

Independent Auditor's Report

To the Members of Pine Labs Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Pine Labs Private Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including 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 standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and auditor's report(s) thereon.

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

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

Management's and Board of Director's Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India,

Independent Auditor's Report (Continued)

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including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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



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Pine Labs Private Limited

that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

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

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

- a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 40 to the standalone financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 36 (b)(vi) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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

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guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 36 (b)(vii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the 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 (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that:

(a) audit trail was not enabled for non-editable fields/ tables relating to two accounting softwares relating to general ledger and certain revenue processes and at the database level to log any direct data changes; (b) in absence of sufficient and appropriate audit evidence/ reporting on compliance with the audit trail requirements in the independent auditor's reports of service organization, in respect of four accounting softwares relating to revenue processes and one accounting software relating to payroll records operated by a third party service provider, we are unable to comment whether audit trail (edit log) facility was enabled and operated throughout the year; and (c) in absence of sufficient and appropriate information from management, we are unable to comment whether complete information for the above mentioned accounting softwares used by the Company for maintaining books of account was provided to us by the Company for the purpose of our reporting on this clause.

Further, for the periods where audit trail (edit log) facility was enabled and operated as above, in the absence of sufficient and appropriate audit evidence, we are unable to comment whether the audit trail feature was tampered with.



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C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248/WW-100022



Manish Gupta

Partner

Place: Noida

Date: 30 June 2024

Membership No.: 095307

ICAI UDIN:24095037BKGVCA5962

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Pine Labs Private Limited for the year ended 31 March 2024

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment except for location of Point of Sale ('POS') devices for which separate records are maintained.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (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 a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment (except Point of Sale ('POS') devices provided to various merchants) are verified once in every three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the previous year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification. In respect of POS devices with merchants, as explained to us, the Company does not have a specific frequency to carry out physical verification as these are monitored separately through their systems which track the operational status of the POS devices.
- (c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) 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 revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (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) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:



Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Pine Labs Private Limited for the year ended 31 March 2024 (Continued)

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Whether return/statement subsequently rectified
31 Mar 2024	HDFC Bank, Axis Bank and ICICI Bank	Stock (Inventories)	2,273	2,273	-	
		Debtors*	102,200	102,302	(102)	Yes
		Creditors#	37,081	37,238	(157)	Yes
31 Dec 2023	HDFC Bank, Axis Bank and ICICI Bank	Stock (Inventories)	2,469	2,355	114	Yes
		Debtors*	117,485	117,372	113	Yes
		Creditors#	54,834	38,966	15,868	Yes
30 Sep 2023	HDFC Bank, Axis Bank and ICICI Bank	Stock (Inventories)	2,496	2,496	-	
		Debtors*	100,978	100,718	260	Yes
		Creditors#	42,960	41,772	1,188	Yes
30 June 2023	HDFC Bank, Axis Bank and ICICI Bank	Stock (Inventories)	2,298	2,298	-	
		Debtors*	98,846	98,726	120	Yes
		Creditors#	51,246	51,478	(232)	Yes

* Debtors includes trade receivables, contract assets and receivables for instant cashback.

Creditors includes trade payables, capital creditors and excludes creditors of gift card for which amount is maintained in earmarked funds.

(iii) 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 provided any guarantee or security or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. However, the Company has made investment in a company and granted loan to companies, in respect of which the requisite information is as below.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to parties as below:

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Pine Labs Private Limited for the year ended 31 March 2024 (Continued)

Particulars	Loans (INR. in Lakhs)
Aggregate amount during the year	
Subsidiaries*	292
Joint ventures*	-
Associates*	-
Others	6,428
Balance outstanding as at balance sheet date	
Subsidiaries*	303
Joint ventures*	-
Associates*	-
Others	5,486

**As per the Companies Act, 2013*

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions of the grant of loans provided during the year are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not provided guarantee or security and granted advances in the nature of loans during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given to a certain subsidiary, fellow subsidiaries and employees, the repayment of principal and payment of interest (except for interest-free loans given to employees) have been stipulated and the repayments or receipts have been regular, wherever due and applicable. However, for the other loans given to a subsidiary and to a fellow subsidiary, there is no stipulation of repayment of principal and interest and accordingly we are unable to comment on the regularity of repayment of principal and interest. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion following instance of a loan falling due during the year were renewed or extended or settled by fresh loans:

Name of the parties	Aggregate amount of loans granted during the year (INR. in lakhs)	Aggregate overdue amount settled by extension to same party (INR. in lakhs)	Percentage of the aggregate to the total loans granted during the year
Qfix Infocomm Private Limited	223	223	100%



Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Pine Labs Private Limited for the year ended 31 March 2024 (Continued)

- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

Amount in INR Lakhs	All Parties	Promoters	Related Parties
Aggregate of loans - Repayable on demand (A)	304	-	304
- Agreement does not specify any terms or period of Repayment (B)	-	-	-
Total (A+B)	304	-	304
Percentage of loans to the total loans	4.52%	-	4.58%

Further, the Company has not given any advances in nature of loans to any party during the year.

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 186 of the Companies Act, 2013 ("the Act") have been complied with. The Company has neither made any investments nor has given loans or provided gurantee or security to the parties covered under Section 185 of the Companies Act, 2013 ("the Act").
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Income-Tax and significant delays in a few cases of Provident Fund.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable, except as mentioned below:

**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Pine Labs Private Limited for the year ended 31 March 2024
(Continued)**

Name of the statute	Nature of the dues	Amount (INR in lakhs)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
Provident Fund	Provident Fund Liability	14	Apr-22 to Sep-23	Multiple	Not paid	As informed to us by the management, the company is not able to deposit this due to administrative reasons.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (INR in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Finance Act, 1994	Service Tax	2,758	Oct 2012 to Mar 2016	Directorate General of Goods and Services Tax Intelligence, Bengaluru	Out of total amount, INR 103 lakhs has been paid under protest
Income Tax Act, 1961	Income Tax	28	2016-17	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Income Tax	8	2019-20	Income tax Department Centralised Processing Centre	
CGST Act, 2017	GST	66	2017-18	Appellate Authority	

- (viii) 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination

**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Pine Labs Private Limited for the year ended 31 March 2024
(Continued)**

- of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (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 declared a wilful defaulter by any bank or financial institution or government or government authority.
 - (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
 - (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
 - (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. The Company does not hold any investment in any associates or joint ventures (as defined under the Act) during the year ended 31 March 2024.
 - (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). The Company does not hold any investment in any associates or joint ventures (as defined under the Act) during the year ended 31 March 2024.
 - (x) (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.
 - (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.
 - (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
 - (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
 - (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
 - (xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
 - (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
 - (b) We have considered the internal audit reports of the Company issued till date for the period under audit.



**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Pine Labs Private Limited for the year ended 31 March 2024
(Continued)**

- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (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) 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) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248/WV-100022



Manish Gupta

Partner

Place: Noida

Membership No.: 095307

Date: 30 June 2024

ICAI UDIN:24095037BKGVCA5962

Annexure B to the Independent Auditor's Report on the standalone financial statements of Pine Labs Private Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(e) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Pine Labs Private Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to



**Annexure B to the Independent Auditor's Report on the standalone financial statements of Pine Labs Private Limited for the year ended 31 March 2024
(Continued)**

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Manish Gupta

Partner

Place: Noida

Date: 30 June 2024

Membership No.: 095307

ICAI UDIN:24095037BKGVCA5962

Pine Labs Private Limited

Standalone Balance Sheet as at 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
Assets			
Non-current assets			
Property, plant and equipment	3	38,037	45,890
Capital work-in-progress	3	11,699	20,600
Goodwill	4	45,910	45,910
Intangible assets	4	6,132	12,398
Intangible assets under development	4	8,405	4,540
Right-of-use assets	5(a)	8,468	7,297
Financial assets			
i. Investment	6	1,639	1,278
ii. Other financial assets	8	4,091	1,308
Deferred tax assets (net)	12	15,837	10,690
Non-current tax assets (net)	9	13,982	17,924
Other non-current assets	11	955	1,348
Total non-current assets		1,55,155	1,69,183
Current assets			
Inventories	10	2,273	2,088
Financial assets			
i. Trade receivables	13	50,366	48,070
ii. Cash and cash equivalents	14	51,110	39,055
iii. Bank balances other than (iii) above	15	4,32,712	4,02,689
iv. Loans	7	5,778	3,195
v. Other financial assets	8	61,871	47,798
Current tax assets	9	7,582	3,044
Contract assets	24	7,681	11,354
Other current assets	11	15,733	13,867
Total current assets		6,35,106	5,71,160
Total Assets		7,90,261	7,40,343
Equity and liabilities			
Equity			
Equity share capital	16	8,400	1,396
Other equity	17	1,96,073	2,17,053
Total equity		2,04,473	2,18,449
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	18	11,359	15,401
ii. Lease liabilities	5(b)	8,658	7,236
iii. Other financial liabilities	19	1,842	2,364
Contract liabilities	24	329	344
Deferred government grants	20	1,421	768
Provisions	21	3,233	3,330
Total non-current liabilities		26,842	29,443
Current liabilities			
Financial liabilities			
i. Borrowings	18	36,342	15,295
ii. Lease liabilities	5(b)	1,133	1,067
iii. Trade payables	22		
-total outstanding dues of micro enterprises and small enterprises		1,372	1,125
-total outstanding dues of creditors other than micro enterprises and small enterprises		56,302	37,318
iv. Other financial liabilities	19	62,522	67,368
Contract liabilities	24	3,94,470	3,64,733
Deferred government grants	20	1,777	751
Provisions	21	1,655	1,032
Other current liabilities	23	3,373	3,762
Total current liabilities		5,58,946	4,92,451
Total liabilities		5,85,788	5,21,894
Total equity and liabilities		7,90,261	7,40,343

Material accounting policies

2.2

The accompanying notes referred to form an integral part of these standalone financial statements
As per our report of even date attached

1 to 50

For BSR & Co. LLP

Chartered Accountants

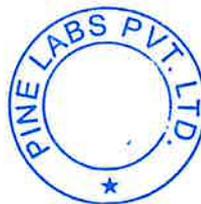
ICAI Firm Registration No.: 101248W/W-100022

Manish Gupta
Partner

Membership No.: 095037

Place: Gurugram

Date: 30 June 2024



For and on behalf of the Board of Directors of
Pine Labs Private Limited
CIN: L07100HR1998PTC113312

Kush Mehra
Director

DIN No.: 08154941

Place: New Delhi

Date: 30 June 2024

Indresh Kumar Gupta
Director

DIN No.: 07488823

Place: Gurugram

Date: 30 June 2024

Isha Jaiswal

Company Secretary

M No.: 39104

Place: New Delhi

Date: 30 June 2024

Pine Labs Private Limited

Standalone Statement of Profit and Loss for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	24	1,30,962	1,28,054
Other income	25	6,621	4,698
Total income		1,37,583	1,32,752
Expenses			
Purchase of stock-in-trade		5,548	5,150
Changes in stock-in-trade	26	(57)	(740)
Employee benefits expense	27	62,535	60,667
Finance costs	28	5,763	3,353
Depreciation, amortisation and impairment expenses	29	32,775	23,873
Impairment losses on trade receivables, other receivables, contract assets and loans	34	1,678	1,647
Other expenses	30	53,359	46,269
Total expenses		1,61,601	1,40,219
Loss before tax		(24,018)	(7,467)
Income tax expense	32	-	-
Current tax		-	-
Deferred tax		(5,300)	(1,856)
Total tax expense		(5,300)	(1,856)
Loss for the year		(18,718)	(5,611)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Remeasurement of post employment benefit obligations		287	244
Equity instrument through other comprehensive income		352	373
Income tax relating to these items		(153)	(147)
Other comprehensive income for the year, net of tax		486	470
Total comprehensive loss for the year		(18,232)	(5,141)

Loss per equity share - Basic and Diluted (in INR.) (Face value of share - INR. 1 each)	39	(2.23)	(0.68)
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Material accounting policies 2.2
The accompanying notes referred to form an integral part of these standalone financial statements 1 to 50
As per our report of even date attached

For **BSR & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/W-100022



Manish Gupta
Partner
Membership No.: 095037
Place: Gurugram
Date: 30 June 2024



For and on behalf of the Board of Directors of
Pine Labs Private Limited
CIN: U67100HR1998PTC113312



Kush Mehra
Director
DIN No.: 08154941
Place: New Delhi
Date: 30 June 2024



Indresh Kumar Gupta
Director
DIN No.: 07488823
Place: Gurugram
Date: 30 June 2024



Isha Jaiswal
Company Secretary
M No.: 39104
Place: New Delhi
Date: 30 June 2024

Pine Labs Private Limited

Standalone Statement of Changes in Equity for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

I) Equity share capital

	Notes	Amounts
Balance as at 1 April 2022		1,353
Issuance of shares	16	43
Balance as at 31 March 2023		1,396
Issuance of shares	16	7,004
Balance as at 31 March 2024		8,400

II) Other equity

	Notes	Share application money pending allotment	Reserves and Surplus		Total
			Securities premium	Retained earnings	
Balance as at 1 April 2022	17	15,322	1,89,618	(14,965)	1,89,975
Loss for the year		-	-	(5,611)	(5,611)
Other comprehensive income		-	-	470	470
Transfer on account of lapse of unexercised options		-	-	-	-
		15,322	1,89,618	(20,106)	1,84,834

Transactions with owners in their capacity as owners:

Issue of equity shares		(15,322)	47,541	-	32,219
Balance as at 31 March 2023		-	2,37,159	(20,106)	2,17,053
Loss for the year		-	-	(18,718)	(18,718)
Other comprehensive income		-	-	486	486
Transfer on account of lapse of unexercised options		-	-	109	109
		-	2,37,159	(38,229)	1,98,930

Transactions with owners in their capacity as owners:

Issue of equity shares		-	4,143	-	4,143
Issue of bonus shares		-	(7,000)	-	(7,000)
Balance as at 31 March 2024		-	2,34,302	(38,229)	1,96,073

Material accounting policies 2.2
The accompanying notes referred to form an integral part of these standalone financial statements 1 to 50
As per our report of even date attached

For **BSR & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/W-100022



Manish Gupta
Partner
Membership No.: 095037
Place: Gurugram
Date: 30 June 2024



For and on behalf of the Board of Directors of
Pine Labs Private Limited
CIN: U67100HR1998PTC113312



Kush Mehra
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DIN No.: 08154941
Place: New Delhi
Date: 30 June 2024



Anandresh Kumar Gupta
Director
DIN No.: 07488823
Place: Gurugram
Date: 30 June 2024



Ishha Jaiswal
Company Secretary
M No.: 39104
Place: New Delhi
Date: 30 June 2024

Pine Labs Private Limited

Standalone Statement of Cash flows for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from operating activities			
Loss before income tax		(24,018)	(7,467)
Adjustments for :			
Depreciation, amortisation and impairment expenses		32,775	23,873
Gain on disposal of property, plant and equipment		(354)	(183)
Write down for obsolete and slow moving inventory		219	19
Impairment losses on trade receivables, other receivables, contract assets and loans		1,678	1,647
Interest on fixed deposits		(1,595)	(1,760)
Interest on income tax refund		(1,274)	(645)
Interest on unsecured loans given to related parties		(360)	(189)
Finance costs		5,763	3,353
Liabilities and provisions no longer required written back		(381)	(426)
Advances write off		12	13
Foreign exchange loss (unrealised)		585	1,583
Write-off of property, plant and equipment		19	-
Unwinding of discount on security deposits		(56)	(33)
Gain on sale of mutual funds		-	(80)
Government grant income		(2,244)	(857)
Net gain on lease termination		(27)	-
Operating profit before changes in operating assets and liabilities		10,742	18,848
Changes in operating assets and liabilities			
(Increase) in trade receivables		(3,739)	(20,225)
Decrease/(Increase) in inventories		275	(932)
(Increase) in other financial assets		(15,224)	(2,755)
Decrease/(Increase) in other non-current assets		353	(1,067)
(Increase)/decrease in other current assets		(1,403)	710
Decrease/(Increase) in contract assets		3,521	(4,656)
Decrease/(Increase) in loans		21	(41)
Increase in trade payables		19,616	12,325
Increase in provisions		813	865
Increase in other financial liabilities		3,336	2,019
Increase/(decrease) in contract liabilities		673	(988)
(Decrease) in other current liabilities		(388)	(258)
Cash generated from operations		18,596	3,844
Income taxes credit/(paid)		363	(7,649)
Net cash generated from/(used in) operating activities (A)		18,959	(3,804)
Cash flows from investing activities			
Payments for property, plant and equipment		(14,170)	(25,292)
Payments for intangible assets		(7,934)	(8,837)
Proceeds from disposal of property, plant and equipment		936	210
Loans given to related parties		(6,625)	(4,337)
Repayment of loan from related party		3,966	1,400
Purchase of fixed deposits		(9,335)	(45,096)
Proceeds from maturity of fixed deposits		28,062	47,604
Purchase of current investments		-	(24,000)
Proceeds from sale of current investments		-	28,132
Purchase of non-current investment		(10)	-
Interest received		2,423	2,184
Proceeds from Government grant		3,765	1,890
Net cash generated from/ (used in) investing activities (B)		1,078	(26,142)



Pine Labs Private Limited

Standalone Statement of Cash flows for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from financing activities			
Proceeds from issues of shares (including share application money pending allotment)		4,147	32,262
Increase in customer fund deposit liability		29,050	55,311
Proceeds from borrowings		6,286	18,600
Principal repayments of borrowings		(11,618)	(8,748)
Principal elements of lease payments		(1,014)	(663)
Interest paid		(5,707)	(3,288)
Net cash generated from financing activities (C)		21,144	93,474
Net increase in cash and cash equivalents, earmarked balances with banks (A+B+C)			
		41,181	63,528
Cash and cash equivalents at the beginning of the financial year		39,055	32,038
Earmarked balances with banks at the beginning of the financial year		3,72,083	3,18,433
Cash credit facilities at the beginning of the year		(4,775)	(7,636)
Cash and cash equivalents, earmarked balances with banks at end of the year*		4,47,544	4,06,363
Cash and cash equivalents, earmarked balances with banks as per above comprise the following :			
Balance with banks			
- In current accounts (refer note 14)		51,110	39,055
- Earmarked balances with banks (refer note 15)		4,23,490	3,72,083
Less: Cash credit and overdraft facilities (refer note 18)		(27,056)	(4,775)
Balance as per statement of cash flows		4,47,544	4,06,363

*Cash and cash equivalents are netted off with bank overdraft that are repayable on demand and cash credit facilities which form an integral part of the Company's cash management.

Material accounting policies 2.2
The accompanying notes referred to form an integral part of these standalone financial statements 1 to 50

As per our report of even date attached

For **BSR & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/W-100022



Manish Gupta
Partner
Membership No.: 095037
Place: Gurugram
Date: 30 June 2024

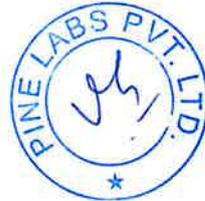
For and on behalf of the Board of Directors of
Pine Labs Private Limited
CIN: U67100HR1998PTC113312



Kush Mehra
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DIN No.: 07488823
Place: Gurugram
Date: 30 June 2024



Isha Jaiswal
Company Secretary
M No.: 39104
Place: New Delhi
Date: 30 June 2024

Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

1. Reporting entity

Pine Labs Private Limited (the 'Company') is incorporated under the provisions of the Companies Act applicable in India on 18 May 1998. The registered office of the Company is located at Unit No 408, 4th Floor, Time Tower, MG Road, Gurugram-122002, Haryana.

The Company is primarily engaged in providing services related to transaction processing, payment solutions, gifting solutions and petroleum retail automation (including supply of materials) to its customers.

2.1 Basis of Preparation

i Statement of compliance

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

These standalone financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 30 June 2024.

Details of the Company's accounting policies are set out below.

ii Basis of measurement

The standalone financial statements have been prepared on a historical cost basis, except for the following items:

- a. certain financial assets and liabilities measured at fair value where Ind AS requires a different accounting treatment (refer accounting policy regarding financial instruments).
- b. defined benefit asset/ (liability) measured at fair value of plan assets (if any) less the present value of defined benefit obligation.

iii Functional and presentation currency

The standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

iv Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgments

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

a) Revenue from contracts with customers

The determination of gross versus net recognition of revenue requires judgment that depends on whether the Company controls the good or service before it is transferred to the merchant or whether the Company is acting as an agent of a third party in accordance with Ind AS 115. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the services before transferring them to the client, except in case of revenue from aggregator services and distribution revenue from SCLP, CLP, Woohoo gift cards and other brand gift cards, and provision of payment solutions.

The Company applied judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers, such as identifying performance obligations, wherein, the Company provides multiple services as part of the arrangement. The Company allocated the portion of the transaction price to services basis its relative standalone prices.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

b) Determining lease term

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has some property lease arrangements with its vendors that include option to renew or terminate the contract by the Company by giving advance notice or either party option to terminate the contract by either party at any time by giving advance. The Company applied judgment in evaluating whether it is reasonably certain for the Company to renew or terminate the property lease contract before the lease term. It considered all the factors that create economic incentive for the Company to continue with lease or renew or terminate including alternatives available for the office lease, use of underlying property, location of the office, leasehold improvements made and accordingly determined lease term.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

c) Determining sale and leaseback transactions

The Company applies the requirements for determining when a performance obligation is satisfied in Ind AS 115 to determine whether the transfer of an asset is accounted for as a sale of that asset. If control of an underlying asset passes to the buyer-lessor, the transaction is accounted for as a sale of the asset and a lease. If not, both the seller-lessee and the buyer-lessor account for the transaction as a financing transaction. Judgement is required to determine whether the transferred asset to buyer-lessor constitutes sale (i.e. transfer of control) or not. Management considers the nature and commercial substance of the arrangement, option to extend a lease for substantially all of the remaining economic life of the underlying asset or option to repurchase the asset after end of the lease term at nominal value, if any and other parameters of determining control in assessing the assessment.



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

d) Income taxes

The Company's current tax provision relates to management's assessment of the amount of tax payable on open tax positions where the liabilities remain to be agreed with the relevant Tax Authority. Uncertain tax items for which a provision is made, relate principally to the interpretation of tax legislation regarding arrangements entered into by the Company. Due to the uncertainty associated with such tax items, there is a possibility that, on conclusion of open tax matters at a future date, the final outcome may differ significantly.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. In assessing the probability, the Company considers whether the Company entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the unused tax losses can be utilised before they expire. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

e) Determination of Cash Generating Unit (CGU)

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Judgement is involved in determining the CGU/grouping of CGUs for allocation of the goodwill and other assets.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Recognition of revenue from Subscription based services

The recognition of revenue from Subscription based services included preparation of estimates to determine the average customer relationship period, with the objective to recognize revenue on a straight-line basis. The estimates are related to the average time that the merchant will process the transactions with the Company.

b) Estimating breakage revenue

The Company is entitled to breakage revenue majorly arising from unutilised amount of deal vouchers or prepaid cards upon expiry. The Company estimates such amounts using historical data and customer behaviour patterns. (Refer accounting policy regarding revenue from contracts with customers, for further details.)

c) Impairment of Goodwill

Goodwill has arisen on the acquisition of subsidiary (erstwhile known as Qwiksilver Solutions Private Limited which merged with Pine India Private Limited in last year). Goodwill is tested for impairment on an annual basis on 31 March and whenever there is an indication that the recoverable amount of a cash generating unit (CGUs) is less than its carrying amount. For the impairment test, goodwill is allocated to the CGU or group of CGUs which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount of CGUs is determined based on higher of value-in-use and fair value less cost to sell. Key assumptions in the cash flow projections are prepared based on current economic conditions and comprises estimated perpetuity growth rates, weighted average cost of capital and average free cash flows to equity. Refer note 44 for further details.

d) Loss allowance of trade receivables and contract assets

In calculating expected credit loss, the Company uses judgment in making these assumptions and selecting the inputs to expected credit loss calculation based on the Company's past history of collections, existing market conditions as well as forward looking estimates at the end of each reporting period. Management also exercises judgment in specific cases and basis past experience estimates additional impairment loss provisions. These include trade and other receivables associated with litigations, balances related to customer who have not transacted/paid for more than a specific period and other reasons. Refer note 34 for further details.

e) Useful life of property, plant and equipment

The Company depreciates property, plant and equipment on a straight-line basis over the estimated useful life of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The life is based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

f) Useful life of intangibles

The Company amortizes intangible assets on a straight-line basis over estimated useful life of the assets. The useful life is estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually.

g) Defined benefits plan and other long-term benefits

The obligations arising from defined benefit plan and other long-term benefits are determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the employee benefit obligations. Due to complexities involved in the valuation and its long-term nature, employee benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period. Refer note 38 for further details.

h) Leases – Estimating the incremental borrowing rate

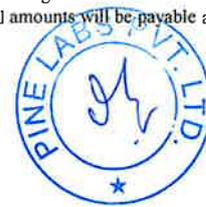
The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company "would have to pay", which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

i) Share-based payments

The employees of the Company are entitled to share options of the Parent Company. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share options, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled with employees at the grant date and cash settled and at each reporting date until settlement, the Company uses a Black-Scholes model and Monte Carlo simulation model respectively. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 43.

j) Recognition and measurement of provisions and contingencies

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. The Company is involved in various legal matters, the outcome of which may not be favourable to the Company. Management in consultation with the legal, and other advisers assess the likelihood that a pending claim will succeed. The Company has recognised liabilities based on whether additional amounts will be payable and has included contingent liabilities where economic outflows are considered possible but not probable.



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

k) Government Grant

Government grants are recognised at their fair value when there is a reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is deferred and recognised as income in the standalone statement of profit and loss on a systematic basis over the periods necessary to match the related costs, which they are intended to compensate. When the grant relates to an asset or a non-monetary item, it is recognised as deferred income under liabilities and is recognised as income in the standalone statement of profit and loss on a straight line basis over the expected useful life of the related asset or a non-monetary item.

v) Measurement of fair values

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

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

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized 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:

The Company uses the following hierarchy to determine and disclose the fair value of financial instruments through the following measurement techniques:

- Level I - quoted prices in active markets for identical assets or liabilities;
- Level II - other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level III - techniques using inputs that have a significant effect on the recorded fair value that are not based on observable market data.

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

2.2 Material accounting policies

The Company adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from April 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity specific accounting policy information that users need to understand other information in the Financials Statements.

Management reviewed the accounting policies and made updates to the information disclosed in below material accounting policies in certain instances in line with the amendments.

A Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

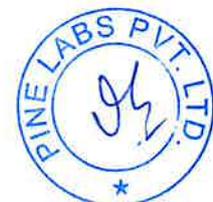
Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised profit or loss in the period in which they arise.

B Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115 – Revenue from Contracts with Customers. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in profit or loss.



Pine Labs Private Limited

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(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

Financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. For a financial asset to be classified and measured at amortised cost or Fair value through other comprehensive income (FVOCI), it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at Fair value through profit and loss (FVPL), irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at FVOCI are held within a business model with the objective of both, holding to collect contractual cash flows and selling.

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Subsequent measurement

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

a) Classification, recognition and measurement of financial assets

The Company classifies its financial assets in the following measurement categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); or
- Fair value through profit or loss (FVPL).

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortised cost include trade receivables, contract assets, term deposits, security deposits, restricted cash and cash equivalents, interest accrued on deposits, receivable for cash back, loans to employees and other receivables.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

Interest income is recognised in profit and loss and is included under the head "Other income".

Financial assets at FVOCI (debt instruments)

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the standalone statement of profit and loss similar to financial assets measured at amortised cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

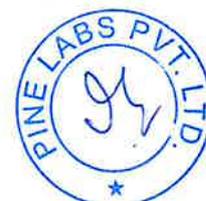
Financial assets at FVOCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under Ind AS 32 – Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the standalone statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVPL

The Company's financial assets measured at FVPL include investment in mutual funds shown under the head "financial asset at fair value through profit and loss". Financial assets at fair value through profit or loss are carried in the standalone balance sheet at fair value with net changes in fair value recognised in the standalone statement of profit and loss in other income.



Pine Labs Private Limited

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(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

Derecognition

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

- The contractual rights to receive cash flows from the asset have expired; or
 - The Company has transferred its contractual rights to receive cash flows from the asset or has assumed a contractual 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 contractual 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 the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement.

In that case, the Company also recognizes 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.

b) Impairment of financial assets

The Company recognises a loss allowance for expected credit losses ('ECL') on trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECL, whereby a loss allowance is computed based on lifetime ECL at each reporting date. The Company has established a flow rate approach that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the receivables and the economic environment.

Management also exercises judgment in specific cases and basis past experience makes additional impairment loss provisions. These include trade and other receivables associated with litigations, balances related to customer who have not transacted/ paid for more than a specific period and other reasons.

Measurement and recognition of expected credit losses

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, computed by using a loss rate.

The Company recognises an impairment gain or loss in standalone statement of profit and loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

c) Write off policy

The Company writes off a financial asset when there is information indicating that the receivables are in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in standalone statement of profit and loss.

Financial liabilities and equity

a Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is derecognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, amortised cost or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

The Company's financial liabilities include, trade and other liabilities, loans and financing including bank overdrafts, cash credit facilities from bank and financial institution.

Subsequent measurement

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

Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

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

Financial liabilities designated upon initial recognition at FVPL are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. This category includes only derivative financial instruments.



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. This category is the most relevant to the Company.

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

Derecognition

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting of financial instruments

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

C Property, plant and equipment

All items of property, plant and equipment, are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost includes directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.

Subsequent costs related to an item of property, plant and equipment are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in the standalone statement of profit and loss during the reporting period when they are incurred.

Depreciation methods, estimated useful life and residual value

Depreciation on property, plant and equipment is calculated on a straight line basis using the rates arrived at based on the useful life estimated by the management. The Company has used the following rates to provide depreciation on its property, plant and equipment:

Particulars	Useful life estimated by the management (in years)
Furniture and fixtures	5 to 10
Plant and machinery*	1.5 to 5
Office equipment	2 to 5
Computers	3
Servers and networks	3 to 6
Vehicles	3

Leasehold improvements are depreciated over lower of lease term or 7 years.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date and are not depreciated as these assets are not yet available for use.

The useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. The effect of changes in estimates, if any, is taken on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the standalone statement of profit and loss.

D 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 profit and loss in the period in which the expenditure is incurred.

Software and development cost

Certain direct development costs associated with internally developed software and software enhancements of the Company technology platform are capitalized. Capitalized costs, which occur post determination by management of technical feasibility, include external services and internal payroll costs. These costs are recorded as intangible assets when development is complete and the asset is ready for use, and are amortised on a straight-line basis, generally over a period of 3 to 5 years. Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalized only if development costs can be measured. Research and pre-feasibility development costs, as well as maintenance and training costs, are expensed as incurred. In certain circumstances, management may determine that previously developed software and its related expense no longer meets management's definition of feasible, which could then result in the impairment of such asset. Incidental operations are not necessary to bring an asset to the condition necessary for it to be capable of operating in the manner intended by management, the income and related expenses of incidental operations are recognized immediately in profit or loss, and included in their respective classifications of income and expense.

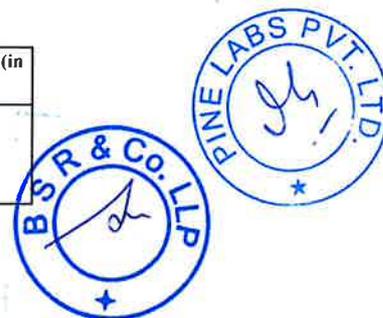
The useful life of intangible assets are assessed as either finite or indefinite.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in standalone statement of profit and loss, when the asset is derecognized.

The estimated useful life and amortization method are reviewed at the end of each reporting period.

Amortization is recognized on a straight-line basis over their estimated useful life which are as follows:

Particulars	Useful life estimated by the management (in years)
Computer software	3
Customer relationship	5
Technology	3-5
Non compete	4.25



Pine Labs Private Limited

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E Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as office equipment). For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company, where possible, uses recent bank borrowings obtained by the individual lessees as a starting point, adjusted to reflect changes in financing conditions since the borrowing was received.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the standalone balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right-of-use assets

Right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the period of the lease term. If a lessor transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

The Company applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment of non-financial assets' policy.

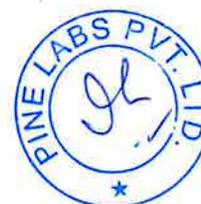
F Impairment of non-financial assets

Goodwill

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or group of cash-generating units) expected to benefit from the synergies of the combination.

The Company tests whether goodwill has suffered any impairment on an annual basis at March 31 and when circumstances indicate that the value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. Refer note 44 for a discussion of the model and key assumptions.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.



Intangible assets, property, plant and equipment and right-of-use assets

At each reporting date, the Company reviews the carrying amounts of its property, plant and equipment, intangible assets and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years.

G Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct material, pre-purchased voucher cost, pre-purchased prepaid cards, direct labour cost and direct overheads incurred (as applicable), in bringing the inventories to their present location and condition. Inventory is valued on weighted average cost basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sale.

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

H Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences and other incentives to employees.

a. Post-employment and termination benefit costs

Payments to defined contribution retirement benefit plans, such as provident fund, employee state insurance scheme and pension schemes, are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans such as gratuity and other post-employment defined benefit retirement plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements comprising actuarial gains and losses are recognised immediately in the balance sheet with a charge or credit to other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income are not reclassified. Past service cost is recognised in profit and loss when the plan amendment or curtailment occurs. Gains or losses on settlement of a defined benefit plan are recognised when the settlement occurs. Net interest is calculated by applying a discount rate to the net defined benefit liability or asset. Defined benefit costs are split into three categories:

- service costs, which includes current service cost, past service cost and gains and losses on curtailments and settlements
- interest expense or income; and
- remeasurements.

The Company recognises service costs within standalone statement of profit and loss as Gratuity and other defined benefit plans expenses under employee benefits expense.

Net interest expense or income is recognised within employee benefits expense.

b. Short term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of salaries, annual leave and sick leave, performance incentives etc. in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit.

The Company treats accumulated leave and long-term service award expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences and long-term service award are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gain/loss are immediately taken to the standalone statement of profit and loss and are not deferred.

c. Share-based payments

The employees of the Company have been granted stock options by Pine Labs Limited, the Parent Company.

The Company recognizes and measures compensation expense for all share-based awards based on the grant date fair value as per Ind AS 102, share based payments. For option awards, grant date fair value is determined under the option-pricing model (Black-Scholes-Method). The Company recognizes compensation expense for share based awards net of estimated forfeitures. Share-based compensation recognized in the standalone Statement of Profit and Loss is based on options ultimately expected to vest. As a result, the expense has been reduced for estimated forfeitures. Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The cost is recognised, together with a corresponding increase in liability towards payable to Parent Company, over the period in which the performance and/or service conditions are fulfilled in employee share option expense under employee compensation. The movement in cumulative expense recognised as at the beginning and end of that period is recognised in employee share option expense under employee compensation in the standalone statement of profit and loss.



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

I Provisions and contingent liabilities

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 the amount of the obligation can be estimated reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the standalone statement of profit and loss net of any reimbursement.

Contingent liability

A contingent liability is:

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

b) a present obligation that arises from past events but is not recognised because:

- (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- (ii) The amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

J Revenue from contract with customer

The Company derives revenue primarily from the following major sources:

- A. Digital payments
- B. Issuing

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

For the purpose of revenue recognition, the Company determines whether revenue should be recognized on a gross or net basis, which depends on which party controls the good or service before it is transferred to the customer, and whether the Company is acting as a principal or an agent to the transaction. The assessment is performed separately for each performance obligation identified.

No significant element of financing is deemed present as the sales are made with credit terms consistent with market practice.

A. Digital payments

The revenue under Digital payments is derived from following:

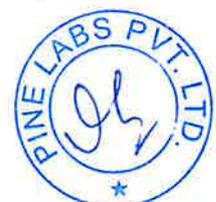
- (a) Merchant Services

Transaction and processing services revenue is comprised of: 1) fees calculated based on percentage of the monetary value of transaction processed; 2) fees calculated based on number of transactions processed; 3) fixed monthly amounts; 4) combinations thereof that are associated with transaction and processing services. The Company typically contracts with financial institutions, merchants, or affiliates of those parties. Contracts stipulate the types of processing services and articulate how fees will be incurred and calculated.

The Company's core performance obligations are to stand ready to provide continuous access to electronic payment and transaction processing services in order to be able to process as many transactions as clients require on a daily basis over the contract term and the consideration received is contingent upon the clients' use (i.e., number of payment transactions processed, number of cards on file, etc.); as such, the total transaction price is variable. These services are stand ready obligations, as the timing and quantity of transactions to be processed is not determinable. Under a stand-ready obligation, the performance obligation is defined by each time increment rather than by the underlying activities satisfied over time based on days elapsed. Because the service of standing ready is substantially the same each day and has the same pattern of transfer to the client, the Company has determined that its stand-ready performance obligation comprises a series of distinct days of service. The performance obligation to stand ready to provide continued access to transaction and processing services is satisfied equally over time and therefore, the progress is measured on a time basis. Transaction based fee represents variable consideration for which the criteria for permitting allocation of the variable consideration to distinct days of service that forms part of the single performance obligation are met, namely:

- the terms of the variable payment relate specifically to its efforts to satisfy the distinct service on a particular day (i.e. it reflects the number of transactions processed on a particular day); and
- allocating the variable amount of consideration entirely to the distinct service on a particular day is consistent with the allocation objective when considering all of the performance obligations and payment terms in the contract.

Fees for transaction and processing services are recognized each day based on the volume or transaction count at the time the merchants' transactions are processed. In case of fixed monthly amounts, revenue is recognised as and when it is accrued based on the contractual rates agreed with customers.



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

(b) Aggregator services

The Company offers merchant aggregator services to various merchants by way of facilitating the processing and settlement of transactions between the merchants and the acquirer banks, regardless of which issuing bank and card network to which the transaction relates. Revenue comprises settlement fees paid by merchants, usually as a percentage of the transaction value. The Company frequently enters into agreements with merchants under which the merchant engages the Company to provide both payment authorization services and transaction settlement services for all of the cardholder transactions of the merchant, regardless of which issuing bank and card network to which the transaction relates. The Company's core performance obligations are to stand ready to provide continuous access to the payment authorization services and transaction processing and settlement services in order to be able to process as many transactions as the merchants require on a daily basis over the contract term. These services are stand ready obligations, as the timing and quantity of transactions to be processed is not determinable. Under a stand-ready obligation, the performance obligation is defined by each time increment rather than by the underlying activities satisfied over time based on days elapsed. Because the service of standing ready is substantially the same each day and has the same pattern of transfer to the merchant, the Company has determined that the stand-ready performance obligation comprises a series of distinct days of service. The performance obligation to stand ready to provide continued access to transaction processing and settlement services is satisfied equally over time and therefore, the progress is measured on a time basis. Transaction based fee represents variable consideration for which the criteria for permitting allocation of the variable consideration to distinct days of service that forms part of the single performance obligation are met, namely:

- the terms of the variable payment relate specifically to its efforts to satisfy the distinct service on a particular day (i.e. it reflects the number of transactions processed on a particular day); and
- allocating the variable amount of consideration entirely to the distinct service on a particular day is consistent with the allocation objective when considering all of the performance obligations and payment terms in the contract.

Fees for transaction processing and settlement services is recognized each day based on the volume or transaction count at the time the merchants' transactions are processed.

The Company follows the requirements of Ind AS 115 Revenue from Contracts with Customers—Principal versus Agent Considerations, which states that the determination of whether a Company should recognize revenue based on the gross amount billed to a client or the net amount retained is a matter of judgment that depends on the facts and circumstances of the arrangement. The determination of gross versus net recognition of revenue requires judgment that depends on whether the Company controls the good or service before it is transferred to the merchant or whether the Company is acting as an agent of a third party. The assessment is performed separately for each performance obligation identified. Under the agreements, the Company incurs assessment fees and interconnect or network pass-through charges from the card issuers and card networks, related to the provision of payment authorization and settlement services.

Transaction processing and settlement fees are recognized net of assessment fees and card association fees (i.e. interconnect or interchange fees charged by intermediaries like Visa/Master card) paid to the acquiring banks / financial institutions and service fees paid to the technology service provider, since the Company is acting only as an agent in respect of these charges, due to the following reasons:

- (i) The Company does not have discretion in choosing the payment network and is unable to direct the activity of the merchant to another payment network;
- (ii) Payment network rates are pre-established by the card payment networks and card issuers and the Company does not have latitude in determining the assessment fees and card association fees;
- (iii) The Company is not primarily responsible for the authorization and settlement services performed by payment networks and card issuers but, only arrange for these services to the merchant.

Both the Company and the acquiring bank have primary obligation to provide their part of the services to merchant i.e. the Company is a principal for some specified services (i.e. provision of POS solutions) and agent for others (i.e. services provided by the acquiring banks).

Transaction processing and settlement fees are recognized net of assessment fees and card association fees paid to the acquiring banks / financial institutions and service fees paid to the technology service provider, however when the assessment fees and card association fees is higher than the transaction processing and settlement fees earned from the customer, the excess amount is classified as other expenses in standalone statement of profit and loss.

The Company also earn one-time POS installation and program integration fee for provision of installation service of POS solution to clients (refer below "Subscription based and other services").

(c) Buy Now Pay Later (BNPL) services

For transaction, processing and settlement services, wherein the merchant/issuer bank/brand partners run an equated monthly instalment (EMI) scheme for cardholder transactions, the Company has a performance obligation to provide its platform for running the scheme. In exchange, the Company charges a service fee per transaction in the EMI scheme, in addition to the transaction processing fee. Revenue from such services is recognized at a point in time, upon processing of EMI scheme on each eligible transaction and the amount is billed to merchant/issuer bank/brand partners.

(d) Cash back services

For transaction, processing and settlement services, wherein the merchant/issuer bank/brand partners run various cash back schemes for eligible cardholders, the Company has a performance obligation to provide its platform for running the schemes for the participating brands and issuer banks. In exchange, the Company charges a service fee per transaction in the said scheme, in addition to the transaction processing fee. Revenue from such services is recognized at a point in time, upon processing of each eligible transaction and the amount is billed to merchant/issuer bank/brand partners.

(e) Multiple Performance Obligations

Arrangements may contain multiple performance obligations, such as, transaction settlement services, hardware, software products, maintenance, and professional installation and training services. Revenues are allocated to each performance obligation based on the standalone selling price of each good or service.

Revenues from sales of combined hardware and software element are recognized when each performance obligation has been satisfied which has been determined to be upon the delivery of the product. Revenues derived from service fees are recognized at the time the services are performed and there are no further performance obligations. Professional services, including training, installation, and repair services are recognized as revenue as these services are performed.

(f) Subscription based and other services

The Company has contracts with customers to provide subscription-based services, in the form of one-time installation of hardware/software or both, one time solution implementation fee, one-time integration, setup and technology fee, infrastructure fee etc., either independently or bundled with transaction, processing and settlement services. These services are generally billed to the customers upfront. However, the underlying obligation to keep up and run the software and hardware or platform continues for the entire period of the contract with customer in case of subscription based services, and the pattern of benefits to the customer from such services rendered is generally even, throughout the period of contract. Revenue against such upfront subscription fee is recognized on a straight-line basis over a period of time (i.e. either the contractual term or estimated period of customer relationship, as the case may be).



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

Revenue from other services is recognized in accordance with the terms of the contract, including revenue from software licensing and maintenance. The Company's software licensing and maintenance services are considered distinct and are generally recognized at their standalone selling prices when the software code is delivered to the client and over the maintenance period respectively. The Company recognizes revenue from other services when the service is rendered.

(g) Digitization of fuel stations

The Company sells hardware and other peripherals as part of its contracts with customers in respect of digitization of fuel stations. The Company accounts for sale and installation of hardware as a single performance obligation and recognizes the revenue at its transaction price when the customer obtains control of the hardware/other peripherals and accepts the installation.

B. Issuing

The revenue under Issuing is derived from the following:

(a) Gift solutions

The Company provides gift cards and/or stored value card solutions to various retail and corporate customers.

Revenue from Gift card solutions is comprised of a) Processing services for Semi Closed Loop Programs (SCLP), Closed Loop Programs (CLP), other store value cards and b) Distribution revenue, with respect to various categories of gift cards i.e. Woohoo gift cards and other brand gift cards.

Processing services

Processing services revenue majorly comprise of fees for Gift card program management services offered on Software as a service i.e. "SaaS" solution to Merchants or brand vendors. The Company also earn one-time program initiation and implementation fee for integration and migration of data between Merchants or brand vendors' platform and the Company's platform (refer policy on "Subscription based services"). Contracts with merchants or brand vendors stipulate the types of processing services and articulate how fees will be accrued and calculated.

The Company's core performance obligations include (may be all or combination of any):

- Issue of co-brand cards, other brand cards, prepaid or postpaid cards redeemable on Merchants or brand vendor's website or application;
- Establish, maintain and administer the gift card program to facilitate issuance and redemption of gift cards issued;
- Provision of dedicated IT infrastructure and related annual maintenance

Processing fee is charged on the value of gift cards/vouchers activated or reloaded or redeemed (as per the arrangements with merchant or brand vendors) and billed to the merchants or brand vendors based on the monthly reports generated. These services are stand ready obligations, as the timing and volume of gift cards/ vouchers to be processed is not determinable. Because the service of standing ready is substantially the same each point in time the gift cards/ vouchers are activated or reloaded or redeemed and has the same pattern of transfer to the merchants or brand vendors, the Company has determined that its stand-ready performance obligation comprises a series of distinct services. The performance obligation to stand ready to provide continued access to gift card program is satisfied equally over time and therefore, the progress is measured on a time basis. Processing fee represents variable consideration for which the criteria for permitting allocation of the variable consideration to distinct days of service that forms part of the single performance obligation are met, namely:

- the terms of the variable payment relate specifically to its efforts to satisfy the distinct service on a particular day (i.e. it reflects the value of gift cards/ vouchers activated or reloaded or redeemed on a particular day); and
- allocating the variable amount of consideration entirely to the distinct service on a particular day is consistent with the allocation objective when considering all of the performance obligations and payment terms in the contract.

Processing fees are recognized at a point in time on each activation or reload or redemption of gift cards/ vouchers.

Distribution revenue

Distribution revenue majorly comprises margin/commission income from merchant or brand vendors for facilitating distribution of gift cards to retail or corporate customers net of margin/commission passed on to end customers which comprises pass-through cost. Contracts with merchants or brand vendors stipulate the type of distribution revenue and articulate how fees will be accrued and calculated.

Margin/commission income is charged on the value of gift cards/vouchers activated or reloaded or redeemed (as per the arrangements with merchant or brand vendors) and billed to the merchants or brand vendors based on the monthly reports generated. Margin/commission income are recognized at a point in time when such sale is made.

Distribution of other brand gift cards

For distribution of other brand gift cards through all the channels of the Company, as the Company is acting merely as an agent plus the obligation on Company being only to provide the gift cards to the customer, revenue is recognised at a point in time when such sale is made. For Company's Prepaid Payment Instruments (PPI) cards, revenue is recognized at a point in time upon activation/redemption as per the terms of agreement with co-branding partner.

The Company follows the requirements of Ind AS 115 Revenue from Contracts with Customers—Principal versus Agent Considerations, which states that the determination of whether a Company should recognize revenue based on the gross amount billed to a client or the net amount retained is a matter of judgment that depends on the facts and circumstances of the arrangement. The determination of gross versus net recognition of revenue requires judgment that depends on whether the Company controls the good or service before it is transferred to the merchant or whether the Company is acting as an agent of a third party. The assessment is performed separately for each performance obligation identified. Processing and distribution revenue arising from Semi Closed Loop Programs (SCLP), Open Loop Programs (OLP), Closed Loop Programs (CLP) and other brand gift cards are recognized net of discount passed on to end customers (either retail or corporate), since:

- the Company is only providing or granting or reselling the options to customers or end users (on behalf of Brand) to purchase additional goods or services from the brands by using the gift cards. Such sale of gift cards is in the nature of distribution of gift cards of another party (brands) to transfer goods or services to a customer by a third party;
- the Company does not control the gift cards and associated services before it is transferred to end customers.
- The Company is not responsible for honouring the promise to provide the specified good or service pertaining to the gift cards. The gift card issuer (i.e. merchant or brand vendor) is primary obligor for the redemption of gift cards;
- the Company does not carry any inventory risk / loss since these cards are issued on real time basis and the Company does not hold inventory at any time;
- the discretion of determining the discount to be allowed to end customer is either jointly controlled by the merchant or brand vendor and Company, or completely by the merchant or brand vendor.

For other brands cards wherein the Company maintains the inventory of the cards and has significant latitude over the pricing of the cards, the Company is acting as a principal, and revenue is recognized on a gross basis, for value of cards sold, at a point in time when such sale is made.

Woohoo gift cards:

In case of distribution of woohoo gift cards and certain card programs, the Company is entitled to incoming margin (i.e. discount received) at the time of redemption of gift cards as a percentage of the value of cards redeemed. In case of expiry of the gift cards, the Company is entitled to breakage revenue.



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

Network Cards :

In case of network cards, the Company incurs the cost in advance (in form of discount allowed to the user). The same is directly attributable to provision of such service and generation of underlying revenue from such programs. The Company recognises the upfront cost incurred as asset and accordingly recognises the same at the time of recognition of associated revenue or satisfaction of performance obligation (i.e. amortised in proportion of pattern of redemption of such cards).

Semi Closed Loop Programs (SCLP)

For all SCLP gift card programs, the Company's performance obligation being met only on redemption of the co-branded cards issued, revenue is recognised at the point in time when the gift cards are redeemed.

Closed Loop Programs (CLP)

For all CLP gift card programs, the Company's performance obligation is to provide technology throughout the life cycle of the gift cards. As the performance obligation is being met over the period revenue is recognised over the period of such contracts based on the agreed model of activation or redemption.

(b) Breakage revenue

As per Para B46 of Ind AS 115, If an entity expects to be entitled to a breakage amount in a contract liability, the entity shall recognise the expected breakage amount as revenue in proportion to the pattern of rights exercised by the customer. If an entity does not expect to be entitled to a breakage amount, the entity shall recognise the expected breakage amount as revenue when the likelihood of the customer exercising its remaining rights becomes remote.

In line with requirement of the standard as given above, the Company estimates the breakage it expects to be entitled to as the amount for which it is highly probable that a significant reversal will not occur in the future. The Company uses a portfolio of similar transactions as a source of data to estimate expected breakage for an individual contract if it has a sufficiently large number of similar transactions or other history. The estimated amount is recognised as revenue in proportion to the pattern of rights exercised by the user (proportional method). The assessment of estimated breakage is updated at each reporting period. Changes in estimated breakage is accounted for by adjusting the contract liability to reflect the remaining rights expected to be redeemed.

Accordingly, the Company recognises revenue only at the time of redemption of such cards.

(c) Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some gift card arrangements comprise the provision of payment of co-branding fee and efficiency payout to the merchants or brand vendor which give rise to variable consideration as explained below:

- Co-branding fee: The end user of co-branded cards and co-branding partner, both are customers for the Company. On sale of co-branded cards on the platform of co-branding partner, Company pays co-branding fee to the co-branding partner. It is construed as consideration payable to customer not in exchange for a distinct good or service. Such co-branding fee is considered as variable consideration and are included in determining the transaction price i.e. recognised as a reduction from the underlying revenue.

- In addition to above, the Company also makes certain other payments to co-branding partners, like program promotion support fees which are considered as consideration payable to customer. Since these give rise to variable consideration, these are included in determining the transaction price i.e. recognised as a reduction from the underlying revenue.

(d) Other revenue

Interest on funds held for customers

The Company also earns revenue from interest earned on funds held for customers in case of SCLP gift card program for provision of distribution services. Interest is earned on these funds that are initially deposited into the Company's escrow accounts maintained separately from the Company's operating cash accounts until these balances are cleared and credited to the intended recipient i.e. end user or merchant. Interest income is recognized using the effective interest method.

Deferred revenue

The Company records deferred revenue when it receives services fees in advance of transferring control of promised goods or services to a customer. A significant portion of this balance relates to service contracts where the Company received services fees from customers for upfront subscription based and other services (as mentioned above) which do not transfer value to the customer but rather are used in fulfilling the related performance obligations that transfer over time.

The service fees received is deferred over the contract term or longer period if it provides the customer a material right. The deferred revenue is recognized when underlying performance obligations are delivered.

Contract balances

Trade receivables

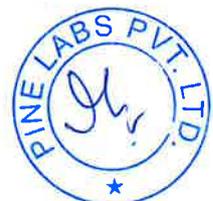
A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 2.2.B of Financial Instruments.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs its obligations under the contract. Contract liability comprises "advance from customers and liability for unredeemed gift cards" and "Deferred revenue" in the standalone financial statements.

Contract assets

A contract asset is the right to consideration in exchange of goods or services transferred to the customer. If the Company performs its obligations by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration excluding any amounts presented as a receivable.



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

K Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

L Income taxes

The income tax expense represents the sum of the current tax and deferred tax.

Current income tax

The primary tax jurisdiction of the Company is India. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognized for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

M Cash and cash equivalents

Cash and cash equivalents in the standalone balance sheet comprises cash at bank and on hand, deposits and other short-term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

N Earnings per share

Basic earnings (loss) per share is computed using the weighted average number of equity shares outstanding during the period. Diluted earnings (loss) per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, except where the results would be anti-dilutive.

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

O Borrowing costs

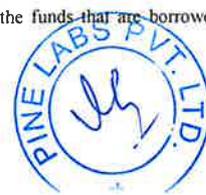
Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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. Borrowing costs incurred for the period from commencement of activities relating to construction/ development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

In case of a specific borrowing taken for the purpose of acquisition, construction or production of a qualifying asset, the borrowing costs capitalised shall be the actual borrowing costs incurred during the period less any interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset.

In case funds are borrowed generally and such funds are used for the purpose of acquisition, construction or production of a qualifying asset, the borrowing costs capitalised are calculated by applying the weighted average capitalisation rate on general borrowings outstanding during the period, to the expenditures incurred on the qualifying asset.

If any specific borrowing remains outstanding after the related asset is ready for its intended use, that borrowing is considered part of the funds that are borrowed generally for calculating the capitalisation rate.



Pine Labs Private Limited

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P Current versus non-current classification

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

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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 the 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

Q Funds held for customers and customer fund deposits liability

Funds held for customers and the corresponding liability on customer fund deposits represent funds that are collected from customers for payments to their suppliers and funds that are collected on behalf of customers. Generally, these funds held for customers are initially deposited in separate bank accounts until remitted to the customers' suppliers or to the customers. The funds held for customers are restricted for the purpose of satisfying the customers' fund obligations and are not available for general business use by the Company.

R Share capital and share issuance expenses

Proceeds from issuance of equity shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of equity shares are deducted against share capital, if any.

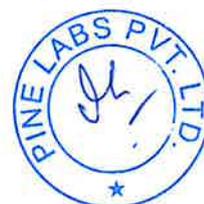
S Government Grant

Government grants are recognised at their fair value when there is a reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is deferred and recognised as income in the Statement of profit and loss and other comprehensive income on a systematic basis over the periods necessary to match the related costs, which they are intended to compensate. When the grant relates to an asset or a non-monetary item, it is recognised as deferred income under liabilities and is recognised as income in the Standalone statement of profit and loss on a straight line basis over the expected useful life of the related asset or a non-monetary item.

T The Company has adopted applicable amendments effective from 1 April 2023 with respect to Ind AS 1-Presentation of Financial Statements, Ind AS 12-Income Taxes and Ind AS 8-Accounting Policies, Changes in Accounting Estimates and Errors. The Group has evaluated that there is no significant impact of such applicable amendments on the standalone financial statements year ended 31 March 2024.

2.3 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the period commencing 1 April 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

3 Property, plant and equipment

	Leasehold improvements	Plant and machinery	Office equipment	Furniture and fixtures	Vehicles	Computers	Servers and Networks	Total	Capital work-in-progress
Cost									
Balance as at 1 April 2022	1,343	66,673	191	307	6	3,092	3,514	75,126	9,510
Additions	-	1,006	78	9	-	988	532	2,613	31,113
Disposals	-	(1,308)	(2)	-	-	(190)	-	(1,500)	-
Transfer	-	19,624	-	-	-	-	399	20,023	(20,023)
Balance as at 31 March 2023	1,343	85,995	267	316	6	3,890	4,445	96,262	20,600
Accumulated depreciation and impairment									
Balance as at 1 April 2022	601	31,268	116	169	6	1,147	1,422	34,729	-
Depreciation for the year	200	13,613	38	63	-	1,099	641	15,654	-
Impairment	-	800	-	-	-	-	-	800	-
Disposals	-	(633)	(2)	-	-	(176)	-	(811)	-
Balance as at 31 March 2023	801	45,048	152	232	6	2,070	2,063	50,372	-
Net carrying amount as at 31 March 2023	542	40,947	115	84	-	1,820	2,382	45,890	20,600
Cost									
Balance as at 1 April 2023	1,343	85,995	267	316	6	3,890	4,445	96,262	20,600
Additions	-	774	120	12	-	173	227	1,306	3,714
Disposals	-	(21,696)	(1)	(1)	-	(10)	-	(21,708)	-
Transfer to stock in trade	-	(312)	-	-	-	-	-	(312)	(469)
Transfer	874	10,833	26	129	-	-	100	11,962	(11,962)
Balance as at 31 March 2024	2,217	75,594	412	456	6	4,053	4,772	87,510	11,883
Accumulated depreciation and impairment									
Balance as at 1 April 2023	801	45,048	152	232	6	2,070	2,063	50,372	-
Depreciation for the year	277	15,744	54	73	-	1,108	687	17,943	-
Impairment	-	2,837	-	-	-	-	-	2,837	184
Disposals	-	(21,567)	(1)	(1)	-	(9)	-	(21,578)	-
Transfer to stock in trade	-	(101)	-	-	-	-	-	(101)	-
Balance as at 31 March 2024	1,078	41,961	205	304	6	3,169	2,750	49,473	184
Net carrying amount as at 31 March 2024	1,139	33,633	207	151	-	884	2,022	38,037	11,699

Note:

- Refer note 42 for disclosure of capital commitments for acquisition of property, plant and equipment.
- Refer note 5 for details related to Sale and leaseback transaction
- During the current year, the company has charged INR 3,021 lakhs amount of impairment on certain category of plant and Machinery (Digital check out points) basis internal management's evaluation on account of technology obsolescence, marketability etc.
- The Company has charged additional depreciation of INR 575 lakhs on certain Digital Checkout points on account of revised estimated useful life from 5 years to 3.5 years.
- Refer note 45 for charge on property, plant and equipment.



Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

Ageing of capital work-in-progress is as below

As at 31 March 2024					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress*	1,494	10,104	38	63	11,699
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2023					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress*	20,337	197	11	1	20,546
Projects temporarily suspended	-	-	54	-	54

The expected completion of amounts lying in capital work in progress which are delayed as on 31 March 2024 is as below:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects temporarily suspended	-	-	-	-	-

The expected completion of amounts lying in capital work in progress which are delayed as on 31 March 2023 is as below:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects temporarily suspended	54	-	-	-	54

* This majorly includes digital check out points not deployed at customer's locations as at balance sheet.



4 Intangible assets, intangible assets under development and goodwill

Particulars	Computer software	Customer relationship	Technology	Non compete	Total intangible assets	Intangible assets under development	Goodwill
Balance as at 1 April 2022							
Opening gross carrying amount	2,001	10,330	15,013	870	28,214	2,688	45,910
Additions	400	-	242	-	642	8,194	-
Disposals	(335)	-	-	-	(335)	-	-
Transfers	222	-	6,120	-	6,342	(6,342)	-
Balance as at 31 March 2023	2,288	10,330	21,375	870	34,863	4,540	45,910
Accumulated amortisation and impairment							
Balance as at 1 April 2022	1,243	6,096	8,543	605	16,487	-	-
Amortisation for the year	541	2,066	3,501	205	6,313	-	-
Disposals	(335)	-	-	-	(335)	-	-
Balance as at 31 March 2023	1,449	8,162	12,044	810	22,465	-	-
Net carrying amount as at 31 March 2023	839	2,168	9,331	60	12,398	4,540	45,910
Balance as at 1 April 2023							
Opening gross carrying amount	2,288	10,330	21,375	870	34,863	4,540	45,910
Additions	191	-	28	-	219	7,718	-
Disposals	-	-	(1,762)	-	(1,762)	-	-
Transfers	71	-	2,120	-	2,191	(2,191)	-
Balance as at 31 March 2024	2,550	10,330	21,761	870	35,511	10,067	45,910
Accumulated amortisation and impairment							
Balance as at 1 April 2023	1,449	8,162	12,044	810	22,465	-	-
Amortisation for the year	504	2,071	4,547	60	7,182	-	-
Disposals	-	-	(1,762)	-	(1,762)	-	-
Impairment	-	-	1,494	-	1,494	1,662	-
Balance as at 31 March 2024	1,953	10,233	16,323	870	29,379	1,662	-
Net carrying amount as at 31 March 2024	597	97	5,438	-	6,132	8,405	45,910

Notes :

- 1 Refer note 44 for impairment testing of goodwill.
- 2 During the current year, the company has charged INR 3,156 lakhs amount of impairment on certain intangibles basis internal management evaluation on account of technology obsolescence, marketability etc.

Ageing of intangible assets under development is as below

As at 31 March 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	6,216	2,140	-	49	8,405
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4,050	-	-	-	4,050
Projects temporarily suspended	210	231	49	-	490

The following table presents completion schedule of overdue project as on 31 March 2024:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

The following table presents completion schedule of overdue project as on 31 March 2023:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,013	-	-	-	1,013
Projects temporarily suspended	490	-	-	-	490

In the above projects that are delayed, there have been changes/enhancement in the project which lead to revision in original timelines of completion, accordingly the project would be completed as per revised timelines.



Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

5 Leases

This note provides information for leases where the Company is a lessee. The Company has taken certain commercial spaces on lease for office premises, furniture & fixtures and certain vehicles. Lease contracts are typically entered for a term of 2 years to 15 years, including extension options. The Company has also entered into certain sale and leaseback transactions with a Financial Institution. As explained in detail in note 18, such transactions have not been recognized as leases as per the guidance provided in Ind AS 116 Leases.

Extension and termination options

Extension and termination options are included in a number of leases. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The Company has some property lease arrangements that include option to renew or terminate the contract by either party by giving advance notice.

a) Right of use assets

Particulars	Building	Furniture and fitting	Vehicles	Total
Cost				
Balance as at 1 April 2022	5,765	20	-	5,785
Additions	4,278	-	300	4,578
Termination/end of lease contracts	(21)	-	-	(21)
Balance as at 31 March 2023	10,022	20	300	10,342
Accumulated amortisation				
Balance as at 1 April 2022	1,950	4	-	1,954
Charge for the year	1,065	9	32	1,106
Termination/end of lease contracts	(15)	-	-	(15)
Balance as at 31 March 2023	3,000	13	32	3,045
Net carrying amount as at 31 March 2023	7,022	7	268	7,297
Cost				
Balance as at 1 April 2023	10,022	20	300	10,342
Additions	2,211	135	529	2,875
Modifications /terminations/end of lease contracts	(849)	-	(14)	(863)
Balance as at 31 March 2024	11,384	155	815	12,354
Accumulated amortisation				
Balance as at 1 April 2023	3,000	13	32	3,045
Charge for the year	1,293	11	170	1,474
Modifications /terminations/end of lease contracts	(632)	-	(1)	(633)
Balance as at 31 March 2024	3,661	24	201	3,886
Net carrying amount as at 31 March 2024	7,723	131	614	8,468

b) Lease liabilities

(i) Amounts recognised in standalone balance sheet:

	As at 31 March 2024	As at 31 March 2023
Balance as at 1 April	8,303	4,584
Additions	2,755	4,386
Accretion of interest	882	702
Payments*	(1,896)	(1,364)
Modifications /terminations/end of lease contracts (refer note below)	(253)	(5)
Balance as at 31 March	9,791	8,303

* This represents total cash outflow for leases during the year.



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
Current	1,133	1,067
Non-current	8,658	7,236
	9,791	8,303

Contractual maturities of lease liabilities on as undiscounted basis are as given below:

	As at 31 March 2024	As at 31 March 2023
Not later than one year	2,015	1,739
Later than one year and not later than five years	6,117	5,497
Later than five years	6,200	4,928
	14,332	12,164

Amounts recognised in the standalone statement of profit and loss

	Year ended 31 March 2024	Year ended 31 March 2023
Amortisation charge on right-of-use assets (refer note 29)	1,474	1,106
Interest expense (included in finance costs (refer note 28)	882	702
Expense related to short-term leases (included in other expenses refer note 30)*	131	210

*** Short term leases**

Short term leases include certain leases of IT hardware products, co-working spaces, office spaces, including parking space with a lease term of 12 months or less.



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

6 Investment

	As at 31 March 2024	As at 31 March 2023
Investments in equity instruments		
Equity investment in subsidiary carried at cost 10,000 (31 March 2023: 10,000) shares of INR 10 each fully paid up in Mopay Services Private Limited	1	1
Equity investment in subsidiary carried at cost 100,000 (31 March 2023: Nil) shares of INR 10 each fully paid up in Grapefruit Payment Solutions Pvt Ltd	10	-
Unquoted equity shares at Fair value through other comprehensive income (FVTOCI)* 61,320 (31 March 2023: 61,320) shares of INR 100 each fully paid up in National Payments Corporation of India	1,629	1,277
Non-current investments	1,640	1,278
Less: Impairment allowance on equity investment in subsidiary	(1)	-
Total non-current investments	1,639	1,278
Investment carried at fair value through other comprehensive income	1,629	1,277
Aggregate amount of impairment in value of investments	1	-

*Investment in above equity instruments are not held for trading. Instead, they are held for long-term strategic purposes. Accordingly, the Company has elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

7 Loans

(unsecured, considered good)

	As at 31 March 2024	As at 31 March 2023
Loans to employees	48	69
Total loans - current (A)	48	69
Loans to related parties (refer note 37)#	5,741	3,126
Less: Impairment loss allowance	(11)	-
Total loans - current (B)	5,730	3,126
Total loans - current	5,778	3,195

refer below for terms of loans.

These loans are given to utilise for working capital requirements and business expansion.

These loans carries a rate of interest at 9% per annum for the year ended 31 March 2024 (31 March 2023: 9% per annum)

These loans are repayable over a period of 6 months to 22 months except loans given to subsidiaries and a fellow subsidiary which are repayable on demand. These loans are going to be repaid by financial year 2025.

8 Other financial assets

	As at 31 March 2024	As at 31 March 2023
Non-current		
Deposits with banks original maturity of more than 12 months	3,339	684
Interest accrued on deposits with banks	59	3
Security deposits*	693	621
Total other financial assets - non current	4,091	1,308
Current		
Interest accrued on deposits and earmarked balances with banks	184	674
Security deposits*	190	89
Receivable from related parties (refer note 37)	300	465
Receivable for cashback schemes	60,783	44,521
Other receivables	414	2,049
Total other financial assets - current	61,871	47,798

*Security deposits represent amount paid as deposit to landlords for the leased premises and other parties.

For lien against above balances refer note 45.

9 Income tax assets

	As at 31 March 2024	As at 31 March 2023
Non-current		
Advance income-tax (net of provision for taxation)	13,982	17,924
Total non-current income tax assets	13,982	17,924
Current		
Advance income-tax	7,582	3,044
Total current income tax assets	7,582	3,044



Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

10 Inventories (at lower of cost or net realisable value)

	As at 31 March 2024	As at 31 March 2023
Traded goods	1,959	1,902
Spares and consumables	314	186
Total inventories	2,273	2,088

The write-downs of inventories to net realisable value amounted to INR 219 lakhs for year ended 31 March 2024 (31 March 2023: 19 lakhs).

11 Other assets

	As at 31 March 2024	As at 31 March 2023
Non-current <i>(Unsecured-considered good)</i>		
Prepayments	759	1,116
Capital advances	67	105
Government grant receivable	21	24
Balance with government authorities	108	103
Total other assets - non-current	955	1,348
Current <i>(Unsecured-considered good)</i>		
Prepayments	2,646	2,198
Balance with government authorities	4,957	3,703
Advance to employees	38	13
Estimated breakages accrued*	702	820
Advance to vendors	1,906	997
Government grant receivable	624	463
Others#	670	-
Total (A)	11,543	8,194
Advances towards purchase of prepaid cards	4,776	6,259
Less: Impairment loss allowance	(586)	(586)
Total Advance towards purchase of prepaid cards net of allowance (B)	4,190	5,673
Total other current assets (A+B)	15,733	13,867

*Estimated breakages accrued refers to the amount recognised by the Company, where it is entitled to a breakage amount in a contract liability.

Includes interest on income tax refund receivables INR 634 lakhs.

12 Deferred tax assets (net)

	As at 31 March 2024	As at 31 March 2023
Components of deferred tax assets/(deferred tax liabilities)		
Property, plant and equipment including leases and other intangibles	10,106	7,232
Right-of-use assets	(2,131)	(1,837)
Employee benefit expense disallowed, excluding employee share option expense	1,256	1,123
Provision for doubtful debts and advances	1,217	1,053
Deferred government grant	643	-
Employee share based payment expense (ESOP)	139	141
Unabsorbed depreciation and carry forward losses	3,339	1,954
Others	1,268	1,024
Total deferred tax assets	15,837	10,690

Movement in deferred tax assets/(deferred tax liabilities)

	Property, plant and equipment including leases and other intangibles	Right-of-use assets	Employee benefit expense disallowed, excluding employee share option expense	Provision for doubtful debt and advances	Deferred government grant	Employee share based payment expense (ESOP)	Unabsorbed depreciation and carry forward losses	Others	Total
At 1 April 2022	5,488	(964)	998	771	-	302	1,710	676	8,981
(Charged)/credited:									
- to profit or loss	1,744	(873)	187	282	-	(161)	244	433	1,856
- to other comprehensive income	-	-	(62)	-	-	-	-	(85)	(147)
At 31 March 2023	7,232	(1,837)	1,123	1,053	-	141	1,954	1,024	10,690
(Charged)/credited:									
- to profit or loss	2,874	(294)	205	164	643	(2)	1,385	325	5,300
- to other comprehensive income	-	-	(72)	-	-	-	-	(81)	(153)
At 31 March 2024	10,106	(2,131)	1,256	1,217	643	139	3,339	1,268	15,837

Deferred income tax assets and deferred income tax liabilities have been offset wherever the Company has a legally enforceable right to set off current income tax assets against current income tax liabilities and where the deferred income tax assets and deferred income tax liabilities relate to income taxes levied by the same taxation authority.



Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

13 Trade receivables

	As at 31 March 2024	As at 31 March 2023
(Unsecured)		
Trade receivables (considered good)	50,366	48,070
Credit impaired	4,099	3,626
Less: Loss allowance	(4,099)	(3,626)
Total trade receivables	50,366	48,070

Notes:

- Trade receivables are non-interest bearing and are generally on 15 to 90 days terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.
- Information about the Company's exposure to credit risk, foreign currency, market risks and impairment losses for trade and other receivables is included in (refer note 34).
- A portion of trade receivables amounting to INR 539 lakhs and INR 655 lakhs includes receivables from related parties as at 31 March 2024 and 31 March 2023 respectively. (refer note 37)

Trade receivables ageing schedule

As at 31 March 2024

Particulars	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivables - Billed							
Undisputed trade receivables- considered good	18,112	17,217	1,271	3,044	55	121	39,820
Undisputed trade receivables- credit impaired	21	102	162	290	212	79	866
Disputed trade receivables- credit impaired	-	-	11	111	290	231	643
	18,133	17,318	1,444	3,445	557	432	41,329
Trade receivables- Unbilled							
							13,136
Less: Allowance for credit losses							4,099
Total trade receivables							50,366

As at 31 March 2023

Particulars	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivables - Billed							
Undisputed trade receivables- considered good	21,694	20,751	1,134	453	36	154	44,222
Undisputed trade receivables- credit impaired	18	142	153	278	57	23	671
Disputed trade receivables- credit impaired	4	46	142	424	188	67	871
	21,716	20,939	1,429	1,155	281	244	45,764
Trade receivables- Unbilled							
							5,932
Less: Allowance for credit losses							3,626
Total trade receivables							48,070

14 Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Balances with banks	51,100	39,054
Deposits with banks original maturity of less than three months	10	1
Total cash and cash equivalents	51,110	39,055

15 Other bank balances

	As at 31 March 2024	As at 31 March 2023
Earmarked balances with banks*	4,23,490	3,72,083
Deposits with original maturity of more than three months but less than twelve months#	9,222	30,606
Total other bank balances	4,32,712	4,02,689

* (i) The Company is required to maintain certain outstanding balances, i.e. the money collected against issuance of prepaid cards in a separate account with a scheduled commercial bank. The Company has maintained such accounts with various banks. The amount so maintained in the account can be used only for making permitted payments. Amounts received in these accounts, which are payable to merchants for settlement are restrictive in nature, and cannot be used for general purposes.

(ii) The Company has entered into agreements with certain banks whereby it acts as aggregator by providing services to various merchants in relation to facilitating electronic payments by their customers using credit cards and debit cards. The Company settles these transactions through nodal bank accounts, where applicable as per local regulations. Amounts received in these accounts, which are payable to merchants for settlement are restricted, and cannot be used for general purposes.

For lien against above balances refer note 45.



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

16 Share capital

	As at 31 March 2024	As at 31 March 2023
Authorised share capital 842,866,330 (31 March 2023 : 142,907,700) equity shares of INR 1 each	8,429	1,429
Issued, subscribed and fully paid up shares 839,950,356 (31 March 2023 : 139,614,767) equity shares of INR 1 each	8,400	1,396
	<u>8,400</u>	<u>1,396</u>

(a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting year

	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Number of shares at beginning of the year	13,96,14,767	1,396	13,52,88,950	1,353
Shares issued for cash	3,76,959	4	43,25,817	43
Bonus shares issued	69,99,58,630	7,000	-	-
Number of shares at the end of the year	<u>83,99,50,356</u>	<u>8,400</u>	<u>13,96,14,767</u>	<u>1,396</u>

(b) Terms and rights attached to equity shares

Each share holder of equity shares is entitled to one vote per share. In event of liquidation of the Company, the holders of equity shares would 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 of the company held by holding company

	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Pine Labs Limited	83,89,93,350	8,390	13,94,55,266	1,395

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

	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% Holding	Number of shares	% Holding
Equity shares				
Pine Labs Limited	83,89,93,350	99.89%	13,94,55,266	99.89%

(e) Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2024 is as follows:

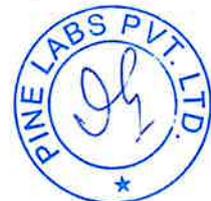
	As at 31 March 2024		As at 31 March 2023		% Change during the year
	Number of shares	% Holding	Number of shares	% Holding	
Equity shares					
Pine Labs Limited	83,89,93,350	99.89%	13,94,55,266	99.89%	0.00%

Disclosure of shareholding of promoters as at 31 March 2023 is as follows:

	As at 31 March 2023		As at 31 March 2022		% Change during the year
	Number of shares	% Holding	Number of shares	% Holding	
Equity shares					
Pine Labs Limited	13,94,55,266	99.89%	13,51,29,449	99.88%	0.01%

(f) Details of shares issued for consideration other than cash for last 5 years immediately preceding 31 March 2024

During the current year the Company has issued 699,958,630 equity shares by way of bonus issue which is fully paid up and Nil in earlier years.



Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

17 Other equity

	As at 31 March 2024	As at 31 March 2023
Reserve & Surplus		
Securities premium	2,34,302	2,37,159
Retained earnings	(38,229)	(20,106)
Other equity	1,96,073	2,17,053
a) Share application money pending allotment	As at 31 March 2024	As at 31 March 2023
Opening balance	-	15,322
Receipt of share application money	-	-
Issue of equity shares	-	(15,322)
Closing balance	-	-
b) Securities premium	As at 31 March 2024	As at 31 March 2023
Opening balance	2,37,159	1,89,618
Issue of equity shares	4,143	47,541
Issue of bonus shares (refer note 16(f))	(7,000)	-
Closing balance	2,34,302	2,37,159
c) Retained earnings	As at 31 March 2024	As at 31 March 2023
Opening balance	(20,106)	(14,965)
Net loss for the year	(18,718)	(5,611)
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
Remeasurement of post employment benefit obligations	287	244
Equity instrument through other comprehensive income	352	373
Income tax relating to these items	(153)	(147)
Transfer on account of lapse of unexercised options	109	-
Closing balance	(38,229)	(20,106)

Nature and purpose of other Reserves

Securities premium

Securities premium is used to record the premium on issue of shares. The securities premium is utilised in accordance with the provisions of the Act.

Retained earnings

Retained earnings are the accumulated profits earned by the Company till date.

18 Borrowings

	As at 31 March 2024	As at 31 March 2023
Non-current		
Secured		
Loan from banks		
Term loans (i)	11,359	14,589
Loans from a financial institution (iii)	-	812
Non-current borrowings	11,359	15,401
Current:		
Secured		
Loan from banks		
Term loans (i)	8,474	6,656
Cash credit and overdraft (ii)	27,056	4,775
Loans from a financial institution (iii)	812	3,864
Current borrowings	36,342	15,295

For all the borrowings stated above, the fair values are not materially different from their carrying amounts, since the interest payable on most of the borrowings is linked to current market rates or the borrowings are of a short-term nature. Information about the Company's exposure to interest rate and liquidity risks is included in note 34.



Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

(i) Term loans from bank

Term loans are repayable in 45 to 64 monthly instalments (March 31, 2023 : 40 to 64) with the interest rate ranging between 8.60% to 9.64%.(March 31, 2023 : 8.36% to 9.27%). These term loans are going to mature in financial year 2025 to 2028 (March 31, 2023 : 2024 to 2027). The loans are secured against exclusive charge on property, plant and equipment acquired / created out of these term loans and proportionate term deposits at agreed percentage of sanctioned and outstanding term loan amounts of the Company. (refer note 45).

(ii) Cash Credit and overdraft

Cash Credits/ Bank Overdrafts are repayable on demand. All borrowings, except two bank overdraft facilities, are linked to respective bank MCLR/RBI repo rate of interest, including agreed spreads over and above such rates. The interest rates on the aforesaid two overdraft facilities are linked to interest rate of the contracted term deposits, including agreed spread over and above such rates, on which lien has been marked in favour of the related banks. Such Borrowings are secured by:

- (a) Term deposits (amounts to the extent specified in sanctioned agreements), inventories, trade and other receivables and receivables from cashback schemes (exclusive/pari passu of the participating banks) and other current assets of the Company which have availed these limits (refer note 45). These charge are restricted to the outstanding balances of borrowings including interest and applicable charges if any.
- (b) 100% cash margin in form of term deposits lien marked in favour of the related bank for overdraft facilities.

(iii) Loans from a financial institution

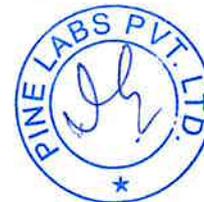
The Company has entered into various arrangements for sale and lease back of certain property, plant and equipment with a financial institution (other than bank). Under the arrangements, the related assets have been sold to the financial institution at the carrying value in the books of the Company. Further, the related assets have been leased back to the Company at a monthly lease payment for a tenor ranging from 36 months to 48 months. Since, the sale of such assets do not meet the criterion of sale under Ind AS-115, the assets have not been derecognized in accordance with guidance under Ind AS-116. The amounts received by the Company have been, consequently, presented as loans from financial institution. The interest rates on these arrangements are fixed ranging from 9.25% p.a. to 11.08% p.a.

(iv) The Company has borrowings from banks on the basis of security of certain current assets. The below is summary of quarterly reconciliation of statements of inventories, trade receivables and creditors as filed by the Company to the bank and books of account:

Particulars	Quarter ended	Amount as per books of account (A)	Amount as reported in the original quarterly return/statement (B)	Amount as reported in the revised quarterly return/statement (C)	Amount of difference between books of accounts and revised quarterly statements (A-C)
Stock	31-03-2024	2,273	2,273	2,273	-
Debtors*		1,02,199	1,02,302	1,02,199	-
Creditors#		36,982	37,238	36,982	-
Stock	31-12-2023	2,469	2,355	2,469	-
Debtors*		1,17,485	1,17,372	1,17,485	-
Creditors#		54,834	38,966	54,834	-
Stock	30-09-2023	2,496	2,496	2,496	-
Debtors*		1,00,978	1,00,718	1,00,978	-
Creditors#		42,960	41,772	42,960	-
Stock	30-06-2023	2,298	2,298	2,298	-
Debtors*		98,846	98,726	98,846	-
Creditors#		51,246	51,478	51,246	-

* Debtors includes trade receivables, contract assets and receivables for instant cashback.

Creditors includes trade payables, capital creditors and excludes creditors of gift card for which amount is maintained in earmarked funds.



Particulars	Quarter ended	Amount as per books of account (A) (Refer Note 1 below)	Amount as reported in the original quarterly return/statement (B) (Refer Note 1 below)	Amount as reported in the revised quarterly return/statement (C)	Amount of difference between books of accounts and revised quarterly statements (A-C)
Stock	31-03-2023	2,088	1,987	2,088	-
Debtors*		59,423	61,439	59,423	-
Creditors#		47,934	48,222	47,934	-
Return filed (excluding the impact of merger of Qwikilver Solutions Pvt. Ltd. with the Company)					
Stock	31-12-2022	1,257	1,257	Refer Note 2 below	
Debtors*		30,353	31,324		
Creditors#		17,614	9,810		
Stock	30-09-2022	1,060	1,060	Refer Note 2 below	
Debtors*		28,451	31,581		
Creditors#		11,313	2,048		
Stock	30-06-2022	1,161	1,160	Refer Note 2 below	
Debtors*		22,518	22,511		
Creditors#		19,496	3,024		

* Debtors includes trade receivables and contract assets.

Creditors includes trade payables and capital creditors.

Note 1: For the first 3 quarters of the year, returns / statements were filed only for balances/ amounts, excluding the impact of merger of Qwikilver Solutions Pvt. Ltd. with the Company. However, subsequently, returns (after considering the merger) for all 3 quarters were filed by the Company

Note 2: No revised return (excluding the impact of merger) was filed, as the Company subsequently filed a return including the impact of merger. There were no differences in the returns so filed.

Movement in liabilities arising from financing activities

	31 March 2024	31 March 2023
Cash Credit and bank overdrafts	(27,056)	(4,775)
Other borrowings (Term loans and loans from financial institution)	(20,645)	(25,921)
Lease liabilities	(9,791)	(8,303)
Net borrowing and lease liabilities	(57,492)	(39,000)

	Liabilities from financing activities			Total
	Lease liabilities	Cash credit and bank overdrafts	Other borrowings	
As at 1 April 2022	(4,584)	(7,636)	(16,003)	(28,223)
Proceeds from borrowings	-	-	(18,600)	(18,600)
Repayment of borrowings	-	-	8,748	8,748
Payment of lease liabilities	662	-	-	662
Termination/end of lease contracts	5	-	-	5
Total changes from financing cash flows	(3,917)	(7,636)	(25,855)	(37,408)
Change in cash credit (net)	-	2,890	-	2,890
Other changes				
New leases	(4,386)	-	-	(4,386)
Interest expense	(702)	(749)	(1,797)	(3,248)
Interest paid	702	720	1,761	3,183
Other non cash changes	-	-	(30)	(30)
As at 31 March 2023	(8,303)	(4,775)	(25,921)	(38,999)
As at 1 April 2023	(8,303)	(4,775)	(25,921)	(38,999)
Proceeds from borrowings	-	-	(6,286)	(6,286)
Repayment of borrowings	-	-	11,618	11,618
Payment of lease liabilities	1,014	-	-	1,014
Modifications /terminations/end of lease contracts	253	-	-	253
Total changes from financing cash flows	(7,036)	(4,775)	(20,589)	(32,400)
Change in cash credit (net)	-	(22,310)	-	(22,310)
Other changes				
New leases	(2,755)	-	-	(2,755)
Interest expense	(882)	(2,406)	(2,379)	(5,667)
Interest paid	882	2,435	2,367	5,684
Other non cash changes	-	-	(44)	(44)
As at 31 March 2024	(9,791)	(27,056)	(20,645)	(57,492)



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

19 Other financial liabilities

	As at 31 March 2024	As at 31 March 2023
Non current		
Payable to related parties (refer note 37)*	1,659	2,196
Security deposits received	183	168
Total other financial liabilities-non current	1,842	2,364

Other financial liabilities

	As at 31 March 2024	As at 31 March 2023
Current		
Creditors for capital goods	300	9,491
Payable to employees	5,363	6,329
Payable to related parties (refer note 37)*	24,592	17,837
Security deposits received	48	48
Payable towards cashback schemes	23,215	32,069
Other payables	9,004	1,594
Total other financial liabilities-current	62,522	67,368

* Payable to related parties includes outstanding liability towards the Parent Company with respect to Employee stock option expenses amounting to INR 26,251 lakhs (31 March 2023: INR 20,033 lakhs).

20 Deferred government grants

	As at 31 March 2024	As at 31 March 2023
Non-current	1,421	768
Current	1,777	751
Total	3,198	1,519

The Company has received grant for deployment of POS (Digital checkout points) machines in specified regions in India under Payments Infrastructure Development Fund (PIDF) Scheme issued by apex bank of India. There are no conditions attached to 75% of the claim amount and balance 25% claim amount is subject to fulfilment of certain performance parameters as defined in the scheme. Basis the past trend of performance, the Company has recognized income to the extent of 14.5% (31 March 2023: 18.5%) of such balance claim amount.

21 Provisions

	As at 31 March 2024	As at 31 March 2023
Non-current		
Provision for compensated absences	862	795
Provision for gratuity (refer note 38)	2,339	2,481
Provision for long service award	32	54
Total Employee benefit obligations - Non-current	3,233	3,330
Current		
Provision for compensated absences	608	363
Provision for gratuity (refer note 38)	1,023	653
Provision for long service award	24	16
Total Employee benefit obligations - Current	1,655	1,032

22 Trade payables

	As at 31 March 2024	As at 31 March 2023
Current		
Total outstanding dues of micro enterprises and small enterprises (refer note 41)	1,372	1,125
Dues to enterprises other than micro and small enterprises	56,302	37,318
Total trade payables	57,674	38,443

These amounts are non-interest bearing. Trade payables are monthly settled on 0 to 60 days term.



Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

Trade payables ageing schedule*

As at 31 March 2024

Particulars	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Accrued expenses	Total
Micro enterprises and small enterprises	208	99	-	-	-	1,065	1,372
Others	1,094	37,417	164	243	60	17,324	56,302
	1,302	37,516	164	243	60	18,389	57,674

*There are no MSME and other disputed dues for the year ended 31 March 2024.

As at 31 March 2023

Particulars	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Accrued expenses	Total
Micro enterprises and small enterprises	347	85	1	1	-	691	1,125
Others	2,651	18,401	121	4	3	16,133	37,313
Disputed dues- Others	-	5	-	-	-	-	5
	2,998	18,491	122	5	3	16,824	38,443

23 Other liabilities

	As at 31 March 2024	As at 31 March 2023
Current		
Statutory dues	3,244	3,762
Other liabilities	129	-
Total other liabilities - Current	3,373	3,762



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

24 Revenue from operations	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from contracts with customers		
Sale of services	94,526	1,01,379
Sale of traded goods	5,255	3,304
Other operating revenue		
Interest on funds held for customers	31,181	23,371
Total revenue from operations	1,30,962	1,28,054
Disaggregation of revenue		
Transaction processing and settlement revenue	80,465	79,312
Digitisation and other services at Petroleum outlets	6,735	5,181
Gift solutions	11,114	19,978
Sale of other goods (devices, plastic cards and gift vouchers)	1,467	212
Interest on funds held for customers	31,181	23,371
Total revenue	1,30,962	1,28,054

Reconciliation of revenue recognised with the contracted price is as follows

Gross sale of services and goods	1,68,653	1,60,959
Less: variable considerations and discounts	48,710	45,346
Less: consideration paid to customers	20,162	10,931
Net sale of services and goods	99,781	1,04,682

Timing of revenue recognition

	Year ended 31 March 2024	Year ended 31 March 2023
Goods and services transferred at a point in time	97,416	1,01,771
Services transferred over time*	33,546	26,283
Total	1,30,962	1,28,054

*Includes interest on funds held for customers amounting to INR 31,181 lakhs (31 March 2023: 23,371 lakhs)

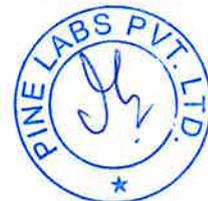
Contracts assets and contract liabilities

Contract assets

	As at 31 March 2024	As at 31 March 2023
Unbilled revenue*	7,832	11,373
Less: Loss allowance	(151)	(19)
Total contract assets	7,681	11,354

*The contract assets primarily relate to the Company's rights to consideration for performance obligation completed but not billed at the reporting date, pending substantive reconciliations with customers in few cases.

Non-current	-	-
Current	7,681	11,354
Total	7,681	11,354



Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

Contract liabilities

	As at 31 March 2024	As at 31 March 2023
Deferred revenue*	1,510	1,791
Advance from customers and liability for unredeemed gift cards**	3,93,289	3,63,286
Total contract liabilities	3,94,799	3,65,077
Non-current	329	344
Current	3,94,470	3,64,733
Total	3,94,799	3,65,077

* Deferred revenue represents the consideration received in advance, in respect of future services to be provided to customers.

** This includes outstanding liability of INR 357,313 lakhs (31 March 2023: INR 328,263 lakhs) representing obligation of the Company for unredeemed gift cards issued to customers (customers' fund deposits liability). An amount of INR 3,85,200 lakhs (31 March 2023: INR 360,394 lakhs) is maintained in earmarked balances, which is included in restricted cash and cash equivalents (refer note 14) with banks against such liability for unredeemed gift cards.

Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year.

	As at 31 March 2024	As at 31 March 2023
Revenue recognised that was included in the contract liability balance at the beginning of the year	1,273	2,737

Transaction price allocated to remaining performance obligations:

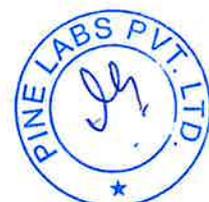
The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date:

	As at 31 March 2024	As at 31 March 2023
Deferred revenue	3,491	4,431
Total	3,491	4,431

The Company expects to recognize revenue for unsatisfied performance obligations within 1 to 5 years for 31 March 2024 (31 March 2023: 1 to 5 years) from the reporting date. This includes INR 1,980 lakhs (31 March 2023: INR 2,640 lakhs) netted off from trade receivables due to considerations not yet received against billings done to the customers.

25 Other income

	Year ended 31 March 2024	Year ended 31 March 2023
Interest on fixed deposits	1,595	1,760
Interest on income tax refund	1,274	645
Unwinding of discount on security deposits	56	33
Liabilities and provisions no longer required written back	381	426
Gain on sale of property, plant and equipment	354	183
Net gain on lease termination	27	-
Net gain arising on financial assets mandatorily measured at FVTPL	-	80
-Gain on sale of mutual funds	-	80
Service charges from related parties	294	148
Government grant	2,244	857
Interest on unsecured loans given to related parties	360	189
Miscellaneous income	36	377
Total other income	6,621	4,698

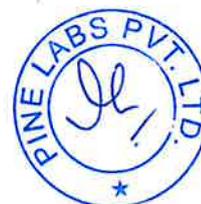


Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

26 Changes in inventories	Year ended 31 March 2024	Year ended 31 March 2023
Closing balance		
Stock-in-trade	1,959	1,902
Total closing balance	1,959	1,902
Opening balance		
Stock-in-trade	1,902	1,162
Total opening balance	1,902	1,162
Changes in stock-in-trade	(57)	(740)
27 Employee benefits expense	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	52,400	49,311
Contribution to provident and other funds	1,811	1,047
Employee share based payment expense (refer note 43)	5,798	8,635
Staff welfare expenses	2,526	1,674
Total employee benefits expense	62,535	60,667
28 Finance costs	Year ended 31 March 2024	Year ended 31 March 2023
Interest on bank borrowings	4,619	1,977
Interest on loans from a financial institution	210	598
Interest on lease liabilities (refer note 5)	882	702
Other finance costs	52	76
Total finance costs	5,763	3,353
29 Depreciation, amortisation and impairment expenses	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of property, plant and equipment (refer note 3)	17,943	15,654
Impairment of property, plant and equipment and intangibles*	6,176	800
Amortisation of intangible assets (refer note 4)	7,182	6,313
Amortisation of right-of-use assets (refer note 5)	1,474	1,106
Total depreciation, amortisation and impairment expenses	32,775	23,873

* Impairment expenses represents impairment of obsolete digital check-out points and intangibles. (refer note 3 and 4)



Pine Labs Private Limited**Notes to the standalone financial statements for the year ended 31 March 2024**

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

30 Other expenses	Year ended 31 March 2024	Year ended 31 March 2023
Spares and consumables	578	313
Rent (refer note 5)	131	210
Freight and forwarding charges	869	1,177
Transaction and client service cost*	3,551	2,306
Repairs and maintenance		
-Plant and machinery and software	4,386	4,665
-Building	803	554
Programme management fees	296	309
E-commerce site listing fees	8,469	7,580
Payment gateway charges	269	247
Others distribution and processing costs	28	15
Insurance	383	417
Travel expenses	2,677	2,586
Advertisement and business promotion	7,324	4,247
Printing and stationery	56	78
Communication costs	5,773	4,417
Rates and taxes	803	432
Legal and professional expenses	12,978	11,572
Power and fuel	263	259
Provision for obsolete and slow moving inventory (refer note 10)	219	19
Advances written off	12	13
Foreign exchange loss (net)	636	2,083
Write-off of property, plant and equipment	19	-
Data base maintenance and service charges	2,687	2,651
Miscellaneous expenses	149	119
Total other expense	53,359	46,269

* Includes technology and other operational losses on digital payment transactions.

(a) Payments to auditor comprises (applicable taxes)

As auditor:		
Statutory audit fees#	115	100
Reimbursement of expenses	6	5
Tax audit	7	2
Other services	21	9
Total	149	116

Includes INR 17 lakhs in respect of previous year (31 March 2023: INR 19 lakhs)

31 Details of CSR expenditure:

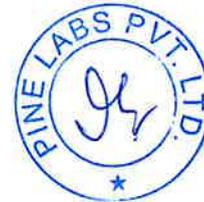
In terms of the Section 135(5) of Companies Act, 2013, the Company is not fulfilling the criteria of having average net profit for immediate three preceding financial years. Accordingly, the Company is not required to spend amount for CSR activities during the current financial year.



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
32 Income tax expense		
Current income tax expense	-	-
Deferred tax (credit)	(5,300)	(1,856)
Income tax expense	(5,300)	(1,856)
(a) Reconciliation of tax expense and the accounting profits/ (loss)		
	Year ended 31 March 2024	Year ended 31 March 2023
Loss before income tax expense	(24,018)	(7,467)
Tax at the Indian tax rate of 25.168% (Year ended 31 March 2023 – 25.168%)	(6,045)	(1,879)
Adjustments:		
Adjustments in respect of current income tax of previous years	167	-
Non-deductible expenses	555	3
Others	23	20
Income tax expense	(5,300)	(1,856)
Effective tax rate	22.07%	24.86%



33 Fair value measurements

a) Financial instruments by category

	As at 31 March 2024		As at 31 March 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
a) Measured at fair value through other comprehensive income (FVTOCI)				
Investment in equity instruments (refer (iii) below)	1,629	1,629	1,277	1,277
b) Measured at amortised cost				
Fixed deposits (including interest accrued)	12,805	12,805	31,967	31,967
Security deposits	883	883	710	710
Earmarked balances with banks	4,23,490	4,23,490	3,72,083	3,72,083
Loans	5,778	5,778	3,195	3,195
Receivable for cashback schemes	60,783	60,783	44,521	44,521
Trade receivables, net	50,366	50,366	48,070	48,070
Cash and cash equivalents	51,110	51,110	39,055	39,055
Other receivables	714	714	2,513	2,513
Total financial assets	6,05,929	6,05,929	5,42,114	5,42,114
Financial liabilities				
Measured at amortised cost				
Borrowings	47,701	47,701	30,696	30,699
Lease liabilities	9,791	9,791	8,303	8,303
Trade payables	57,674	57,674	38,443	38,443
Creditors for capital goods	300	300	9,491	9,491
Payable to employees	5,363	5,363	6,329	6,329
Payable to related parties	26,251	26,251	20,033	20,033
Security deposits received	231	231	216	216
Payable towards cashback schemes	23,215	23,215	32,069	32,069
Other payables	9,004	9,004	1,594	1,594
Total financial liabilities	1,79,530	1,79,530	1,47,174	1,47,177

Fair value hierarchy

	Notes	Level 1	Level 2	Level 3	Total
As at 31 March 2024					
Financial assets					
Investment in equity instruments	6	-	-	1,629	1,629
Total financial assets		-	-	1,629	1,629
As at 31 March 2023					
Financial assets					
Investment in equity instruments	6	-	-	1,277	1,277
Total financial assets		-	-	1,277	1,277

The following tables shows a reconciliation from the beginning balances to the ending balances for fair value measurement in Level 3 of the fair value hierarchy:

	As at 31 March 2024	As at 31 March 2023
Opening balance	1,277	904
Total gains and losses recognized in : - other comprehensive income	352	373
Net change in fair value		
Closing balance	1,629	1,277

The following methods and assumptions were used to estimate the fair values:

(i) Cash and cash equivalents, restricted cash and cash equivalents, interest accrued on fixed deposits, trade and other receivables, receivables for cashback schemes, loan to employees, other receivables, trade and other payables and other financial liabilities approximate to their fair value largely due to the short-term nature of these instruments.

(ii) For all other financial instruments, the carrying amount is either the fair value, or approximates the fair value. Investment in equity instruments is valued using Net asset method. Net asset value is calculated as the book value of total assets after deduction of book value of total liabilities.

(iii) There have been no transfers between level I, level II and level III fair value measurements.



Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

34 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board. This process provides assurance to the Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company policies and risk objectives.

(A) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and contract assets) and from its financing activities, including deposits with banks, and financial institutions, and other financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Financial assets are written off when there are indicators that there is no reasonable expectation of recovery.

Trade receivables and contract assets

Trade receivables and contract assets are non interest bearing and are generally on 30 to 90 days credit term. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. In accordance with Ind AS 109, the group applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract assets. The Company determines the expected credit losses on these items by using flow rate, estimates based on historical credit loss experience of past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Management also exercises judgment in specific cases and basis past experience makes additional impairment loss provisions. These include trade receivables associated with litigations, balances related to customer who have not transacted/ paid for more than a specific period and other reasons.

The carrying amounts of financial assets represent the maximum credit risk exposure. The Company does not hold collateral as security except in case of issuing business where the Company holds insurance cover for trade receivable basis internal assessment for specified customers.

The Company's credit risk exposure in relation to trade receivables and contract assets under Ind AS 109 as at 31 March 2024 and 31 March 2023 are set out as follows:

As at 31 March 2024

Particulars	Not due	0-6 months past due	6-12 months past due	More than 12 months past due	Total
Trade receivables and contract assets- gross carrying amount					
-Not impaired	38,210	16,586	620	2,631	58,047
-Impaired	891	733	824	1,802	4,250
	39,101	17,319	1,444	4,432	62,297
Loss allowances	(891)	(733)	(824)	(1,802)	(4,250)
Net carrying amount	38,210	16,586	620	2,630	58,047

As at 31 March 2023

Particulars	Not due	0-6 months past due	6-12 months past due	More than 12 months past due	Total
Trade receivables and contract assets- gross carrying amount					
-Not impaired	38,656	20,152	594	22	59,424
-Impaired	362	788	836	1,659	3,645
	39,018	20,940	1,430	1,681	63,069
Loss allowances	(362)	(788)	(836)	(1,659)	(3,645)
Net carrying amount	38,656	20,152	594	22	59,424

Movement in allowance accounts:

Particulars	As at 31 March 2024	As at 31 March 2023
At the beginning of year	3,645	2,578
Charge during the year*	1,067	1,506
Written off	11	-
Utilised/transferred during the year	(473)	(439)
Balance at the end of the year	4,250	3,645

* The amount does not includes impairment loss recorded on advances, recoverable for cashback and investment of INR 73 lakhs (31 March 2023: Nil).

Impairment losses in statement of profit and loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Impairment losses on trade receivables and contract assets	1,067	1,506
Bad debts written off	538	129
Impairment losses on advances	-	12
Impairment losses on loans and investment	12	-
Impairment losses on recoverable for cashback	25	-
Impairment losses on chargeback recovery	36	-
Impairment losses on trade receivables, other receivables, contract assets and loans	1,678	1,647



Other financial instruments and term deposits

Credit risk from balances with banks and financial institutions is managed by Company's treasury. Investments of surplus funds are made only with approved counterparties who meet the minimum threshold requirements under the counterparty risk assessment process. The Company monitors ratings, credit spreads and financial strength of its counter parties. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties. Counterparty credit limits are set to minimise the concentration of risks.

Cash and cash equivalents, earmarked balances with banks and fixed deposits.

The Company held cash and cash equivalents of INR 51,110 lakhs (31 March 2023: INR 39,055 lakhs), earmarked balances with banks of INR 423,490 lakhs (31 March 2023: INR 372,082 lakhs) and fixed deposits of INR 12,561 lakhs (31 March 2023: 31,290 lakhs) with banks which are considered to have low credit risk.

Security deposits

The Company monitors the credit rating of the counterparties on regular basis. These instruments carry very minimal credit risk based on the financial position of parties and Company's historical experience of dealing with the parties.

(B) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company closely monitors its liquidity position and deploys a cash management system. It maintains adequate sources of financing including loans, debt, cash credit and overdraft facilities from banks. The balance sheet date, among other bank balance, the Company held deposits with original maturity of more than three months but less than twelve months of INR 9,222 lakhs as at 31 March 2024 (31 March 2023: INR 30,606 lakhs) that are expected to readily generate cash inflows for managing liquidity risk.

(i) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities:

Contractual maturities of financial liabilities : (undiscounted cash flows)

	Less than 1 year	1 to 2 years	2 to 5 Years	More than 5 years	Total
31 March 2024					
Borrowings	37,848	7,365	4,999	-	50,212
Lease liabilities	2,015	1,950	4,167	6,200	14,332
Trade payables	57,674	-	-	-	57,674
Other financial liabilities	62,522	1,424	417	-	64,363
Total	1,60,059	10,739	9,583	6,200	1,86,581
31 March 2023					
Borrowings	17,158	8,902	8,124	-	34,184
Lease liabilities	1,739	1,608	3,889	4,928	12,164
Trade payables	38,443	-	-	-	38,443
Other financial liabilities	67,368	1,599	765	-	69,732
Total	1,24,708	12,109	12,778	4,928	1,54,523

There is no undrawn amount against the term loan facility of the Company. The Company also has access to financing facilities (excluding term loan) as described below. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

	As at 31 March 2024	As at 31 March 2023
Secured cash credit and other facility including non fund based:		
-amount used	27,056	4,775
-amount unused	33,594	36,425

(C) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency rate risk, interest rate risk and other price risks, such as equity risk. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables, payables, borrowings and investment in mutual funds. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance.

The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. Currently, no interest rate swaps or forward contracts are taken to cover any foreign currency fluctuations and interest rate risk.

(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 changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt interest obligations, except in case of borrowings from a financial institution. Further, the Company engages in financing activities at both fixed and market linked rates. Any changes in the market linked interest rates environment may impact future rates of market linked borrowing. The board continuously monitors the prevailing interest rates in the market.

Sensitivity

With all other variables held constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rates on floating rate portion of borrowings (excluding cash credit facilities):

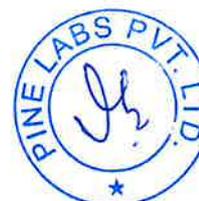
Particulars	Impact on loss (increase/(decrease))	
	31 March 2024	31 March 2023
Interest rate (increase by 100 basis points)	233	138
Interest rate (decrease by 100 basis points)	(233)	(138)

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment, assuming other variables to be constant.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. Fluctuations in foreign currency exchange rates may have an impact on the standalone statements of profit and loss, the standalone statement of changes in equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company.

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to trade receivables and payables. The Company does not enter into derivative financial instruments (such as foreign currency forward contracts) for hedging of its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.



Notes to the standalone financial statements for the year ended 31 March 2024
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Exposure to currency risk

The following table analyzes foreign currency risk from financial assets and liabilities as of 31 March 2024 and 31 March 2023:

		As at 31 March 2024		As at 31 March 2023	
		Foreign currency (In lakhs)	Indian Rupee	Foreign currency (In lakhs)	Indian Rupee
Trade receivables	SGD	6	355	4	272
	USD	5	444	5	372
	AUD	1	77	6	344
	EURO	3	305	1	48
	THB	0	0	0	1
	MYR	-	-	0	6
	IDR	48	0	74	0
	PHP	47	69	-	-
Other financial assets	USD	1	110	5	432
Other financial liabilities	USD	315	26,251	244	20,037
	SGD	-	-	1	49
Trade payables	USD	27	2,216	20	1,656
	SGD	6	367	7	418
	MYR	-	-	1	25
	AED	-	-	5	112
	AUD	1	37	1	50
	THB	-	-	6	14
	IDR	-	-	2,506	14
	EURO	2	140	-	-
Cash and cash equivalents	SGD	3	165	0	9
	USD	2	147	5	419
	EUR	0	14	0	4
	AUD	6	333	-	-

Sensitivity

The Company is mainly exposed to the fluctuations in USD.

The following table details the Company's sensitivity to a 5% increase and decrease in currency units against USD. 5% is the rate used in order to determine the sensitivity analysis, considering the past trends and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates.

A positive number below indicates an increase in profit and other reserves where INR strengthens 5% against USD. For a 5% weakening of INR against USD, there would be a comparable impact on the profit and other reserves, and the balances below would be negative.

Particulars	Impact on loss ((increase)/decrease)	
	31 March 2024	31 March 2023
USD sensitivity		
INR/USD - Increase by 5%	(1,388)	(1,023)
INR/USD - Decrease by 5%	1,388	1,023

35 Capital management**Risk management**

For the purpose of the Company's capital management, capital includes ordinary share capital and reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. The Company focus is to keep strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company. The Company is not subject to any externally imposed capital requirements.

36 Additional Regulatory Information**a) Analytical Ratios**

Ratio	Numerator	Denominator	31 March 2024	31 March 2023	Variance (in %)
Current ratio (in times)	Current assets	Current liabilities	1.14	1.16	-2%
Debt equity ratio (in times) (refer note (ai))	Total debt=Borrowings+Lease liabilities	Shareholder equity	0.28	0.18	57%
Debt service coverage ratio (in times) (refer note (a(ii)))	Earnings available for debt service	Debt service	1.20	1.94	-38%
Return on equity (in %) (refer note (a(iii)))	Net profit after taxes	Average shareholders equity	-8.85%	-2.74%	223%
Inventory turnover ratio (in times)	Cost of goods sold	Average inventory	2.52	2.89	-13%
Trade receivable turnover ratio (in times)	Revenue from operations	Average accounts receivable	2.23	2.68	-17%
Trade payables turnover ratio (in times)	Purchase of stock in trade+Other expenses (excluding non cash expenses)	Average trade payable	1.21	1.52	-21%
Net capital turnover ratio (in times)	Net Sales	Working capital	1.69	1.83	-8%
Net profit ratio (in %) (refer note (a(iv)))	Net profit	Net sales	-14.29%	-4.38%	226%
Return on capital employed (in %) (refer note (av))	EBIT=Earning before interest and taxes	Capital employed = Tangible networth + Total debt + Total deferred tax liability	-9.06%	-2.11%	329%

Since the Company only has NPCI investment which is already recorded at fair value. The Company has recorded INR 352 lakhs as gain on investment value of INR 1,277 lakhs.

Remarks

(ai) Due to increase in loss and borrowings during the current year.

(a(ii)) Due to increase in net loss (on account of increase in depreciation, amortisation and impairment expenses) and increase in payments of leases and borrowings as compared to previous year.

(a(iii)) Due to increase in net loss (on account of increase in depreciation, amortisation and impairment expenses) and increase in average equity.

(a(iv)) Due to increase in net loss (on account of increase in depreciation, amortisation and impairment expenses).

(av) Due to decrease in earnings available for debt service (on account of increase in depreciation, amortisation and impairment expenses) and increase in payments of leases and borrowings as compared to previous year.



Notes to the standalone financial statements for the year ended 31 March 2024
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b) Others

- i) The Company does not have any Benami property, where any proceedings have been initiated or pending against the Company for holding any Benami property.
- ii) The Company has been granted revised borrowing limits from ICICI bank on 31 March 2024 against which charge documents yet to be filed.
- iii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- iv) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).
- v) The Company has not traded or invested in Crypto currency or Virtual Currency during the period covered by this financial year.
- vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (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.
- vii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (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.
- viii) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- ix) a) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
b) The Company (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs as part of the Group.

c) Disclosure for struck off companies

The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under section 248 of the Companies Act, 2013:

Name of struck off Company	Nature of transactions with struck off company	31 March 2024		31 March 2023	
		Balance outstanding	Relationship with the struck off company, if any	Balance outstanding	Relationship with the struck off company, if any
21St Century Entertainment Private Limited	Trade Receivables	7	Customer	8	Customer
A K Unique Solution Private Limited	Trade Receivables	0	Customer	1	Customer
Aardi Solar Energy Private Limited	Trade Receivables	0	Customer	0	Customer
Abhi Repair Private Limited	Trade Receivables	0	Customer	0	Customer
Accor Business & Travel Management (Opc)Private Limited	Trade Receivables	1	Customer	0	Customer
Ace Sicurezza Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Adhwith Traders Private Limited	Advance from customer	-	Customer	(0)	Customer
Adenture Autotronic Private Limited	Trade Receivables	0	Customer	0	Customer
Aesthetica Aesthetic Cosmatic Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Ageless World Tours Private Limited	Trade Receivables	0	Customer	0	Customer
Allies Holidays And Resorts Private Limited	Trade Receivables	-	Customer	0	Customer
Alokik Concept Marketing Private Limited	Trade Receivables	1	Customer	1	Customer
Amps E-Wheels Private Limited	Trade Receivables	-	Customer	0	Customer
Apple Spring Reality And Services Private Limited	Trade Receivables	0	Customer	0	Customer
Applegadgets Technologies Private Limited	Trade Receivables	0	Customer	0	Customer
Astrix Study Private Limited	Trade Payables	(0)	Vendor	(0)	Vendor
Avana Healthcare Private Limited	Trade Receivables	0	Customer	0	Customer
Avedenshi Services (Opc) Private Limited	Trade Receivables	0	Customer	0	Customer
Baron Electronics Private Limited	Trade Receivables	0	Customer	0	Customer
Benivo Power Solutions Private Limited	Trade Receivables	0	Customer	0	Customer
Bitet Research And Solutions Private Limited	Trade Receivables	0	Customer	0	Customer
Cashbag Tech Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Cloud9 Ventures Private Limited	Trade Receivables	-	Customer	-	Customer
Cloudone International Network Limited	Trade Receivables	0	Customer	0	Customer
Conrad Privilege Services (Opc) Private Limited	Trade Receivables	-	Customer	0	Customer
Countywide Vacations (Opc) Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Dab Travels Private Limited	Trade Receivables	0	Customer	0	Customer
Dessi Dhaaba Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Dezso Marketing Private Limited	Trade Receivables	0	Customer	0	Customer
Diazo Industries Limited	Trade Receivables	0	Customer	0	Customer
Ebuy Electronics Private Limited	Trade Receivables	0	Customer	0	Customer
Eversure Products Private Limited	Trade Receivables	-	Customer	0	Customer
Farmtoretail Concepts India (Opc) Private Limited	Trade Receivables	0	Customer	0	Customer
Femto I Care Private Limited	Trade Receivables	0	Customer	0	Customer
Fortino Wellness Private Limited	Trade Receivables	0	Customer	-	Customer
Fortune Marketing Private Limited	Advance from customer	(3)	Customer	(3)	Customer
Freeways Multitrade Private Limited	Trade Receivables	-	Customer	(0)	Customer
Futurecode Technologies Private Limited	Trade Receivables	-	Customer	-	Customer
Gamsa Hospitality Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Gamet Marketing Pvt Ltd	Trade Receivables	0	Customer	0	Customer
Gaurika Wellness Private Limited	Trade Receivables & Advance from customer	-	Customer	0	Customer
Gci Network Private Limited	Advance from customer	(1)	Customer	(0)	Customer
Genius Consultants Pvt. Ltd	Trade Receivables	-	Customer	-	Customer
Glow And Grow Services Private Limited	Trade Receivables	-	Customer	0	Customer
Godwin Resorts & Hotels Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Gofit Wellness Private Limited	Trade Receivables	0	Customer	0	Customer
Green Electronics & Engineering India Private Limited	Trade Receivables	0	Customer	0	Customer
Gromo Systems Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Gym Zone India Private Limited	Trade Receivables	0	Customer	0	Customer
Hbm Food Services Private Limited	Trade Receivables	0	Customer	0	Customer
Hdmc Trading Private Limited	Trade Receivables	0	Customer	0	Customer
Hls Auto Mobiles Private Limited	Trade Receivables	0	Customer	0	Customer
I-Abroad Education & Immigration Services Private Limited	Trade Receivables	0	Customer	0	Customer
Impresa Hospitality Management Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Inglorious Gluttony Private Limited	Trade Receivables	0	Customer	0	Customer



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024
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Name of struck off Company	Nature of transactions with struck off company	Balance outstanding	Relationship with the struck off company, if any	Balance outstanding	Relationship with the struck off company, if any
Invictus Hospitality Private Limited	Trade Receivables	-	Customer	0	Customer
J T S Trade Mart Private Limited	Trade Receivables	2	Customer	2	Customer
Jalan Services Private Limited	Trade Receivables	-	Customer	0	Customer
Joy Supermarket Private Limited	Trade Receivables	0	Customer	0	Customer
Jr Prince Mall (Opc) Private Limited	Trade Receivables	0	Customer	0	Customer
Jyotikant Hypermart India Private Limited	Trade Receivables	0	Customer	0	Customer
Kaffee Concepts Gurgaon Private Limited	Trade Receivables	0	Customer	0	Customer
Kamadhenu Multicuisine Private Limited	Trade Receivables	-	Customer	0	Customer
Kkm Digital Marketing Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Kloud Kuisine (Opc) Private Limited	Trade Receivables	-	Customer	0	Customer
Konselect Educare Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Kwals Cafe Private Limited	Trade Receivables	-	Customer	0	Customer
Maa Antair Foods Private Limited	Trade Receivables	1	Customer	1	Customer
Marques Automotive Private Limited	Trade Receivables & Advance from customer	0	Customer	(0)	Customer
Methknow Technologies Private Limited	Trade Receivables	-	Customer	0	Customer
Mkp It Services Private Limited	Trade Receivables & Advance from customer	0	Customer	0	Customer
Mobac Retail Private Limited	Trade Receivables	-	Customer	0	Customer
Moriah Retail Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Mother Land Hospitality Private Limited	Trade Receivables	-	Customer	0	Customer
Munadi Communication Private Limited	Trade Receivables	-	Customer	1	Customer
Mystream Futuretech Private Limited	Trade Receivables	-	Customer	0	Customer
Neelam Hotels Private Limited	Trade Receivables	0	Customer	0	Customer
Nimara Food And Beverages Private Limited	Trade Receivables	-	Customer	0	Customer
Nnr Infra Projects India Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Nocsbiz Private Limited	Trade Receivables	0	Customer	(0)	Customer
Northern Aircool Private Limited	Advance from customer	(0)	Customer	-	Customer
Npc Foods (Opc) Private Limited	Trade Receivables	0	Customer	0	Customer
Onkar Electronics Private Limited	Trade Receivables	-	Customer	-	Customer
Oziwo Hospitality Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Pengala Learning Pvt. Ltd.	Advance from customer	(0)	Customer	(0)	Customer
Pepper & Tarragon Restaurant Private Limited	Trade Receivables	0	Customer	0	Customer
Pochies Security Services Private Limited	Trade Receivables	0	Customer	0	Customer
Prakruthi Agri Fresh Private Limited	Trade Receivables	-	Customer	0	Customer
Principia Mathematica India Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Punjab Crockery House Private Limited	Trade Receivables	0	Customer	1	Customer
Qnq Hospitality And Ventures Private Limited	Trade Receivables	-	Customer	0	Customer
Qway India Mark Private Limited	Trade Receivables	-	Customer	1	Customer
Raso Solutions Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Regiis Resorts And Hotels Private Limited	Trade Receivables	0	Customer	0	Customer
S.M. Corporation Private Limited	Advance from customer	-	Customer	(3)	Customer
Sagar Business Private Limited	Trade Receivables	-	Customer	-	Customer
Sai Ram Silks Private Limited	Trade Receivables	0	Customer	0	Customer
Samal Classes Private Limited	Trade Receivables	0	Customer	-	Customer
Samrat Cold Storage Private Limited	Trade Receivables	-	Customer	0	Customer
Sanasri Builders And Developers Private Limited	Trade Receivables	0	Customer	0	Customer
Saraansh Health India Private Limited	Trade Receivables	0	Customer	0	Customer
September Moons Accessories Private Limited	Trade Payables	0	Vendor	0	Vendor
Shweta Leisure Private Limited	Trade Receivables	-	Customer	1	Customer
Signature Stardom Private Limited	Trade Receivables	0	Customer	0	Customer
Square Shope India Private Limited	Trade Receivables	-	Customer	1	Customer
Sree Suprabhath Townships Private Limited	Trade Receivables	0	Customer	0	Customer
Sterling Enterprises Private Limited	Trade Receivables	0	Customer	0	Customer
Suarabhakti Goods Pvt.Ltd.	Trade Receivables	-	Customer	0	Customer
Sun Silver Concept Marketing Private Limited	Trade Receivables	-	Customer	6	Customer
Sun Sports Private Limited	Trade Receivables	-	Customer	-	Customer
Swatheretail Consulting Private Limited	Trade Receivables	0	Customer	0	Customer
T & D Ventures Private Limited	Trade Receivables	0	Customer	0	Customer
Takbeer Tours & Travels Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Tenacious Retail Private Limited	Advance from customer	(0)	Customer	(0)	Customer
The Dressing Lounge Private Limited	Trade Receivables	-	Customer	-	Customer
Third Rock (India) Private Limited	Trade Receivables	-	Customer	-	Customer
Thodaaur Services Private Limited	Trade Receivables	-	Customer	0	Customer
Tip Top Metal Printers Private Limited	Trade Receivables	0	Customer	0	Customer
Ujjan International Multitrade Private Limited	Trade Receivables	-	Customer	0	Customer
Ultimate Tactical And Combat Private Limited.	Trade Receivables	0	Customer	0	Customer
Unitedblack Cats Private Limited	Trade Receivables	-	Customer	-	Customer
Unlimited Technology Pvt Ltd	Trade Receivables	0	Customer	-	Customer
Vascon Real Estate And Travel Management(Opc) Private Limited	Trade Receivables	0	Customer	0	Customer
Veelap Technologies Private Limited	Trade Receivables	0	Customer	0	Customer
Vegitara Tel Systems Private Limited	Trade Receivables	0	Customer	-	Customer
Venkateshwara Distributors Private Limited	Trade Receivables	-	Customer	0	Customer
Vinayak Hospitality Private Limited	Trade Receivables	-	Customer	0	Customer
Viraaksh Abhaya Ganapathi Foods Private Limited	Trade Receivables	-	Customer	0	Customer
Visaag Technologies Private Limited	Advance from customer	(0)	Customer	(0)	Customer
Yuvi Entertainment Private Limited	Trade Receivables	3	Customer	3	Customer
Zaga Foods Private Limited	Advance from customer	(0)	Customer	0	Customer
Zstino Private Limited	Trade Receivables	-	Customer	0	Customer
Junkry Texretail Private Limited	Advance from customer	(0)	Customer	0	Customer
Duro Apparels Private Limited	Trade Receivables	0	Customer	0	Customer



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

37 Related party disclosures:

(a) Parent entity and fellow subsidiaries

Name of entity	Type
Pine Labs Limited	Holding Company
Mopay Services Private Limited	Subsidiary Company
Grapefruit Payment Solutions Private Limited (w.e.f 14 June 2023)	Subsidiary Company
Pine Labs Payment Services Provider L.L.C	Fellow subsidiary
Pine Labs Digital Solutions Private Limited (formerly knowns as Pine Labs Finance Private Limited)	Fellow subsidiary
Fave Group Pte ltd.	Fellow subsidiary
Beeconomic Singapore Pte Ltd	Fellow subsidiary
Fave Asia Sdn Bhd	Fellow subsidiary
Fave Asia Technologies Sdn Bhd	Fellow subsidiary
Pine Labs, Inc, Philippines	Fellow subsidiary
Qwikcilver Solutions Pte Ltd.	Fellow subsidiary
Qwikcilver Solutions Pty Limited	Fellow subsidiary
PT Disdus (Indonesia)	Fellow subsidiary
Pine Labs Private Limited, Thailand	Fellow subsidiary
Pine Payment Solutions SDN. BHD.	Fellow subsidiary
Brokentsuk Technologies Private Limited (w.e.f 24 June 2022)	Fellow subsidiary
Synergistic Financial Networks Private Limited (w.e.f 12 April 2022)	Fellow subsidiary
Cashless Technologies India Private Limited (w.e.f 12 April 2022)	Fellow subsidiary
Qfix Infocomm Private Limited	Fellow subsidiary
Qwikcilver Solutions Inc (w.e.f September 27, 2023)	Fellow subsidiary

(b) Key managerial personnel:

Kush Mehra (Director)
Tanya Mohan Naik (Director)
Indresh Kumar Gupta (Director)
Isha Jaiswal (Company Secretary) (w.e.f 28 Septemeber 2023)

(c) Key management personnel compensation:#

Remuneration paid	Year ended	Year ended
	31 March 2024	31 March 2023
Short-term employees benefits	541	456
Post-employment benefits*	25	4
Long-term employee benefits*	8	1
Employee share-based payment	238	345
Total	812	806

#Compensation for key management personnel has been disclosed from the date they became key management personnel.

* Post employment benefits and long-term employee benefits have been disclosed from the actuarial valuation done for Key management personnel separately.

(d) Details of related party transactions during the year:

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
Subscription for new equity shares by Holding Company	4	43
Issue of bonus shares to Holding Company	6,992	-
Securities premium received from Holding Company	4,143	47,541
Sale of services*		
Pine Labs Private Limited, Thailand	4	4
Pine Payment Solutions SDN. BHD.	73	52
PT Disdus Indonesia	3	5
Qwikcilver Solutions Pte Ltd.	918	711
Qwikcilver Solutions Pty Ltd	961	827
Pine Labs, Inc, Philippines	86	-
Pine Labs Payment Services Provider L.L.C	1	-
Grapefruit Payment Solutions Private Limited	14	-

*Reported figure is net of discount received and discount allowed to party.

Service charges from related parties

Pine Labs Limited	-	37
Pine Payment Solutions SDN. BHD.	-	66
Pine Labs Payment Services Provider L.L.C	40	45
Qwikcilver Solutions Pte Ltd.	254	-

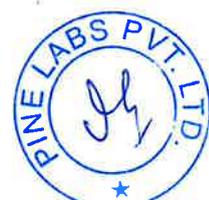


Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
Interest on unsecured loans given to related parties		
Synergistic Financial Networks Private Limited	135	188
Cashless Technologies India Private Limited	209	-
Qfix Infocomm Private Limited	10	0
Mopay Services Private Limited	1	1
Grapefruit Payment Solutions Private Limited	5	-
Loans given to related parties during the year		
Synergistic Financial Networks Private Limited	10	-
Cashless Technologies India Private Limited	6,100	-
Qfix Infocomm Private Limited	223	-
Grapefruit Payment Solutions Private Limited	292	-
Loans repaid by related parties during the year		
Synergistic Financial Networks Private Limited	3,215	-
Cashless Technologies India Private Limited	1,085	-
Qfix Infocomm Private Limited	48	-
Sale of stock-in-trade		
Pine Payment Solutions SDN. BHD.	125	-
Purchase of property, plant and equipment		
Synergistic Financial Networks Private Limited	549	-
Expenses incurred by Company on behalf of related parties		
Pine Labs Digital Solutions Private Limited (formerly knowns as Pine Labs Finance Private Limited)	-	9
Pine Labs Limited	30	-
Mopay Services Private Limited	-	1
Qfix Infocomm Private Limited	-	10
Synergistic Financial Networks Private Limited	-	14
Pine Payment Solutions SDN. BHD.	5	-
Pine Labs Payment Services Provider L.L.C	1	-
Qwikilver Solutions Pte Ltd.	143	-
Fave Asia Sdn Bhd	7	-
Brokentusk Technologies Pvt Ltd	16	-
Expenses paid to related parties		
Pine Labs Limited	1,531	1,613
PT Disdus Indonesia	90	152
Pine Labs, Inc, Philippines	195	183
Qwikilver Solutions Pte Ltd.	1,207	1,281
Pine Payment Solutions SDN. BHD.	294	256
Qwikilver Solutions Pty Ltd	418	223
Pine Labs Payment Services Provider L.L.C	390	211
Pine Labs Private Limited, Thailand	7	27
Brokentusk Technologies Private Limited#	621	8
Fave Asia Sdn Bhd	387	-
Fave Asia Technologies Sdn Bhd	-	768
Cashless Technologies India Private Limited*	2,605	-
Beeconomic Singapore Pte Ltd	96	-
Qwikilver Solutions Inc	55	-
# Netted off from revenue INR 562 lakhs.		
* Netted off from revenue INR 2,605 lakhs.		
Cashback recovered on behalf of and paid to related party		
Cashless Technologies India Private Limited	1,187	-
Purchase of investment from related party		
Synergistic Financial Networks Private Limited	10	-
Employee share based payment expense cross charged by Holding Company		
Pine Labs Limited	5,798	8,635



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
(e) Outstanding balances arising :		
Other financial liabilities		
Pine Labs Limited	26,251	20,033
Synergistic Financial Networks Private Limited	99	-
Payable to Key managerial personnel	-	118
Trade payables		
Qwikcilver Solutions Pte Ltd.	358	461
Qwikcilver Solutions Pty Ltd	37	50
Pine Payment Solutions SDN. BHD.	167	67
Pine Labs Private Limited, Thailand	21	14
PT Disdus Indonesia	31	51
Pine Labs Payment Services Provider L.L.C	282	112
Fave Asia Sdn Bhd	104	-
Fave Asia Technologies Sdn Bhd	-	78
Pine Labs, Inc, Philippines	118	57
Pine Labs Limited	1,374	1,359
Brokentusk Technologies Pvt Ltd	380	8
Cashless Technologies India Private Limited	787	-
Beeconomic Singapore Pte Ltd	9	-
Qwikcilver Solutions Inc	55	-
Unsecured loans to related parties		
Mopay Services Private Limited (Net of impairment INR 11 lakhs (31 March 2023:Nil)*)	-	11
Synergistic Financial Networks Private Limited	-	3,075
Qfix Infocomm Private Limited	223	40
Cashless Technologies India Private Limited	5,204	-
Pine Labs Digital Solutions Private Limited (formerly knowns as Pine Labs Finance Private Limited)*	10	-
Grapefruit Payment Solutions Private Limited	292	-
*During the current year, for these related parties other recoverables (financial assets) have been converted into unsecured loans.		
Other financial assets		
Pine Labs Limited	30	63
Pine Payment Solutions SDN. BHD.	17	256
Pine Labs Payment Services Provider L.L.C	86	112
Pine Labs Digital Solutions Private Limited (formerly knowns as Pine Labs Finance Private Limited)	1	9
Qfix Infocomm Private Limited	-	10
Synergistic Financial Networks Private Limited	-	14
Mopay Services Private Limited	-	1
Qwikcilver Solutions Pte Ltd.	143	-
Brokentusk Technologies Private Limited	16	-
Fave Asia Sdn Bhd	7	-
Trade receivables		
Pine Payment Solution Sdn Bhd	-	26
Qwikcilver Solutions Pte Ltd.	355	273
Qwikcilver Solutions Pty. Ltd.	77	349
PT Disdus Indonesia	8	5
Pine Labs Private Limited, Thailand	-	3
Pine Labs, Inc, Philippines	86	-
Pine Labs Payment Services Provider L.L.C	1	-
Grapefruit Payment Solutions Private Limited	13	-
Investment		
Mopay Services Private Limited (Net of impairment of INR 1 lakhs (31 March 2023: Nil))	-	1
Grapefruit Payment Solutions Private Limited	10	-

(f) Terms and conditions

All other transactions were made on normal commercial terms and conditions and at market rates. All balances receivables and payables are unsecured and to be settled in cash.



Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

38 Employee benefits

(a) Defined contribution plans

The Company provide provident fund and employee's state insurance scheme for eligible employees as per applicable regulations where in both employees and the Company make monthly contributions at a specified percentage of the eligible employee's salary. The expense recognised during the year towards defined contribution plan is INR 1,811 lakhs (31 March 2023: INR 1,047 lakhs).

(b) Defined benefit plan

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Company have an unfunded defined benefit gratuity plan as per Payment of Gratuity Act, 1972.

Details of changes and obligation under the defined benefit plan is given as below:-

I Expense recognized in the standalone statement of profit and loss:

- (i) Current service cost
- (ii) Past service cost
- (iii) Interest cost

	Year ended 31 March 2024	Year ended 31 March 2023
(i) Current service cost	731	727
(ii) Past service cost	-	26
(iii) Interest cost	209	168
Net expense recognized in the standalone statement of profit and loss	940	921

II Remeasurement of (gain)/loss recognised in other comprehensive income

- (i) Actuarial changes arising from changes in demographic assumptions
- (ii) Actuarial changes arising from changes in financial assumptions
- (iii) Actuarial changes arising from changes in experience adjustments

	Year ended 31 March 2024	Year ended 31 March 2023
(i) Actuarial changes arising from changes in demographic assumptions	(216)	(222)
(ii) Actuarial changes arising from changes in financial assumptions	(260)	(265)
(iii) Actuarial changes arising from changes in experience adjustments	189	243
Net gain recognised in other comprehensive income	(287)	(244)

III Changes in obligation during the year:

- (i) Opening balance
- (ii) Current service cost
- (iii) Past service cost
- (iv) Interest cost
- (v) Actuarial (gain) / loss
- (vi) Benefits paid

	Year ended 31 March 2024	Year ended 31 March 2023
(i) Opening balance	3,134	2,737
(ii) Current service cost	731	727
(iii) Past service cost	-	26
(iv) Interest cost	209	168
(v) Actuarial (gain) / loss	(287)	(244)
(vi) Benefits paid	(425)	(280)
Present value of obligation as at year end	3,362	3,134

IV Net assets / liabilities recognised in the standalone balance sheet:

- (i) Present value of obligation at the end of the year
- (ii) Fair value of plan assets at the end of the year
- (iii) Net liabilities / (assets) recognised in the balance sheet
 - Current
 - Non current

	As at 31 March 2024	As at 31 March 2023
(i) Present value of obligation at the end of the year	3,362	3,134
(ii) Fair value of plan assets at the end of the year	-	-
(iii) Net liabilities / (assets) recognised in the balance sheet		
- Current	1,023	653
- Non current	2,339	2,481
	3,362	3,134

V Experience adjustment

Experience adjustment (gain) / loss on plan liabilities
Experience adjustment (loss) / gain on plan assets

	As at 31 March 2024	As at 31 March 2023
Experience adjustment (gain) / loss on plan liabilities	189	243
Experience adjustment (loss) / gain on plan assets	-	-



Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

VI Principle actuarial assumptions

	As at 31 March 2024	As at 31 March 2023
(i) Discount rate (per annum)	7.05% to 7.20%	7.22% to 7.25%
(ii) Expected increase in salary costs (per annum)	5% until year 1 inclusive, then 8% until year 3 inclusive, then 9.50%	5% until year 1 inclusive, then 10% until year 3 inclusive, then 9.50%
(iii) Attrition rate	Age related & experience as given below:	
	Age (Years)	Rates %
	21-30	20 to 41
	31-40	20 to 41
	41-50	20 to 41
	51-58	20 to 41
	Age (Years)	Rates %
	21-30	15 to 30
	31-40	15 to 30
	41-50	15 to 30
	51-58	15 to 30
(iv) Mortality rate ; Published rates under the Indian Assured Lives Mortality (2012-14) Ult table and IALM table		
(v) Retirement age	58 years	58 years

VII Quantitative sensitivity analysis for significant assumptions is as below:

Increase / (decrease) on present value of defined benefits obligations at the end of the year	As at 31 March 2024	As at 31 March 2023
Discount Rate		
Increase by 0.5%	(64)	(66)
Decrease by 0.5%	51	69
Salary Increase		
Increase by 0.5%	50	68
Decrease by 0.5%	(64)	(66)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the standalone balance sheet.

VIII Risk exposure

Through its defined benefit plans, The Company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

IX Maturity profile of defined benefit obligation (Undiscounted)

Particulars	As at 31 March 2024	As at 31 March 2023
Within the next 12 months (next annual reporting period)	1,023	653
Between 1 and 6 years	2,417	2,105
Beyond 6 years	1,013	1,025
Total expected payments	4,453	3,783

X The average duration of the defined benefit plan obligation at the end of the reporting period is 2.58 to 4.68 years (31 March 2023: 3.56 to 5.86 years).



Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

39 Loss per share (EPS)

	Year ended 31 March 2024	Year ended 31 March 2023
(a) Net loss for calculation of basic and diluted EPS	(18,718)	(5,611)
(b) Weighted average number of equity shares of INR. 1 each (31 March 2023 : INR. 1 each) for both basic and dilutive shares	83,87,14,425	82,59,64,085
(c) Basic and diluted (loss) per share*	(2.23)	(0.68)

*Previous year earning per share has been adjusted due to issue of bonus shares by INR 3.4 per share.

Weighted average number of equity shares

Opening number of shares	83,76,88,602	81,17,33,700
Effect of shares issued during the year	10,25,823	1,42,30,385
Weighted-average number of equity shares for the year	83,87,14,425	82,59,64,085

40 Contingent liabilities

	As at 31 March 2024	As at 31 March 2023
i) Bonus payable for the financial year 2014-15	5	5
ii) Employee provident fund liability including interest	34	34
iii) Indirect tax matters	4,811	4,287
iv) Legal compliance of labour laws and other civil matters	59	-
	4,909	4,326

a) The nature of such litigations are as follows:

a(i) As per an additional requirement introduced under Payment of Bonus Act, 1965, from year 2016 onwards, the statutory bonus shall be included and paid as a part of the salary for all the eligible employees. Since it was not specifically called out if such requirement needs to be complied retrospectively, the excess amount of INR 5 lakhs relating to FY 2014-15 has been considered under contingent liabilities by the Company in consultation with their legal counsel.

a(ii) In February 2019, there was a judicial pronouncement in India with respect to defined contribution benefit payments interpreting certain statutory defined contribution obligations of employees and employers. It is not currently clear whether the interpretation set out in the pronouncement has retrospective application. If applied retrospectively, the interpretation would result in an increase in contributions payable by the Company for past periods for certain of its India-based employees. There are numerous interpretative challenges concerning the retrospective application of the judgment. Due to such challenges and a lack of interpretive guidance and based on legal advice the Company has obtained on the matter, it is currently impracticable to reliably estimate the timing and amount of any payments the Company may be required to make.

a(iii) In August 2018, one of the regulatory authorities in India, the Directorate General of Goods & Services Tax Intelligence ("Department"), issued a show cause notice ("Notice"), and subsequently passed an order dated December 30, 2021 confirming the demand alleging non-payment of service tax on various transactions over a period of five years between 2012 and 2017. The Company has filed an appeal in CESAT against the abovesaid order. On the basis of internal evaluation and in consultation with the legal counsel, the Company has considered an amount of INR 4,810 lakhs (31 March 2023: INR 4,287 lakhs) after considering net breakage retained by the Company excluding interest (including penalty) under contingent liabilities. The Company has deposited INR 103 lakhs (31 March 2023: INR 103 lakhs) (refer note 11) as payment under protest against aforesaid appeal filed.

b) In July 2019, a third party filed a lawsuit against Company, alleging infringement of a patent. The complaint, sought an injunction restraining the company from using, including dealing in any manner directly or indirectly, with any system / product / technology covered by such patent. The District Court limited its order in essence to not use the patent and has transferred the case to a higher court given the Company's claim of invalid patent. Subsequently in April, 2023, the High court has vacated the injunction restraining the company from using, including dealing with any system/product/technology covered by such patent. The Company has challenged and will defend the claims made against the Company.

The Company is of the view that the third party claim is untenable. Based on the Company's evaluation, the expected impact of pending legal proceedings and claims, should not have any material adverse effect on business operations, cash flows or standalone balance sheet.

c) The Company is involved in lawsuits and proceedings, which arise in the ordinary course of business. The ultimate liability is not currently determinable because of considerable uncertainties that exist / pending the resolution of proceedings. However, based on facts currently available, management believes that the disposition of matters that are pending or asserted will not have a material adverse impact on the standalone financial statements.



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

41 Dues to micro and small enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

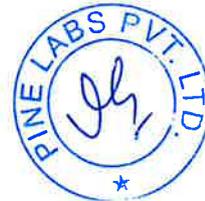
Particulars	As at 31 March 2024	As at 31 March 2023
(a) Principal amount remaining unpaid to any supplier as at the end of the year.	1,372	1,125
Interest due thereon remaining unpaid to any supplier as at the end of the year.	-	-
(b) Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
(c) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year;	-	-
(e) The amount of further interest remaining due and payable even in the succeeding year, 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 MSMED Act 2006.	-	-

42 Capital commitments

Capital expenditure contracted for at the end of the reporting period, but not recognised is as follow:

Particulars	As at 31 March 2024	As at 31 March 2023
Estimated amounts of contracts remaining to be executed on capital account and not provided for*	970	4,680
	970	4,680

* Net of capital advances amounting to INR 67 lakhs (31 March 2023: INR 105 lakhs).



Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

43 Share-based payment arrangements

Employee stock option plan 2014 of Pine Labs Limited (Parent Company)

Pine Labs Limited ("The Parent Company") formulated the Employees Stock Option Plan 2014 ("Plan") which was approved by the Board of the Parent Company. The options are denominated in US Dollars ("USD").

Vesting conditions

Options granted to a Participant(s), under each Grant, shall vest subject to the condition that the Participant continues to be in employment with the group during the term required as per their respective vesting schedule. Vesting period ranges from immediate vesting to vesting over 18 months, 21 months, 22 months, 40 months, 44 months, 45 months, 46 months, 47 months and 48 months based on their respective approved vesting schedule.

Further there are few options granted for vesting of which are conditional upon certain performance measures/criteria. The performance of such grants are measured over vesting period of the options granted which ranges from 9 months to 45 months. The performance measures for these grants include probability of achievement of the individual performance and probability of achievement of the factors for the Company i.e. (net revenue and new product development).

Exercise period is the period from the vesting date, as may be determined by the Board of the Parent Company from time to time, within which the vested options must be exercised, i.e. 60 months from each vesting date or 12 months from the date of termination of services for any reasons, including but not limited to, death and permanent disability, whichever is earlier or as may be determined by the Board in some specific cases. If the participant does not exercise his vested options during the exercise period, the vested options shall lapse.

Each option entitles the holder to one common share of the Parent Company. On exercise of options the employees are issued shares of the Parent Company.

The Company has entered into an agreement with the Parent Company, whereby the Company will reimburse the Parent Company for the share based compensation cost computed on the basis of fair value method in respect of options exercised by the employees of the Company. Accordingly, the Company has set up liability in respect of Share based compensation payable to the Parent Company computed on the basis of fair value method in respect of all options vested as well as outstanding as at the year end.

The number and weighted average exercise prices of share options outstanding during the year are as follows :-

	31 March 2024				31 March 2023		
	Number of options	Weighted average exercise price	Weighted average exercise price		Number of options	Weighted average exercise price	Weighted average exercise price
	2024	INR	USD	2023	INR	USD	
Options outstanding at the beginning of the year	3,48,153	629	9	3,60,114	637	9	
Options granted during the year	51,113	663	8	34,832	638	8	
Transfer (out) during the year*	(1,682)	582	-	-	-	-	
Forfeited during the year	(22,702)	607	8	(14,621)	605	8	
Buyback of vested employee share options during the year	-	-	8	(5,961)	551	8	
Exercised during the year	(10,930)	601	8	(26,211)	785	11	
Outstanding at the end of the year	3,63,952	636	9	3,48,153	629	9	
Exercisable at the end of year	2,78,575	635	9	2,47,872	633	9	

* pertains to employees transferred to/from other group companies.

The weighted average share price at the date of exercise for share options exercised during the year was INR 11,530.01 (March 31,2023 : INR 19,024.58)

The share options outstanding at 31 March 2024 had a exercise price ranging from INR 80.62 to INR 3,368.19 (31 March 2023: INR 80.62 to INR 3,368.19) and a weighted average remaining contractual life of 3.05 years (31 March 2023: 3.39 years)

The weighted average fair value of options granted during the year was INR 11,825.42 per option (March 31, 2023 : INR 17,386.57)

Inputs for measurement of grant date fair values

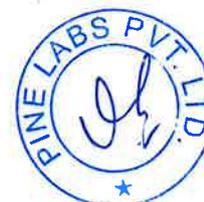
The fair value of the share options on date of grant was made using the Black-Scholes model with the following assumptions-

Particulars

Weighted average share price	
Expected volatility	
Expected life of share options	
Risk Free Rate	
Expected dividend yields	

	31 March 2024	31 March 2023
Weighted average share price	12,371.76	17,928.77
Expected volatility	43.27%-54.90%	34.89%-40.87%
Expected life of share options	2.50-4.75	4.25-4.66
Risk Free Rate	3.61%-4.71%	2.60%-4.31%
Expected dividend yields	0	0

Share based compensation cost for the years ending 31 March 2024 and 31 March 2023 in respect of stock options amounting to INR 5,798 lakhs and INR 8,635 lakhs has been determined based on fair value method. As at 31 March 2024 and 31 March 2023, outstanding liability towards the Parent Company with respect to Employee stock option expenses are INR 26,251 lakhs and INR 20,033 lakhs respectively.



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

44 Impairment testing for cash generating units (CGU) containing goodwill

For the purpose of impairment testing, goodwill is allocated to a CGU representing the lowest level within the Company at which goodwill is monitored for internal management purposes and which is not higher than the Company's operating segment.

	As at 31 March 2024	As at 31 March 2023
Issuing (refer note (i) below)	45,910	45,910
	<u>45,910</u>	<u>45,910</u>

Notes:

- (i) The acquisition of erstwhile Qwikilver Solutions Private Limited ("Qwikilver") in April 2019 resulted in the recognition of goodwill of INR 45,910 lakhs which was allocated to then identified CGU i.e. Qwikilver - prepaid cards business. As at 1 April 2020, the Company completed integration of the prepaid card business of Pine Labs Private Limited and erstwhile Qwikilver Solutions Private Limited, pursuant to the Company drawing significant synergies and benefits from the integrated businesses, thereby leading to a change in the composition of its CGUs. As a result of the integration, management monitors operations and makes decisions for the combined prepaid card business (i.e. Issuing).

In conjunction with the above business integration activities, during the year ended 31 March 2021, the Company reorganized its reporting structure as well to align with the newly integrated businesses. Thus, the goodwill which was initially (at the time of acquisition of erstwhile Qwikilver) allocated to Qwikilver - prepaid cards business CGU of INR 45,910 lakhs was re-allocated to the newly established CGU structure as on 1 April 2020 and was reassessed for impairment at the level of Issuing CGU.

- (ii) The recoverable amount of the CGUs is determined based on the value-in-use calculations which require use of assumptions. The calculations are performed using cash flow projections based on financial budgets approved by senior management covering a five-year period. Cash flows beyond the five year period are incorporated in perpetuity using the estimated growth rates stated below, during which the business is expected to continue generating cash. The terminal growth rate, revenue growth rate and EBITDA margins were determined based on management's estimates.

- (iii) **Key assumptions used in estimation of value in use were as follows:**

The key assumptions used in the calculation of value in use are as follows:

	As at 31 March 2024	As at 31 March 2023
Issuing business		
Discount rate (pre-tax)*	18.05%	18.73%
Terminal growth rate	4.5%	4.5%
Revenue growth rate	27% - 34%	30% - 32%
EBITDA margin	24% - 36%	33% - 35%

*The discount rate is based on the Weighted Average Cost of Capital (WACC) of the Company and has been calculated taking in account long-term interest rate, equity risk premium, asset specific risk premium and industry beta. These estimates are likely to differ from future actual results of operations and cash flows.

- (iv) **Sensitivity Analysis**

The Company has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for the CGUs to which goodwill is allocated. The management believes that any reasonably possible change in the key assumptions on which the recoverable amount of CGUs is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGUs.

- (v) Based on the above, no impairment was identified as of 31 March 2024 and 31 March 2023 as the recoverable value of the CGUs exceeded their respective carrying value.



Pine Labs Private Limited

Notes to the standalone financial statements for the year ended 31 March 2024

(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

45 Assets pledged as security

As at 31 March 2024, in respect of borrowings and other financing facilities from banks, the group carries sanctioned limits of INR 88,474 lakhs (31 March 2023: INR 73,154 lakhs). Against these sanctioned limits, the outstanding loans amounted to INR 46,889 lakhs (March 31, 2023: INR 26,021 lakhs. As per the terms of the agreements with the lenders, the group has pledged, as per the sanction/hypothecation letter certain property, plant and equipment having gross book value of INR 35,000 lakhs (31 March 2023: gross block INR 30,000.00 lakhs) and inventories, trade and other receivables, cash and cash equivalents, term deposits and other current assets having a total carrying value of INR 1,10,919 lakhs (31 March 2023: INR 1,04,899 lakhs) of the respective group entities which have availed these limits. The repayment liabilities against these limits are restricted to the outstanding balances of borrowings including interest and applicable charges if any.

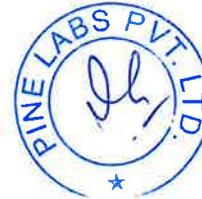
46 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

47 The Company has presented segment information in the consolidated financial statements. Accordingly, in terms of Paragraph 4 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these standalone financial statements.

48 The Board of Directors of Pine Labs Limited (hereinafter referred to as "Transferor Company") and Pine Labs Private Limited (hereinafter referred to as "Transferee Company") on 13 December 2023 (modification of the scheme approved on 07 February 2024) and 08 February 2024 respectively, have approved the draft Scheme of Arrangement ('Scheme') between Transferor Company and the Transferee Company under section 210 read with section 212 of the Companies Act 1967 of Singapore, sections 230 to 232 of the Companies Act, 2013 of India read with section 234 of the Companies act, 2013 of India and other applicable provisions of the Companies act 1967 of Singapore, the Companies Act, 2013 of India and rules thereunder to effect an amalgamation between Transferor Company and Transferee Company. The said scheme is approved by the General division of the Hon'ble High Court of the Republic of Singapore (the "Court") subsequent to the balance sheet date. However, the scheme is still pending with Hon'ble National Company Law Tribunal ('NCLT') Chandigarh bench and for other necessary regulatory approvals. No condition existed on the balance sheet date which require any adjustment to be made to the standalone financial statements.

49 Change in classification

During the year ended 31 March 2024, the Company modified classification of consumption of spares and consumables from 'Changes in stock-in-trade' to 'Other expenses' to reflect more appropriately the nature of such expenses incurred by the Company. Comparative amounts in the Notes to the standalone financial statements are reclassified for consistency. As a result INR 313 lakhs for the year ended 31 March 2023 are reclassified from 'Changes in stock-in-trade' to 'spares and consumables' under 'Other expenses'.



Pine Labs Private Limited

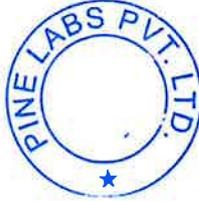
Notes to the standalone financial statements for the year ended 31 March 2024
(Amount in Indian Rupees (INR) lakhs, except per share data, unless otherwise stated)

50 The amounts disclosed in financials as "0" are below the rounding off norm adopted by the Company.

For BSR & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 101248W/W-100022



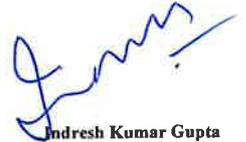
Manish Gupta
Partner
Membership No.: 095037
Place: Gurugram
Date: 30 June 2024



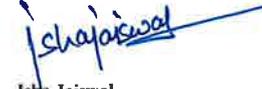
For and on behalf of the Board of Directors of
Pine Labs Private Limited
CIN: U67100HR1998PTC113312



Rush Mehta
Director
DIN No.: 08154941
Place: New Delhi
Date: 30 June 2024



Indresh Kumar Gupta
Director
DIN No.: 07488823
Place: Gurugram
Date: 30 June 2024



Ishra Jaiswal
Company Secretary
M No.: 39104
Place: New Delhi
Date: 30 June 2024