27. Earnings per share (EPS)

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

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

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

	For the year ended March 31, 2026	For the period from March 16, 2024 to March 31, 2025
Nominal value of equity shares (₹)	10	10
Loss for the year attributable to equity share holders of the Company (₹ in lakhs) (A)	(5,503.70)	(3,218.73)
Weighted average number of equity shares in calculating basic EPS (Nos) (B)	173,180,145	40,000,000
Basic earning per equity share (₹) (A/B)	(3.18)	(8.05)
Weighted average number of equity shares in calculating diluted EPS (Nos) (C)	663,214,781	488,191,207
Diluted earning per equity share (₹) (A/C)	**(0.83)**	**(0.66)**

28. Fair values

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

(₹ in lakhs)

	Carrying Value		Fair Value	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Financial assets				
Investments at fair value through profit & loss	5,276.39	832.17	5,276.39	832.17
Other financial assets	641.09	4,332.50	641.09	4,332.50
Total	**5,917.48**	**5,164.67**	**5,917.48**	**5,164.67**
Financial liabilities				
Other financial liabilities	-	-	-	-
Total	**-**	**-**	**-**	**-**

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

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

(a) Long-term receivables are evaluated by the Company based on parameters such as interest rates, individual credit worthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

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

Notes to Financial Statements

For the year ended March 31, 2026

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

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

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

(a) Credit risk

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

The Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Company trades only with recognised and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

Excessive risk concentration

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

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

Exposure to credit risk

The Company's maximum exposure to credit risk for the components of the statement of financial position as at March 31, 2026 and March 31, 2025 is the carrying amounts as disclosed in note 9 (Trade receivables).

Financial assets that are neither past due nor impaired

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

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in note 9 (Trade receivables).

(b) Liquidity risk

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

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available.

Notes to Financial Statements

For the year ended March 31, 2026

c) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity price, equity price and other market changes that effect market risk sensitive instrument.Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivable, payable and borrowings.

(i) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to change in foreign exchange rates. There is no foreign currency risk as at March 31, 2026 and March 31, 2025.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in markert interest rate. The Company has fixed interest rate deposits with no debt as on reporting date.

d) Capital Management

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

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

30. Segment information

The Company's primary business is to provide Business Correspondent (BC) and Technology Services (TSP) to Axis Bank with other ancillary services within India. The Chief Operating Decision Makers of the Company review all these aforementioned services under technology enable services either to its customers or to the Holding company and hence do not identify any separate reportable business or geographical segments to be disclosed as per notified Ind AS - 108 "Operating Segments".

31. Commitments and contingencies

a. Contingent liabilities

Contingent liabilities as at March 31, 2026 : Nil (March 31, 2025 : ₹ Nil)

b. Capital commitments and other commitments

At March 31, 2026, the Company has commitments of ₹37.25 lakhs (March 31, 2025 : Nil) net of advances relating to capital contracts.

Notes to Financial Statements

For the year ended March 31, 2026

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

(₹ in lakhs)

		As at March 31, 2026	As at March 31, 2025
a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	42.49	2.09
b)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

33. Related party disclosures

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

Holding Company	Axis Bank Limited

b) Names of subsidiary with whom transactions have taken place

Fellow Subsidiary	Freecharge Payment Technologies Private Limited

c) Names of other related parties with whom transactions have taken place

Key management personnel (KMP)	Subrat Mohanty, Director (w.e.f March 16, 2024)
	Sameer Bhujanga Shetty, Director (w.e.f March 16, 2024)
	Balaji Narayanamurthy, Director (w.e.f March 16, 2024, till November 20, 2025)
	Mohit Jain, Director (w.e.f March 16, 2024)
	Avinash Raghavendra, Additional Director (w.e.f January 13, 2026)
	Anil Kumar Singh, (w.e.f July 17, 2024 till December 31, 2025 CEO on deputation and CEO w.e.f January 01, 2026)
	Sunil Arora, CFO (w.e.f July 17, 2024 till November 27, 2024 on deputation)
	Shabita, CFO (w.e.f April 16, 2025 till December 31, 2025)
	Prasenjit Saha, Chief Financial Officer (w.e.f. January 01, 2026)
	Rashmeet Kaur, CS (w.e.f. April 05, 2024 till October 23, 2025 on deputation)
	Nitika Khandelwal, Company Secretary (w.e.f. October 24, 2025)

Notes to Financial Statements

For the year ended March 31, 2026

Related party transactions

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

(₹ in lakhs)

	From April 1, 2025 to March 31, 2026			From March 16, 2024 to March 31, 2025		
	Holding Company	Fellow Subsidiary	Key management personnel	Holding Company	Fellow Subsidiary	Key management personnel
Transactions during the year						
Revenue from contracts with customers (refer note 18)						
Axis Bank Limited	21,406.80	-	-	11,595.88	-	-
Finance income (refer note 20)						
Axis Bank Limited	387.25	-	-	561.59	-	-
Rent (refer note 26)						
Axis Bank Limited	1.28	-	-	0.13	-	-
Freecharge Payments Technologies Private Limited	-	3.37	-	-	7.04	-
Finance costs (refer note 25)						
Axis Bank Limited	18.12	-	-	3.99	-	-
Payment gateway charges						-
Axis Bank Limited	9.28	-	-	0.72	-	
Reimbursement of expenses by related party						-
Axis Bank Limited	-	-	-	248.96	-	
Reimbursement of expenses to related party						-
Axis Bank Limited	35.68	-	-	16.80	-	-
Freecharge Payment Technologies Private Limited	-	13.88	-	-	-	
Employee stock option scheme related expense (refer note 23)						-
Axis Bank Limited	158.55	-	-	125.07	-	
Other expenses						-
Axis Bank Limited	-	-	-	3.91	-	
Freecharge Payments Technologies Private Limited	-	127.95	-		90.60	
Salary, bonus and contribution to PF#	-	37.13	124.12	-	-	33.42
Equity Share Capital (refer note 13(a))						-
Axis Bank Limited, holding company and their nominees	62,321.48	-	-	4,000.00	-	

Remuneration and other benefits of key managerial persons does not includes the provisions made for gratuity and leave benefits, as they are determined on an accrued basis for the Company as a whole. Further, employee stock option expenses is not included in the remuneration to key manegrial persons.

Terms and Conditions of transactions with related parties

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

Notes to Financial Statements

For the year ended March 31, 2026

(₹ in lakhs)

	As at March 31, 2026			As at March 31, 2025		
	Holding Company	Fellow Subsidiary	Key management personnel	Holding Company	Fellow Subsidiary	Key management personnel
Balance as at the year end:						
Equity Share Capital (refer note 13)						
Axis Bank Limited holding company and their nominees	66,321.48	-	-	4,000.00	-	
Share application pending allotment (refer note 13(b))						-
Axis Bank Limited	-	-	-	62,321.48	-	
Trade receivables (refer note 9)						-
Axis Bank Limited	8,163.83	-	-	2,896.01	-	
Trade Payables (refer note 16)						-
Axis Bank Limited	0.73	-	-	-	-	
Other Payables (refer note 16)						-
Axis Bank Limited	19.81	-	-	17.83	-	-
Freecharge Payment Technologies Private Limited	-	-	-	-	5.85	
Other financial asset (refer note 6)						-
Axis Bank Limited	-	-	-	10.45	-	-
Freecharge Payments Technologies Private Limited	-	76.50	-	-	4,169.63	
Bank balances other than above (refer note 11)						-
Axis Bank Limited	10.23	-	-	9,709.81	-	
Cash and cash equivalents (refer note 10)						-
Axis Bank Limited	2,566.73	-	-	4,840.69	-	

34. Employee stock option plan

The Holding Company has formulated and adopted Employee Stock Option Schemes (ESOS) for the benefit of the eligible Employees of the Bank and that of its subsidiary companies , in terms of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended. 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 Holding Company, to act as a retention mechanism by enabling employee participation in the business of the Bank as its active stakeholder and to usher an 'ownermanager' culture.

The net compensation expense arising from cash settled share based payment transaction is ₹158.55 lakh as at March 31, 2026 (March 31, 2025 ₹125.07 lakh) The relevant terms of the grant are as below:

Vesting period	3 years
Exercise period	0-5 Years
Exercise price (Rs /-)	Rs 725.90 - Rs 1063.25

Notes to Financial Statements

For the year ended March 31, 2026

The details of activity under the ESOS Scheme 2000-01 is as follows:

	March 31, 2026		March 31, 2025	
	No. of options*	Weighted average exercise price	No. of options*	Weighted average exercise price
Outstanding at the beginning of the year	43,188	794.61	-	-
Granted during the year	10,867	1,207.10	-	-
Transfer from group company	-	-	49,631	788.83
Forfeited during the year	-	-	-	-
Lapsed during the year	3,915	872.81	-	-
Exercised during the year	5,125	746.63	6,443	750.14
Transfer to group company	32,747	881.38	-	-
Outstanding at the end of the year	**12,268**	**923.44**	**43,188**	**794.61**
Exercisable at the end of the year	**7,235**	**750.48**	**35,468**	**736.13**

The holding company also issued Restricted Stock Unit (RSU) to eligible employees of the Bank and that of its subsidiary companies. The relevant term of grant is as follow:

Vesting period	3 years
Exercise period	0-5 Years
Exercise price (Rs /-)	₹2.00

RSU	March 31, 2026		March 31, 2025	
	No. of options*	Weighted average exercise price	No. of options*	Weighted average exercise price
Outstanding at the beginning of the year	26,503	2.00	-	-
Granted during the year	15,841	2.00	-	-
Transfer from group company	-	-	26,852	2.00
Forfeited during the year	-	-	-	-
Lapsed during the year	2,704	2.00	-	-
Exercised during the year	5,308	2.00	349	2.00
Transfer to group company	3,699	2.00	-	-
Outstanding at the end of the year	**30,633**	**2.00**	**26,503**	**2.00**
Exercisable at the end of the year	**7,209**	**2.00**	**8,491**	**2.00**

*includes the options granted to employees prior to their transfer to the Company from other group companies.

35. Disclosure of Struck off Companies

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

Notes to Financial Statements

For the year ended March 31, 2026

36. Note on Demerger

a. Background of the Scheme:

Pursuant to the Order dated December 10, 2025 passed by the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), the Scheme of Arrangement ("the Scheme") between Freecharge Payment Technology Private Limited ("Demerged Company") and Freecharge Business and Technology Services Limited ("the Company") was approved and became effective on January 01, 2026 (the "Effective Date"). The Scheme provides for the demerger and transfer of the Business Correspondent ("BC") and Technology Service Provider ("TSP") business undertaking of the Demerged Company ("Demerged Undertaking") to the Company on a going concern basis from the Appointed Date, being July 01, 2024.

b. Accounting Treatment:

The Scheme has been accounted for in accordance with Appendix C to Ind AS 103 – Business Combinations of Entities under Common Control, applying the Pooling of Interest Method.

Accordingly:

- The assets and liabilities of the Demerged Undertaking have been recorded at their existing carrying values as appearing in the books of the Demerged Company.
- No fair valuation adjustments have been made.
- The difference between the consideration discharged and the net assets acquired has been recognised in equity as Amalgamation Adjustment Reserve" under Other Equity. The accounting policies of the Demerged Undertaking have been aligned to those of the Company where necessary.

c. Impact on Financial Statements:

Although the Scheme became effective on January 01, 2026, the impact on the financial statements have been given to effect the Scheme from the Appointed Date i.e., July 01, 2024, in accordance with the terms of the Scheme.

Accordingly:

- The assets and liabilities of the Demerged Undertaking have been incorporated from the Appointed Date.
- The corresponding impact has been reflected in equity.

d. Net Assets Received:

The carrying value of assets and liabilities transferred as at the Appointed Date is summarised below:

Particulars	(₹ in lakhs)
Total assets received# (A)	25,129.33
Total liabilities received# (B)	(2,805.66)
Net assets transferred (A-B)	**22,323.67**

(#All assets and liabilities have been recorded at their existing carrying values.)

e. Consideration Discharged:

Pursuant to the Scheme, the Company has issued:

- 623,214,781 equity shares of ₹10 each issued at par

  Total consideration discharged:

  623,214,781 × ₹10 = ₹62,321.48 lakhs

The above mentioned shares has been alloted to the respective shareholders as on January 13, 2026.

Notes to Financial Statements

For the year ended March 31, 2026

f. Amalgamation Adjustment Reserve:

The difference between the consideration discharged and the net assets acquired has been recognised in equity as on appointed date is as follows:

Particulars	(₹ in lakhs)
Consideration discharged (A)	62,321.48
Less: Net assets received (B)	(22,323.67)
Amalgamation Adjustment Reserve* (A-B)	**39,997.81**

g. Impact on Profit and Loss:

The impact on profit and loss due to merger on Statements of Profit and Loss for the period ended March 31, 2025, is summarised below:

Particulars	(₹ in lakhs)
Total Income Increased (A)	12,020.80
Total Expenditure Increased (B)	16,606.72
Net Profit/(Loss) Increased (A-B)	**(4,585.92)**

h. Impact on Cash Flow Statement:

The impact on Cash flow statement due to merger on the financials statements is summarised below.

(₹ in lakhs)

Particulars	**March 31, 2025 (Pre-Merger)**	**March 31, 2025 (Post Merger)**
Net cash flow used in operating activities	(427.50)	12,423.37
Net cash generated from/(used in) investing activities	(3,552.98)	(11,048.64)
Net cash flow used in financing activities	4,000.00	3,790.30
Net increase in cash and cash equivalents	19.52	5,165.03
Add: Cash and cash equivalents at beginning of the period	-	-
Cash and cash equivalents at end of the period	**19.52**	**5,165.03**

i. Earnings Per Share:

In accordance with Ind AS 33, Earnings Per Share, the number of equity shares has been adjusted retrospectively for the purposes of computing Diluted Earnings Per Share for all periods presented, to reflect the shares issued pursuant to the Scheme from the Appointed Date."

j. Tax Implications:

The Scheme has been implemented pursuant to Sections 230 to 232 of the Companies Act, 2013. The tax impact arising from the merger has been assessed in accordance with the applicable provisions of the Income-tax Act, 1961. Any consequential deferred tax adjustments have been recognised in accordance with Ind AS 12 – Income Taxes.

k. Going Concern:

The Business Correspondent (BC) and Technology Service Provider (TSP) Business of the Demerged Company has been received on a going concern basis. Freecharge Business and Technology Services Limited (The Company) continues to operate the BC and TSP business without interruption subsequent to the Appointed Date.

Notes to Financial Statements

For the year ended March 31, 2026

37. Ratio Analysis

(₹ in lakhs except ratio)

Particulars	Numerator	Denominator	Numerator March 31, 2026	Numerator March 31, 2025	Denominator March 31, 2026	Denominator March 31, 2025	Ratio March 31, 2026	Ratio March 31, 2025	% Variance	Reason for variance
(a) Current ratio	Current assets	Current liabilities	17,821.31	23,433.52	5,326.80	2,509.91	3.35	9.34	-64%	
(b) Debt-equity ratio	Total debt	Shareholder's equity	1,962.38	886.04	17,385.51	23,010.39	0.11	0.04	193%	
(c) Debt service coverage ratio	Earnings available for debt service	Debt service	(6,228.41)	(3,834.25)	555.72	205.71	(11.21)	(18.64)	-40%	
(d) Return on equity ratio	Net profits after taxes	Average shareholder's equity	(5,503.70)	(3,218.73)	20,197.95	23,010.39	(0.27)	(0.14)	95%	
(e) Inventory turnover ratio	Cost of goods sold	Average inventory	Not Applicable							
(f) Trade receivables turnover ratio	Net credit sales	Average trade receivable	21,441.38	11,629.37	5,529.92	2,896.01	3.88	4.02	-3%	
(g) Trade payables turnover ratio	Net credit purchases	Average trade payables	3,907.28	2,416.24	837.84	321.01	4.66	7.53	-38%	Refer note 1 below
(h) Net capital turnover ratio	Net sales	Working capital	21,441.39	11,629.37	12,494.51	20,923.61	1.72	0.56	209%	
(i) Net profit ratio	Net profit after tax	Net sales	(5,503.70)	(3,218.73)	21,441.39	11,629.37	(0.26)	(0.28)	-7%	
(j) Return on capital employed	Earnings before interest and taxes	Capital employed	(7,205.47)	(4,550.91)	19,347.89	23,896.43	(0.37)	(0.19)	96%	
(k) Return on investment	Interest (Finance Income)	Investment	116.22	39.17	5,276.39	832.17	0.02	0.05	-53%	

Notes

Total Debts = Total lease liabilities

Debt Service = Interest and Lease payments

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

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

Working capital = Total Current Assets - Total Current Liabilities

Capital employed = Total Equity and Total Debts

Notes to Financial Statements

For the year ended March 31, 2026

Note:

1. Major reasons for substantial deviations in assets/earning, shareholder funds and other are due to continuous invest its efforts in financial inclusion, requiring significant Opex investments in physical presence across various geographies. This opex investments is expected to generate long-term results, ultimately strengthening the Company's profitability in the subsequent years.

38. Standards notified but not yet effective

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

39. Other Statutory Information

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

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

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

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

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

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

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

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

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

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

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

Notes to Financial Statements

For the year ended March 31, 2026

41. Previous period information is as per the financial statements post giving effect of demerger as detailed in the note 36 of the financial statements and as well as reclassification/regrouping have been done wherever necessary to conform the current year's classification.

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

Anil Kumar Aggarwal
Partner
Membership Number : 087424

Place: New Delhi
Date: April 16, 2026

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

Mohit Jain
Director
DIN : 07945124

Sameer Bhujanga Shetty
Director
DIN: 08536421

Anil Kumar Singh
Chief Executive Officer

Prasenjit Saha
Chief Financial Officer

Nitika Khandelwal
Company Secretary
M. No. : A51981

Place: Mumbai
Date: April 16, 2026