

Independent Auditor's Report

To the Members of PB Fintech Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of PB Fintech Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associates, as listed in Annexure I, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associates, as at March 31, 2024 and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated 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 together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter– Inspection by Insurance Regulatory and Development Authority of India

4. In relation to the matter described in Note 36 to the consolidated financial statements and the following Emphasis of Matter paragraph included in audit report of the financial statement of Policybazaar Insurance Brokers Private Limited, a wholly owned subsidiary of the Holding Company, audited by us, vide our audit report dated May 07, 2024 which is reproduced by us as under:

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

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Independent Auditor's Report to the members of PB Fintech Limited on the consolidated financial statements for the year ended March 31, 2024 (cont'd)

We draw attention to Note 36 to the consolidated financial statements, regarding management assessment with respect to inspections of the books of accounts and records of Policy bazaar Insurance Brokers Private Limited (a wholly owned subsidiary of the Holding Company or "Policybazaar"), carried out by the Insurance Regulatory and Development Authority of India ('IRDAI') to examine compliance with relevant laws and regulations for various financial years and submission of management responses in respect of the inspection reports issued by IRDAI. In view of the management, the above matters are not likely to have a material impact on the continuing operations of Policybazaar and these consolidated financial statements. Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associates, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matter described below to be the key audit matter to be communicated in our report.

| Key audit matter | How our audit addressed the key audit matter |
|--|---|
| <p>Revenue recognition:</p> <p>(Refer note 2 for the accounting policy and note 14 for disclosures of the accompanying consolidated financial statements).</p> <p>The Group's revenue from sale of services is Rs. 343,768 lacs, majority of which are from commission earned on sale of insurance and financial products through their platforms and offline channels.</p> <p>The Group recognises revenue from its customers at a point in time when the related services are rendered as per the terms of the agreement with customer.</p> <p>We identified revenue recognition as a key audit matter because revenue is one of the Group's key performance indicators which makes it susceptible to misstatement and there is an inherent risk around the accuracy of revenue recorded which is dependent upon reconciliations with the customer.</p> | <p>Our audit work included but was not restricted to the following procedures:</p> <ul style="list-style-type: none">• Assessed the appropriateness of the Company's revenue recognition policy in accordance with Ind AS 115 including evaluation of management's assessment of performance obligations determined to be satisfied at a point of time.• Obtained an understanding of the systems, processes and control implemented for recognition and measurement of revenue;• Evaluated the design and tested the operating effectiveness of the key controls related to revenue recognition;• Selected samples of revenue transactions recorded during the year and for specified period before and after year end and tested these samples from the supporting documents that include contractual terms and conditions, statements and confirmation received from customers, documents related to rates agreed with customers, to ensure revenue for such transactions has been booked in the correct period with correct amounts.• Performed analytical procedures such as customer analysis, ratio analysis, etc. to determine any unusual trends.• Evaluated the appropriateness and adequacy of disclosures made in the consolidated financial statements with respect to revenue in accordance with the requirements of applicable financial reporting framework. |



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Independent Auditor's Report to the members of PB Fintech Limited on the consolidated financial statements for the year ended March 31, 2024 (cont'd)

Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associates.

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

11. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing 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 consolidated financial statements.



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Independent Auditor's Report to the members of PB Fintech Limited on the consolidated financial statements for the year ended March 31, 2024 (cont'd)

12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, and its associates, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



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Independent Auditor's Report to the members of PB Fintech Limited on the consolidated financial statements for the year ended March 31, 2024 (cont'd)

Other Matters

16. We did not audit the financial statements of 4 subsidiaries, whose financial statements reflects total assets of ₹ 3,948 lacs as at March 31, 2024, total revenues of ₹ 2,964 lacs and net cash outflows amounting to ₹ 1 lacs for the year ended on that date, as considered in the consolidated financial statements. Also, we did not audit the consolidated financial statements of 3 subsidiaries, whose financial statements reflects total assets of ₹ 16,994 lacs as at March 31, 2024, total revenues of ₹ 9,536 lacs and net cash outflows amounting to ₹ 757 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

However, of these subsidiaries, 1 subsidiary's consolidated financial statements includes the share of net profit after tax of ₹ 7 lacs and total comprehensive income of ₹ 7 lacs for the year ended 31 March 2024, in respect of an associate based on its financial statements, which has not been audited by its auditor. These financial statements have been furnished to subsidiary's auditor by its management. In our opinion, and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

In addition, of these subsidiaries, 1 subsidiary, is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in that country and which has been audited by other auditor under generally accepted auditing standards applicable in that country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiary located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

17. The consolidated financial statements of the Group for the year ended March 31, 2023 were audited by the predecessor auditor, Price Waterhouse Chartered Accountants LLP, who have expressed an unmodified opinion on those consolidated financial statements vide their audit report dated May 22, 2023.

Report on Other Legal and Regulatory Requirements

18. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16, on separate financial statements of the subsidiaries and associates, we report that the Holding Company and its 3 subsidiaries incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 7 subsidiaries and 1 associate Company incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiaries and associates.
19. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 16 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
20. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiaries and associates



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Independent Auditor's Report to the members of PB Fintech Limited on the consolidated financial statements for the year ended March 31, 2024 (cont'd)

incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors,
- c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of the written representations received from the directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and associates, covered under the Act, none of the directors of the Group companies and its associate companies, are disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries and its associates covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries and associates incorporated in India whose financial statements have been audited under the Act:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates as detailed in Note 24, 36 and 37 to the consolidated financial statements;
 - ii. The Holding Company, its subsidiaries and associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2024;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associates covered under the Act, during the year ended March 31, 2024;
- iv.
 - a. The respective managements of the Holding Company, its subsidiaries and associates incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, as disclosed in note 34 (xii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries or associates to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries or its associates ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;



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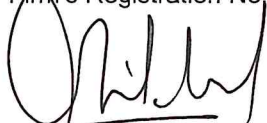
Independent Auditor's Report to the members of PB Fintech Limited on the consolidated financial statements for the year ended March 31, 2024 (cont'd)

- b. The respective managements of the Holding Company, its subsidiaries and associates incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, as disclosed in the note 34 (xiii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries or associates from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries or associates shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries and associates, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Holding Company, its subsidiaries and associates have not declared or paid any dividend during the year ended March 31, 2024.
- vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and associates of the Holding Company which are companies incorporated in India and audited under the Act, in respect of financial year commencing on or after 1 April 2023, have used an accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and respective auditors of the above referred subsidiaries and associates did not come across any instance of audit trail feature being tampered with

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Ankkit Mehra

Partner

Membership No.: 507429

UDIN: 24507429BKCKKJ1587



Place: Gurugram

Date: May 07 2024

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Independent Auditor's Report to the members of PB Fintech Limited on the consolidated financial statements for the year ended March 31, 2024 (cont'd)

Annexure I

List of entities included in the consolidated financial statements:

Subsidiaries/ step down subsidiaries:

1. Policybazaar Insurance Brokers Private Limited
2. Paisabazaar Marketing and Consulting Private Limited
3. Icall Support Services Private Limited
4. Accurex Marketing and Consulting Private Limited
5. PB Marketing and Consulting Private Limited
6. Docprime Technologies Private Limited
7. PB Financial Account Aggregator Private Limited
8. Myloancare Ventures Private Limited (associate till 07 June 2022)
9. PB Fintech FZ-LLC
10. Visit Internet Services Private Limited (Indirect)
11. ZPHIN Computer Systems and Software Designing - Sole Proprietorship LLC (Indirect)
12. MLC Finotech Private Limited (Indirect)

Associates:

1. Visit Health Private Limited (Indirect)
2. YKNP Marketing Management LLC (Indirect)



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Annexure II to the Independent Auditor's Report of even date to the members of PB Fintech Limited on the consolidated financial statements for the year ended March 31, 2024

Annexure II

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of PB Fintech Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associates as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.



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Annexure II to the Independent Auditor's Report of even date to the members of PB Fintech Limited on the consolidated financial statements for the year ended March 31, 2024 (cont'd)

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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

7. 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.

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at March 31, 2024, based on the internal financial controls with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to 4 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 3,948 lacs and net assets of ₹ 2,565 lacs as at March 31, 2024, total revenues of ₹ 2,964 lacs and net cash outflows amounting to ₹ 1 lacs for the year ended on that date, as considered in the consolidated financial statements. Also, we did not audit the internal financial controls with reference to consolidated financial statements insofar as it relates to 1 subsidiary Company, which is Company covered under the Act, whose financial statement reflect total assets of ₹ 6,279 lacs and net assets of ₹ 6,264 lacs as at March 31, 2024, total revenues of ₹ Nil lacs and net cash outflows amounting to ₹ 27 lacs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.
10. We did not audit the Internal Financial Controls with reference to financial statements in so far as it relates to 1 subsidiary Company, which is Company covered under the Act, whose consolidated financial statements reflects



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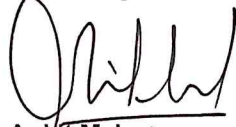
Annexure II to the Independent Auditor's Report of even date to the members of PB Fintech Limited on the consolidated financial statements for the year ended March 31, 2024 (cont'd)

total assets of ₹ 2,552 lacs and net assets of ₹ 2,397 lacs as at March 31, 2024, total revenues of ₹ 812 lacs and net cash outflows amounting to ₹ 374 lacs for the year ended on that date, as considered in the consolidated financial statements. The Internal Financial Controls with reference to financial statements of such subsidiary Company, which is Company covered under the Act, are unaudited and our opinion under section 143(3)(i) of the Act on adequacy and operating effectiveness of the Internal Financial Controls with reference to financial statements insofar as it relates to the aforesaid subsidiary Company, which is Company covered under the Act, is solely based on the corresponding Internal Financial Controls with reference to financial statements reports certified by the management of such Company. In our opinion and according to the information and explanations given to us by the management, the financial statements is not material to the Group. Our opinion is not modified in respect of the above matter with respect to our reliance on the Internal Financial Controls with reference to financial statements reports certified by the management.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Ankit Mehra
Partner

Membership No.: 507429

UDIN: 24507429BKCKKJ1587



Place: Gurugram

Date: May 07 2024

PB Fintech Limited
Consolidated Balance Sheet as at March 31, 2024

| | | (₹ in Lakhs) | |
|--|-------|-------------------------|-------------------------|
| Particulars | Notes | As at March 31, 2024 | As at March 31, 2023 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 4(a) | 9,116 | 6,841 |
| Right-of-use assets | 4(b) | 22,420 | 20,137 |
| Intangible assets | 5 | 555 | 580 |
| Goodwill | 5 | 3,771 | 3,771 |
| Financial assets | | | |
| (i) Investments | 6(a) | 93,492 | 5,985 |
| (ii) Loans towards financing activities | 6(c) | 508 | 747 |
| (iii) Other financial assets | 6(g) | 29,130 | 1,62,022 |
| Deferred tax assets (net) | 22(b) | - | 1 |
| Income tax assets (net) | 7 | 31,577 | 12,893 |
| Other non-current assets | 8 | 36 | 204 |
| Total non-current assets | | 1,90,605 | 2,13,181 |
| Current assets | | | |
| Financial assets | | | |
| (i) Investments | 6(a) | 42,355 | 56,225 |
| (ii) Trade receivables | 6(d) | 65,052 | 67,731 |
| (iii) Cash and cash equivalents | 6(e) | 32,486 | 7,234 |
| (iv) Bank balances other than cash and cash equivalents | 6(f) | 41,011 | 69,038 |
| (v) Loans | 6(b) | 71 | 67 |
| (vi) Loans towards financing activities | 6(c) | 465 | 480 |
| (vii) Other financial assets | 6(g) | 2,95,741 | 2,07,519 |
| Other current assets | 9 | 5,065 | 3,928 |
| Total current assets | | 4,82,246 | 4,12,222 |
| Total assets | | 6,72,851 | 6,25,403 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 10(a) | 9,024 | 9,002 |
| Other equity | | | |
| Reserves and surplus | 10(c) | 5,78,079 | 5,38,628 |
| Equity attributable to owners of PB Fintech Limited | | 5,87,103 | 5,47,630 |
| Non-controlling interests | 10(d) | 544 | 850 |
| Total equity | | 5,87,647 | 5,48,480 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| (i) Lease liabilities | 4(b) | 21,408 | 19,375 |
| Provisions | 12 | 3,479 | 2,456 |
| Total non-current liabilities | | 24,887 | 21,831 |
| Current liabilities | | | |
| Financial liabilities | | | |
| (i) Lease liabilities | 4(b) | 3,925 | 3,284 |
| (ii) Trade payables | | | |
| (a) total outstanding dues of micro and small enterprises | 11(a) | 1,670 | 1,423 |
| (b) total outstanding dues other than (ii)(a) above | 11(a) | 28,436 | 29,187 |
| (iii) Other financial liabilities | 11(b) | 14,115 | 11,886 |
| Provisions | 12 | 4,131 | 2,824 |
| Other current liabilities | 13 | 8,040 | 6,488 |
| Total current liabilities | | 60,317 | 55,092 |
| Total liabilities | | 85,204 | 76,923 |
| Total equity and liabilities | | 6,72,851 | 6,25,403 |

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration Number: 001076N/N500013

Ankit Mehra
Partner
Membership No. 507429

For and on behalf of the Board of Directors

Yashish Dahiya
Chairman and Chief
Executive Officer
DIN: 00706336

Alok Bansal
Vice Chairman and
Whole Time Director
DIN: 01653526

Mandeep Mehta
Chief Financial
Officer

Bhaskar Joshi
Company Secretary
M. No. F8032



Place: Gurugram
Date: May 07, 2024

Place: Gurugram
Date: May 07, 2024

Place: Gurugram
Date: May 07, 2024

Place: Gurugram
Date: May 07, 2024

Place: Gurugram
Date: May 07, 2024

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PB Fintech Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2024

| | | (₹ in Lakhs) | |
|--|--------|------------------------------|------------------------------|
| Particulars | Notes | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Income: | | | |
| Revenue from operations | 14 | 3,43,768 | 2,55,785 |
| Other income | 15 | 38,057 | 25,899 |
| Total income | | 3,81,825 | 2,81,684 |
| Expenses: | | | |
| Employee benefit expense | 16 | 1,64,412 | 1,53,960 |
| Finance costs | 17 | 2,646 | 2,136 |
| Depreciation and amortisation expense | 18 | 8,872 | 6,382 |
| Advertising and promotion expenses | 19 | 89,901 | 1,35,725 |
| Network and internet expenses | 20 | 11,478 | 9,686 |
| Other expenses | 21 | 96,603 | 22,574 |
| Total expenses | | 3,73,912 | 3,30,463 |
| Profit/(loss) before share of net loss of associates and tax | | 7,913 | (48,779) |
| Share of net loss of associates | | (202) | (17) |
| Profit/(loss) before tax | | 7,711 | (48,796) |
| Income tax expense : | | | |
| Current tax | 22(a) | 1,270 | 8 |
| Deferred tax | 22(a) | - | (10) |
| Total tax expense | | 1,270 | (2) |
| Profit/(loss) for the year | | 6,441 | (48,794) |
| Other comprehensive (loss)/income | | | |
| Items that may be reclassified to profit or loss | | | |
| Exchange differences on translation of foreign operations [(loss)/gain] | 10 (c) | (11) | 500 |
| Changes in the fair value of debt instruments at FVOCI loss | | (7) | (2) |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurement of post employment benefit obligations loss | 12 | (317) | (227) |
| Income tax relating to these items | | - | 1 |
| Other comprehensive (loss)/income for the year, net of tax | | (335) | 272 |
| Total comprehensive income/(loss) for the year | | 6,106 | (48,522) |
| Profit/(loss) is attributable to: | | | |
| Owners of PB Fintech Limited | | 6,698 | (48,722) |
| Non-controlling interests | | (257) | (72) |
| Other comprehensive (loss)/income is attributable to: | | | |
| Owners of PB Fintech Limited | | (330) | 275 |
| Non-controlling interests | | (5) | (3) |
| Total comprehensive income/(loss) is attributable to: | | | |
| Owners of PB Fintech Limited | | 6,368 | (48,447) |
| Non-controlling interests | | (262) | (75) |
| Earnings/(loss) per equity share [face value per share ₹ 2/- (March 31, 2023: 2/-)] | | | |
| Basic (₹) | 26 | 1.50 | (10.97) |
| Diluted (₹) | 26 | 1.45 | (10.97) |

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration Number 001076N/N500013

Ankit Mehra
Partner

Membership No. 507425



Place: Gurugram
Date: May 07, 2024

For and on behalf of the Board of Directors

Yashish Dahiya
Chairman and Chief
Executive Officer
DIN: 00706336

Alok Bansal
Vice Chairman and
Whole Time Director
DIN: 01653526

Mandeep Mehta
Chief Financial
Officer

Bhasker Joshi
Company Secretary
M. No. F8032

Place: Gurugram
Date: May 07, 2024

Place: Gurugram
Date: May 07, 2024

Place: Gurugram
Date: May 07, 2024

Place: Gurugram
Date: May 07, 2024



PB Fintech Limited
Consolidated Statement of changes in equity for the year ended March 31, 2024

I) Equity share capital

| | As at March 31, 2024 | | As at March 31, 2023 | |
|--|-------------------------|------------------------|-------------------------|------------------------|
| | Number of Shares | Amount (₹ in Lakhs) | Number of Shares | Amount (₹ in Lakhs) |
| Balance at the beginning of the reporting year | 45,01,16,349 | 9,002 | 44,94,99,806 | 8,990 |
| Add: New shares issued | 10,87,115 | 22 | 6,16,543 | 12 |
| Shares outstanding at the end of the year | 45,12,03,464 | 9,024 | 45,01,16,349 | 9,002 |

II) Other equity

| Attributable to the owners of PB Fintech Limited | | | | | | | | | | | | (₹ in Lakhs) |
|---|-------------|----------------------|-------------------|--|-----------------|--------------------------------------|----------------------------------|-----------------|---------------------------|-------------------|-------|--------------|
| Particulars | Notes | Reserves and surplus | | | | | | | Non-controlling interests | | Total | |
| | | Securities premium | Retained earnings | Equity settled share based payment reserve | General reserve | Foreign currency translation reserve | FVOCI reserve - debt instruments | Treasury shares | Trust Reserve | Statutory reserve | | |
| Balance as at April 01, 2022 | | | | | | | | | | | | |
| | | 6,77,554 | (1,92,092) | 46,578 | 2 | 135 | - | - | - | - | - | 5,32,177 |
| Loss for the year | | | | | | | | | | | | |
| | | - | (48,722) | - | - | - | - | - | - | - | (72) | (48,794) |
| Other comprehensive income | | | | | | | | | | | | |
| | | - | (226) | - | - | 500 | - | - | - | - | (3) | 271 |
| Changes in the fair value of debt instruments at FVOCI | | | | | | | | | | | | |
| | | - | - | - | - | - | (2) | - | - | - | (2) | - |
| Total comprehensive income/(loss) for the year | | | | | | | | | | | | |
| | | - | (48,948) | - | - | 500 | (2) | - | - | - | (75) | (48,525) |
| Transactions with owners in their capacity as owners: | | | | | | | | | | | | |
| Non-controlling interests on acquisition of subsidiary | | | | | | | | | | | | |
| | 10(c) | - | - | - | - | - | - | - | - | - | 873 | 873 |
| Derecognition of financial liabilities incurred to the former owners of the acquired business | | | | | | | | | | | | |
| | 10(c),10(d) | - | 707 | - | - | - | - | - | - | - | 707 | 707 |
| Exercise of options- transferred from equity settled share based payment reserve | | | | | | | | | | | | |
| | 16 | 20,272 | - | - | - | - | - | - | - | - | - | 20,272 |
| Employee share-based payment expense | | | | | | | | | | | | |
| | 10(c) | - | - | 54,188 | - | - | - | - | - | - | 52 | 54,240 |
| Transfer to Securities Premium for exercise of options | | | | | | | | | | | | |
| | 10(c) | - | - | (20,272) | - | - | - | - | - | - | - | (20,272) |
| Net results of ESOP trust operations | | | | | | | | | | | | |
| | 10 (e) | - | - | - | - | - | 6 | - | - | - | 6 | 6 |
| Balance as at March 31, 2023 | | | | | | | | | | | | |
| | | 6,97,826 | (2,40,333) | 80,494 | 2 | 635 | (2) | 6 | - | - | 850 | 5,39,478 |
| Profit for the year | | | | | | | | | | | | |
| | | - | 6,698 | - | - | - | - | - | - | - | (257) | 6,441 |
| Other comprehensive loss | | | | | | | | | | | | |
| | | - | (314) | - | - | (11) | - | - | - | - | (3) | (328) |
| Changes in the fair value of debt instruments at FVOCI | | | | | | | | | | | | |
| | | - | - | - | - | - | (5) | - | - | - | (2) | (7) |
| Total comprehensive income/(loss) for the year | | | | | | | | | | | | |
| | | - | 6,384 | - | - | (11) | (5) | - | - | - | (262) | 6,106 |
| Transactions with owners in their capacity as owners: | | | | | | | | | | | | |
| Exercise of options- transferred from equity settled share based payment reserve | | | | | | | | | | | | |
| | 10(c),10(d) | 12,901 | - | - | - | - | - | - | - | - | - | 12,901 |
| Employee share-based payment expense | | | | | | | | | | | | |
| | 16 | - | - | 33,071 | - | - | - | - | - | - | (44) | 33,027 |
| Transfer to Securities Premium for exercise of options | | | | | | | | | | | | |
| | 10 (e) | - | - | (12,901) | - | - | - | - | - | - | - | (12,901) |
| Transferred from treasury shares to trust reserve | | | | | | | | | | | | |
| | 10 (e) | - | - | - | - | - | - | (6) | 6 | - | - | - |
| Stock options exercised/sold from ESOP trust during the year | | | | | | | | | | | | |
| | 10 (e) | - | - | - | - | - | - | 0 | - | - | 0 | - |
| Appropriation from current year profit to statutory reserve | | | | | | | | | | | | |
| | 10 (e) | - | (3) | - | - | - | - | - | - | 3 | - | - |
| Net results of ESOP trust operations | | | | | | | | | | | | |
| | 10 (e) | - | - | - | - | - | - | - | - | 12 | - | 12 |
| Balance as at March 31, 2024 | | | | | | | | | | | | |
| | | 7,10,727 | (2,33,952) | 1,00,664 | 2 | 624 | (7) | (0) | 18 | 3 | 544 | 5,78,623 |

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.
This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration Number : 001976NIN500013



For and on behalf of the Board of Directors
Signature of Director
Date: May 07, 2024

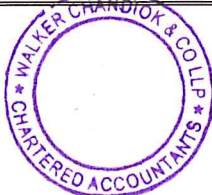
Signature of Director
Date: May 07, 2024

Signature of Director
Date: May 07, 2024



Pb Fintech Limited
Consolidated statement of cash flows for the Year Ended March 31, 2024

| Particulars | March 31, 2024 (₹ in Lakhs) | March 31, 2023 (₹ in Lakhs) |
|---|--------------------------------|--------------------------------|
| A. Cash flow from operating activities | | |
| Profit/(loss) before tax | 7,711 | (48,796) |
| Adjustments for : | | |
| Depreciation and amortisation expense | 8,872 | 6,382 |
| Property, plant and equipment written off | - | 5 |
| (Profit)/loss on sale of property, plant and equipment and intangible assets | (4) | 0 |
| Net gain on sale on financial assets mandatorily measured at fair value through profit or loss | (1,983) | (2,866) |
| Net fair value gains on financial assets mandatorily measured at fair value through profit or loss | (1,011) | (632) |
| Loss allowance - trade receivables (net adjustment of bad debts) | 708 | 397 |
| Loss allowance -loans for financial activities (net adjustment of loan written off) | 373 | 12 |
| Loss allowances- other assets | 407 | 7 |
| Foreign exchange fluctuations loss/(gain) | 3 | (2) |
| Gain on termination of leases | (715) | (38) |
| Liabilities no longer required written back | - | (265) |
| Interest income | (34,317) | (22,096) |
| Share of net loss of associates accounted for using the equity method (net) | 202 | 17 |
| Finance costs | 2,646 | 2,136 |
| Employee share-based payment expense | 33,028 | 54,240 |
| Operating profit/(loss) before working capital changes | 15,920 | (11,499) |
| Change in operating assets and liabilities: | | |
| Decrease/(increase) in trade receivables | 1,971 | (32,041) |
| (Decrease)/increase in trade payables | (555) | 11,005 |
| Decrease/(increase) in other non-current assets | 2 | (183) |
| (Increase)/decrease in other current assets | (1,557) | 1,413 |
| Increase in other financial liabilities | 2,135 | 4,707 |
| Increase in loans | (3) | (20) |
| Increase in loans for financial activities | (118) | (1,239) |
| Increase in other financial assets | (592) | (1,148) |
| Increase in employee benefit obligations | 2,013 | 511 |
| Increase in other current liabilities | 1,552 | 3,582 |
| Cash inflow/(outflow) from operations | 20,768 | (24,912) |
| Income taxes paid (net of refunds) | (19,903) | (4,985) |
| Net inflow/(outflow) from operating activities (A) | 865 | (29,897) |
| B. Cash flows from investing activities | | |
| Purchase of property, plant and equipment and intangible assets including change in capital advances and payable for capital assets | (6,335) | (6,570) |
| Proceeds from sale of property, plant and equipment and intangible assets | 16 | 183 |
| Investments in associates | - | (1,334) |
| Purchase of corporate bonds | (86,826) | - |
| Purchase of mutual fund | (2,60,556) | (1,54,608) |
| Proceeds from sale of mutual fund | 2,77,307 | 1,34,626 |
| Refund of capital contribution in equity instruments pending allotment | 500 | - |
| Investment in bank deposits | (3,03,428) | (4,35,156) |
| Proceeds from maturity of bank deposits | 3,89,535 | 4,45,123 |
| Proceeds from maturity of other deposit | 414 | - |
| Investment in others deposits | - | (94) |
| Interest received | 19,454 | 21,971 |
| Net cash inflow from investing activities (B) | 30,081 | 4,141 |
| C. Cash flows from financing activities | | |
| Proceeds from issue of equity shares | 22 | 12 |
| Principal elements of lease payments | (3,118) | (2,179) |
| Interest Paid | (2,599) | (2,083) |
| Net results of ESOP trust operations | 12 | - |
| Net cash outflow from financing activities (C) | (5,683) | (4,250) |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | 25,263 | (30,006) |
| Cash and cash equivalents at the beginning of the year | 7,234 | 36,740 |
| Effects of exchange rate changes on cash and cash equivalents | (11) | 500 |
| Cash and cash equivalents at end of the year | 32,486 | 7,234 |



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| Non -Cash financing and investing activity | | |
|--|--------|--------|
| - Acquisition of right of use assets | 10,132 | 10,078 |

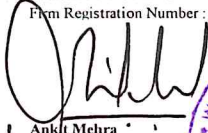
| Reconciliation of cash and cash equivalents as per consolidated statement of cash flows | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Cash and cash equivalents as per above comprise of the following : | (₹ in Lakhs) | (₹ in Lakhs) |
| Balances with banks - in current accounts | 3,419 | 3,215 |
| Cheques on hand | 19 | 17 |
| Cash on hand | 1 | 5 |
| Deposits with original maturity of less than 3 months | 29,047 | 3,997 |
| Balances per consolidated statement of cash flows | 32,486 | 7,234 |


Notes:

1. The above Consolidated Statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard [Ind AS -7 on "Statement of Cash Flows"].
2. The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.
3. Figures in brackets indicate cash outflow.



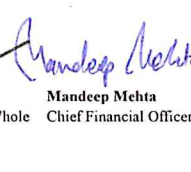
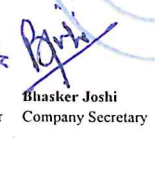
This is the Consolidated Statement of Cash Flows referred to in our report of even date.

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration Number : 001076N/N500013


Ankur Mehra
Partner
Membership No. 507429



For and on behalf of the Board of Directors

   
Yashish Dahiya Alok Bansal Mandeep Mehta Bhasker Joshi
Chairman and Chief Vice Chairman and Whole Chief Financial Officer Company Secretary
Executive Officer Time Director
DIN: 00706336 DIN: 01653526



Place: Gurugram
Date: May 07, 2024

Place: Gurugram
Date: May 07, 2024

Place: Gurugram
Date: May 07, 2024

Place: Gurugram
Date: May 07, 2024

Place: Gurugram
Date: May 07, 2024



Note 1: General Information

PB Fintech Limited (“the Company” or “the Holding Company” or “PB Fintech”) is a Company incorporated on 4th June 2008 under the provisions of the Companies Act, 1956 having its registered office at Plot no. 119, Sector 44, Gurugram, Haryana. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

These consolidated financial statements comprise the Company, its subsidiaries (together referred to as the ‘Group’) and its associate companies. The Group is primarily engaged in providing online marketing, consulting and support services through its online portal policybazaar.com and paisabazaar.com largely for the financial service industry, including insurance.

The Company was converted from a Private Limited Company to a Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the Shareholders of the Company held on June 19, 2021 and consequently the Name of the Company was changed to PB Fintech Limited with effect from June 30, 2021 pursuant to a fresh certificate of incorporation issued by the Registrar of Companies (ROC).

Note 2: Summary of Material Accounting Policy Information

This note provides a list of material accounting policies adopted in the preparation of consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated:

a. Basis of preparation

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). These consolidated financial statements are presented in Indian rupees and all values are rounded to the nearest lakh, except when otherwise indicated.

b. Historical Cost Convention

These consolidated financial statements have been prepared on the historical cost basis, except for the following items:

- Certain financial assets and liabilities measured at fair value;
- Defined benefit plans - plan assets measured at fair value; and
- Share based payments

c. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per group’s operating cycle and other criteria set out in the Schedule III, (Division II) to the Companies Act, 2013 as amended from time to time. The group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.



d. Amendment in Accounting standards adopted by the company

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 01, 2023. For the year ended March 31, 2024 MCA has not notified any new standards or amendments to the existing applicable to the Company.

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The amendment did not have any material impact on the financial statements of the Group.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The amendment did not have any material impact on the financial statements of the Group.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The amendment did not have any material impact on the financial statements of the Group.

e. Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its investment with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

(ii) Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognised at cost.



(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 2(j) below.

f. Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, amount of any non-controlling interest in the acquired entity and acquisition-date fair value of any previous equity interest in the acquired entity over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, 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 based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in statement of profit or loss. An impairment loss



recognised for goodwill is not reversed in subsequent periods.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

g. Property, plant and equipment

All items of property, plant and equipment are carried at cost less accumulated depreciation / amortization and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under the non-current assets.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is recognised so as to write off the cost of assets less their residual values over the useful lives, using the straight line method. The useful lives have been determined based on technical evaluation performed by the management which in some cases are different as compared to those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

The residual values of the assets are assessed to be nil. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss.

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The useful lives of assets have been considered as follows:

| Description | Useful life |
|-------------------------|--|
| Computers | 3 years |
| Furniture & Fixtures* | 7 years |
| Office Equipment* | 3 years |
| Lease hold Improvements | Period of Lease or 3 years whichever is earlier |

*For these class of assets, based on internal assessment the management believes that the useful lives as given above best represents the period over which the management expects to use these assets. Hence, useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

h. Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

The group has software licenses under intangible assets which are amortized over a period of 3 years.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

i. Impairment of non-financial assets

For all non-financial assets, the Group assesses whether there are indicators of impairment. If such an indicator exists, the recoverable amount of the asset is estimated in order 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 (CGU) to which the asset belongs.

The recoverable amount for an asset or CGU is the higher of its value in use and fair value less costs of disposal. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the asset or CGU is considered impaired and the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

In assessing value in use, the estimated future cash flows of the asset or CGU are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.



If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's or CGU's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

j. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer.

Sale of services

The Group earns revenue from services as described below:

- 1) Online marketing and consulting services – includes bulk emailers, advertisement banners on its website and credit score advisory services
- 2) Commission from online aggregation of financial products - includes commission earned for sale of financial products based on the leads generated from its designated website
- 3) Insurance commission and rewards – includes commission and rewards earned for solicitation of insurance products/policies based on the leads generated from its designated website using telemarketing modes and through offline activities
- 4) Outsourcing services – includes services provided to insurers in relation to activities outsourced by them to the Company
- 5) Product Listing Services – includes services pertaining to listing of products of Insurance Companies on its website
- 6) Sale of leads – includes revenue from sale of lead information of potential customers to banks etc
- 7) IT Support Services – includes services related to IT application and solutions



Revenue from above services (other than IT Support Services) is recognized at a point in time when the related services are rendered as per the terms of the agreement with customers. Revenue from IT Support Services is recognised over time. Revenues are disclosed net of the Goods and Service tax charged on such services. In terms of the contract, excess of revenue over the billed at the year end is carried in the balance sheet as unbilled trade receivable as the amount is recoverable from the customer without any future performance obligation. Cash received before the services are delivered is recognised as a contract liability, if any.

Revenue from above services is recognized in the accounting period in which the services are rendered. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

No significant element of financing is deemed present as the services are rendered with a credit term of 30-45 days, which is consistent with market practice.

k. Trade Receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost, less loss allowance.

l. Foreign currency transactions

Functional and presentation currency

Items included in the financial statements of the group are measured using the currency of the primary economic environment in which the group operates ('the functional currency') i.e. Indian rupee (INR), which is PB Fintech Limited's functional and presentation currency.

Transactions and balances

Initial recognition: On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transactions.

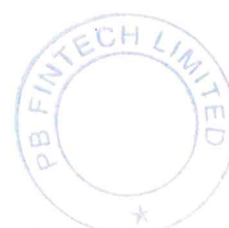
Subsequent recognition: As at the reporting date, foreign currency monetary items are translated using the closing rate and non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Exchange gains and losses arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the year or in previous financial statements are recognised in profit or loss in the year in which they arise.

Translation of foreign operations: The financial statements of foreign operations are translated using the principles and procedures mentioned above, since these businesses are carried on as if it is an extension of the Company's operations.

Group Companies:

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:



- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates
- All resulting exchange differences are recognised in other comprehensive income

When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

m. Employee benefits

Employee benefits include Provident Fund, Employee State Insurance scheme, Gratuity, Compensated absences and Share based payments.

i) Defined contribution plans

The group contributions to Provident Fund and Employee State Insurance scheme are considered as contribution to defined contribution plan and charged as an expense based on the amount of contributions required to be made as and when services are rendered by the employees.

ii) Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan asset, is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined liability or asset.

iii) Short-term obligations

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the related services.

These benefits include performance incentive and compensated absences which are expected to be settled within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences;
- (b) in case of non-accumulating compensated absences, when the absences occur.

iv) Other long-term employee benefit obligations

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.



Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations in relation to compensated absences are presented as current liabilities in the balance sheet as the group does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

v) Share-based payments

The Group operates a number of equity settled, employee share based compensation plans, under which the Group receives services from employees as consideration for equity shares of the Company. The Group has granted stock options to its employees.

The fair value of the employees services received in exchange for the grant of the options is determined by reference to the fair value of the options as at the Grant Date and is recognised as an 'employee benefits expenses' with a corresponding increase in equity. The total expense is recognised over the vesting period which is the period over which the applicable vesting condition is to be satisfied. The total amount to be expensed is determined by reference to the fair value of the options granted:

1. including any market performance conditions (e.g., the entity's share price)
2. excluding the impact of any service and non-market performance vesting conditions, and
3. including the impact of any non-vesting conditions

At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

n. Treasury shares (Shares held by the ESOP Trust)

The Company has created an Etechaces Employee Stock Option Plan Trust (ESOP Trust) for providing share-based payment to its employees under Employee Stock Option Plan 2014 ("ESOP- 2014") and Employee Stock Option Plan 2020 ("ESOP - 2020"). The Company uses Trust as a vehicle for transferring shares to employees under the employee remuneration schemes. The Company allots shares to ESOP Trust. The Company treats ESOP trust as its extension and shares held by ESOP Trust are treated as treasury shares. Share options exercised during the reporting year are settled with treasury shares.

o. Leases

Group Company as a lessee:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group Company. Contracts may contain both lease and non-lease components.

Lease liabilities:

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the future lease payments.

The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the group and payments of penalties for terminating the lease, if the lease term reflects the group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are

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recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the lessee's incremental borrowing rate. 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.

Right-of-use assets:

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated over the asset's lease term on a straight-line basis.

Short term leases and leases of low value assets:

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment including IT equipment.

p. Earnings per share (EPS)

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year excluding treasury shares. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares, except where results are anti-dilutive.

q. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

r. Trade Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.



s. Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that tax profits will be available against which those deductible temporary differences can be utilized.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

t. Provisions and contingencies

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities and contingent assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent assets are not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed, where an inflow of economic benefits is probable. However, contingent assets are assessed continually and if it is



virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

u. Financial Instruments

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

Financial Assets

Classification:

The Group classifies its financial assets in the following measurement categories

- those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Initial Recognition:

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement:

After initial measurement, financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

Financial assets at fair value through other comprehensive income are carried at fair value at each reporting date. Fair value changes are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss.

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. The Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable.

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



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

Equity investments in associates are measured at cost. The investments are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, policy for impairment of non-financial assets is followed.

Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 31 details how the group determines whether there has been a significant increase in credit risk.

For trade receivables only, the group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is derecognized only when

- The group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the group has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income recognition

Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).



Financial liabilities and equity instruments

Initial recognition and measurement

Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities. Financial liabilities are classified as subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective rate of interest.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit or Loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

De-recognition of financial liabilities

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

Equity instruments

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

v. Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency.

w. Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer Note 29.

x. Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.



y. Contributed Equity

The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

The transaction costs incurred with respect to the Initial Public Offer (IPO) of the Holding Company as reduced by the amount recovered from the selling shareholders are allocated between issue of new equity shares and listing of existing equity shares. The costs attributable to issuance of new equity shares is recognised in equity. The remaining costs attributable to listing of existing equity shares is recognised in profit or loss.

z. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III Division (II), unless otherwise stated. An amount of (0) represents amount less than ₹ 50,000 and 0 represents amount more than ₹ 50,000.

Note 3: Critical estimates and Judgements

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimated useful life of tangible assets – Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economy obsolescence that may change the utility of property, plant and equipment. Reasonable changes in assumptions are not expected to have a significant impact on the amounts as at the balance sheet date.
- Estimation of defined benefit obligation – Refer Note 12
- Recognition of deferred tax assets for carried forward tax losses – Refer Note 22(b)
- Leases – Refer Note 4(b)
- Contingent liabilities – Refer Note 24(i)
- Share based payments – Refer Note 25

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.



Note 4(a) : Property, plant and equipment

| | | | | | (₹ in Lakhs) |
|---|---------------|-------------------|----------------------|------------------------|---------------|
| Particulars | Computers | Office Equipments | Furniture & Fixtures | Leasehold Improvements | Total |
| Year ended March 31, 2023 | | | | | |
| Gross carrying amount | | | | | |
| Opening gross carrying amount | 6,084 | 636 | 857 | 2,157 | 9,734 |
| Acquisition of subsidiary (refer note 33) | 13 | 10 | 2 | - | 25 |
| Additions | 3,071 | 325 | 554 | 1,995 | 5,945 |
| Disposals | (961) | (78) | (51) | (816) | (1,906) |
| Closing gross carrying amount | 8,207 | 893 | 1,362 | 3,336 | 13,798 |
| Accumulated Depreciation | | | | | |
| Opening accumulated depreciation | 3,928 | 490 | 355 | 1,368 | 6,141 |
| Acquisition of subsidiary (refer note 33) | 8 | 6 | 1 | - | 15 |
| Depreciation charge for the year | 1,543 | 129 | 154 | 693 | 2,519 |
| Disposals | (768) | (82) | (49) | (819) | (1,718) |
| Closing accumulated depreciation | 4,711 | 543 | 461 | 1,242 | 6,957 |
| Net carrying amount as at March 31, 2023 | 3,496 | 350 | 901 | 2,094 | 6,841 |
| Year ended March 31, 2024 | | | | | |
| Gross carrying amount | | | | | |
| Opening gross carrying amount | 8,207 | 893 | 1,362 | 3,336 | 13,798 |
| Additions | 3,573 | 365 | 532 | 1,828 | 6,298 |
| Disposals | (323) | (14) | - | - | (337) |
| Closing gross carrying amount | 11,457 | 1,244 | 1,894 | 5,164 | 19,759 |
| Accumulated Depreciation | | | | | |
| Opening accumulated depreciation | 4,711 | 543 | 461 | 1,242 | 6,957 |
| Depreciation charge for the year | 2,299 | 215 | 230 | 1,267 | 4,011 |
| Disposals | (311) | (14) | - | - | (325) |
| Closing accumulated depreciation | 6,699 | 744 | 691 | 2,509 | 10,643 |
| Net carrying amount as at March 31, 2024 | 4,758 | 500 | 1,203 | 2,655 | 9,116 |

Refer note 24(ii) for capital commitments related to property, plant and equipment.

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Note 4(b) : Leases

This note provides information for the leases where the Group is a lessee. The Group has taken various offices and office furnitures on lease. Rental contracts are typically made for fixed periods of 1 year to 9 years, but may have extension options as described in (iv) below.

(i) Amount recognised in balance sheet

The balance sheet shows the following amount relating to leases:

(a) Right of use assets

| | (₹ in Lakhs) | | |
|--|---------------------------------------|--|---------|
| Particulars | Right-of-use assets - Office premises | Right-of-use assets - Furnitures & Office Equipments | Total |
| Year ended March 31, 2023 | | | |
| Gross carrying amount | | | |
| Opening gross carrying amount | 18,457 | 655 | 19,112 |
| Additions | 10,078 | - | 10,078 |
| Disposals | (987) | - | (987) |
| Closing gross carrying amount | 27,548 | 655 | 28,203 |
| Accumulated depreciation | | | |
| Opening accumulated depreciation | 4,522 | 171 | 4,693 |
| Depreciation charge for the year | 3,494 | 74 | 3,568 |
| Disposals | (195) | - | (195) |
| Closing accumulated depreciation | 7,821 | 245 | 8,066 |
| Net carrying amount as at March 31, 2023 | 19,727 | 410 | 20,137 |
| Year ended March 31, 2024 | | | |
| Gross carrying amount | | | |
| Opening gross carrying amount | 27,548 | 655 | 28,203 |
| Additions | 10,132 | - | 10,132 |
| Disposals | (4,573) | (655) | (5,228) |
| Closing gross carrying amount | 33,107 | - | 33,107 |
| Accumulated depreciation | | | |
| Opening accumulated depreciation | 7,821 | 245 | 8,066 |
| Depreciation charge for the year | 4,475 | 63 | 4,538 |
| Disposals | (1,609) | (308) | (1,917) |
| Closing accumulated depreciation | 10,687 | - | 10,687 |
| Net carrying amount as at March 31, 2024 | 22,420 | - | 22,420 |

(b) Lease liabilities

Movement in lease liabilities during the year

| | (₹ in Lakhs) | |
|------------------------------|--------------|---------|
| Particulars | As at | As at |
| Opening Balance | 22,659 | 15,936 |
| Addition | 9,818 | 9,738 |
| Termination | (4,026) | (829) |
| Finance cost | 2,599 | 2,083 |
| Payment of lease liabilities | (5,717) | (4,269) |
| Closing Balance | 25,333 | 22,659 |

Break up of current and non-current lease liabilities:

| Current | 3,925 | 3,284 |
|-------------|--------|--------|
| Non current | 21,408 | 19,375 |
| Total | 25,333 | 22,659 |

(ii) Amounts recognised in statement of profit and loss

The statement of profit or loss shows the following amount relating to leases:

| | (₹ in Lakhs) | |
|---|---------------------------|---------------------------|
| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
| a) Depreciation charge on right of use assets [refer note 18]: | | |
| - Office premises | 4,475 | 3,494 |
| - Furnitures & Office Equipments | 63 | 74 |
| Total (a) | 4,538 | 3,568 |
| (b) Interest on lease liabilities (included in finance cost) [refer note 17] | 2,599 | 2,083 |
| (c) Expense relating to short term leases (included in rent under other expenses) [refer note 21] | 306 | 294 |
| Total (a+b+c) | 7,443 | 5,945 |

(iii) The total cash outflow for leases for the year ended March 31, 2024 was ₹ 5,717 Lakhs (March 31, 2023 - ₹ 4,263 Lakhs.)

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B. H.



(iv) Extension and termination options:-

Extension and termination options are included in a number of leases. These are used to maximize operational flexibility in terms of managing the assets used in the group's operations. The extension and termination options held are exercisable by both the Group and the respective lessor.

(v) Critical judgements in determining the lease term:-

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases, the following factors are normally the most relevant:

- a) If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- b) If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- c) Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Most extension options in leases have been included in the lease liability, because the Group could not replace the assets without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group 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.

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Note 5 : Intangible assets

| Particulars | (₹ in Lakhs) | |
|---|-------------------|-----------------------------|
| | Computer Software | Goodwill [refer note 33] |
| Year ended March 31, 2023 | | |
| Gross carrying amount | | |
| Opening gross carrying amount | 998 | 2,218 |
| Acquisition of subsidiary (refer note 33) | 3 | - |
| Additions | 614 | 1,553 |
| Disposals | (3) | - |
| Closing gross carrying amount | 1,612 | 3,771 |
| Accumulated amortisation | | |
| Opening accumulated amortisation | 738 | - |
| Acquisition of subsidiary (refer note 33) | 1 | - |
| Amortisation charge for the year | 295 | - |
| Disposals | (2) | - |
| Closing accumulated amortisation | 1,032 | - |
| Net carrying amount as at March 31, 2023 | 580 | 3,771 |
| Year ended March 31, 2024 | | |
| Gross carrying amount | | |
| Opening gross carrying amount | 1,612 | 3,771 |
| Additions | 298 | - |
| Disposals | - | - |
| Closing gross carrying amount | 1,910 | 3,771 |
| Accumulated amortisation | | |
| Opening accumulated amortisation | 1,032 | - |
| Amortisation charge for the year | 323 | - |
| Disposals | - | - |
| Closing accumulated amortisation | 1,355 | - |
| Net carrying amount as at March 31, 2024 | 555 | 3,771 |

Details of carrying amount of goodwill allocated to cash generating units (CGUs) :

| Particulars | (₹ in Lakhs) | |
|-------------------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Cash generating units (CGUs) | | |
| Visit Group | 2,218 | 2,218 |
| Myloancare Ventures Private Limited | 1,553 | 1,553 |
| Total | 3,771 | 3,771 |

Impairment testing of goodwill

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating unit (CGU), which benefits from the synergies of the acquisition. Goodwill is tested for impairment at least annually. Impairment is recognised, when the carrying amount of cash generating units (CGU) including goodwill, exceeds the estimated recoverable amount of CGU.

The recoverable amount of CGUs is determined based on the fair value less cost of disposal or value in use, whichever is higher as required to be assessed under Ind-AS 36. The fair value of a CGU is determined based on the recent round of funding or value-in-use determined based on discounted future cash flows. For calculation of discounted future cash flows, the key assumptions used by the Group are discount rate, long term growth rate, capital outflow and working capital requirements, etc. The assumptions are taken on the basis of past trends and management estimates and judgement. The discount rate is based on the Weighted Average Cost of Capital (WACC).

a) Visit Group (constituting Visit Internet Services Private Limited and Visit Health Private Limited): The Group has determined the fair value of the CGU pertaining to Visit Group investment basis the subsequent divestment transaction of the share capital of VISPL and VHPL which exceeds its carrying amount as on March 31, 2024 and accordingly, no impairment was recognised. Refer note 39(c) for detailed information related to divestment.

b) Myloancare Ventures Private Limited (MVPL): The recoverable amount of the MVPL CGU has been determined based on management reviewed financial projections supported by valuation report obtained from merchant banker. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 20.10% (March 31, 2023: 20.10%) and cash flows beyond the five-year period are extrapolated using a 3.00% (March 31, 2023: 3.00%) growth rate which is consistent with the industry forecasts. As a result of the analysis, management did not identify any impairment for this CGU and accordingly, there is no need for impairment of goodwill.

An analysis of the sensitivity of the computation to change in key assumptions based on reasonable probability did not identify any possible scenario in which the recoverable amount of the CGU would decrease below its carrying amount

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B. S.

Note 6 : Financial assets

Note 6(a) : Investments

Non-current investments

| Particulars | As at March 31, 2024 | | | As at March 31, 2023 | | |
|--|----------------------|------------|--------------|----------------------|----------------|--------------|
| | Number | Face value | (₹ in Lakhs) | Number | Face value (₹) | (₹ in Lakhs) |
| A. Investment in equity instruments (fully paid up) | | | | | | |
| (i) Associate Company (at equity method) | | | | | | |
| Unquoted | | | | | | |
| Visit Health Private Limited | 4,15,293 | 10 | 3,073 | 2,70,782 | 10 | 1,986 |
| YKNP Marketing Management LLC | 108 | AED 1000 | 1,471 | 108 | AED 1000 | 1,679 |
| Sub-total | | | 4,544 | | | 3,665 |
| (ii) Others (at fair value through profit or loss) | | | | | | |
| Unquoted | | | | | | |
| Swasth Digital Health Foundation | 5,000 | 100 | 5 | 5,000 | 100 | 5 |
| Sub-total | | | 5 | | | 5 |
| Total (A) | | | 4,549 | | | 3,670 |
| B. Investments in debentures and bonds (fully paid up) | | | | | | |
| (i) Associate Company (at equity method) | | | | | | |
| Unquoted | | | | | | |
| Visit Health Private Limited | - | - | - | 1,44,511 | 738 | 1,081 |
| Sub-total | | | - | | | 1,081 |
| (ii) Corporate Bonds | | | | | | |
| (at amortised cost) | | | | | | |
| Unquoted | | | | | | |
| 0% Tata Industries Limited 16/01/2026 INE760E08166 | 1,300 | 10,00,000 | 15,485 | - | - | - |
| Sub-total | | | 15,485 | | | - |
| Quoted | | | | | | |
| 0% Kotak Mahindra Investments Limited 19/05/2026 INE975F07IB2 | 3,000 | 1,00,000 | 3,273 | - | - | - |
| 0% Kotak Mahindra Investments Limited 29/01/2026 INE975F07HV2 | 550 | 10,00,000 | 4,761 | - | - | - |
| 7.85% ICICI Housing Finance Limited 12/05/2028 INE071G07603 | 2,500 | 1,00,000 | 2,657 | - | - | - |
| 7.91% Tata Capital Limited 03/12/2026 INE306N07NO7 | 1,500 | 1,00,000 | 1,569 | - | - | - |
| 8.05% HDB Financial Services Limited 08/08/2029 INE756I07EV7 | 100 | 10,00,000 | 1,050 | - | - | - |
| 8.12% Aditya Birla Finance Limited 06/03/2028 INE860H07II7 | 2,500 | 1,00,000 | 2,514 | - | - | - |
| 8.30% Aditya Birla Finance Limited 16/09/2026 INE860H07II5 | 2,500 | 1,00,000 | 2,515 | - | - | - |
| 9.30% Mahindra & Mahindra Financial Services Limited 18/01/2027 INE774D07SW9 | 5,00,000 | 1,000 | 5,607 | - | - | - |
| 8.00% Mahindra & Mahindra Financial Services Limited 24/07/2027 INE774D08MK5 | 50,000 | 1,000 | 536 | - | - | - |
| 9.00% Mahindra & Mahindra Financial Services Limited 06/06/2026 INE774D08MA6 | 50,000 | 1,000 | 544 | - | - | - |
| 8.14% Axis Finance Limited 21/02/2029 INE891K07937 | 7,500 | 1,00,000 | 7,570 | - | - | - |
| 8.29% Axis Finance Limited 26/02/2027 INE891K07903 | 2,500 | 1,00,000 | 2,524 | - | - | - |
| 9.05% HDFC Bank Limited 16/10/2028 INE040A08732 | 500 | 10,00,000 | 5,402 | - | - | - |
| 8.15% L&T Finance Holding Limited 01/03/2028 INE027E07CL7 | 500 | 1,00,000 | 505 | - | - | - |
| 8.19% Axis Finance Limited 29/01/2029 INE891K07929 | 2,500 | 1,00,000 | 2,535 | - | - | - |
| 8.13% L&T Finance Holding Limited 23/03/2029 INE498L07020 | 8,000 | 1,00,000 | 8,114 | - | - | - |
| 7.77% HDFC Bank Limited 28/06/2027 INE040A08823 | 250 | 10,00,000 | 2,625 | - | - | - |
| 8.10% Bajaj Finance Limited 08/01/2027 INE296A07SR9 | 5,000 | 1,00,000 | 5,109 | - | - | - |
| 8.16% Aditya Birla Finance Limited 14/02/2029 INE860H07IW8 | 5,000 | 1,00,000 | 5,051 | - | - | - |
| 8.35% Axis Finance Limited 07/05/2027 INE891K07952 | 5,000 | 1,00,000 | 5,027 | - | - | - |
| 8.45% Bajaj Finance Limited 29/09/2026 INE296A08805 | 50 | 10,00,000 | 525 | - | - | - |
| 8.24% HDB Financial Services Limited 06/04/2027 INE756I07EX3 | 2,500 | 1,00,000 | 2,522 | - | - | - |
| Sub-total | | | 72,535 | | | - |
| (at fair value through other comprehensive income) | | | | | | |
| Quoted | | | | | | |
| 8.83% ONGC Petro Additions Limited 10/03/2025 INE163N08115 | 10 | 10,00,000 | 102 | - | - | - |
| Sub-total | | | 102 | | | - |
| Total (B) | | | 88,122 | | | 1,081 |
| C. Investments - others | | | | | | |
| (at fair value through profit or loss) | | | | | | |
| Unquoted | | | | | | |
| Investment in Wakala deposit | - | - | 821 | - | - | 1,234 |
| Total (C) | | | 821 | | | 1,234 |
| Total (A+B+C) | | | 93,492 | | | 5,985 |
| Aggregate amount of quoted investments and market value thereof | | | 72,637 | | | - |
| Aggregate amount of unquoted investments | | | 20,855 | | | 5,985 |
| Aggregate amount of impairment in value of investments | | | - | | | - |

Notes:

(i) Face value is in Indian Rupees unless otherwise stated.

(ii) During the year ended March 31, 2024, Visit Health Private Limited (Associate of Doeprime Technologies Private Limited) converted its outstanding Compulsory Convertible debentures into equity shares. On conversion, Doeprime Technologies Private Limited (Wholly owned Subsidiary) received 1,44,511 equity shares in lieu of conversion of 1,44,511 Compulsory Convertible debentures in the ratio of 1:1. Accordingly post conversion, Doeprime Technologies Private Limited now holds 4,15,293 of its equity shares.



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Note 6 : Financial assets

Note 6(a) : Investments

Current Investments

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|---------------|----------------------|---------------|
| | Number | (₹ in Lakhs) | Number | (₹ in Lakhs) |
| A. Investments in equity instruments - Quoted (At fair value through profit or loss) | | | | |
| Star Health and Allied Insurance Company Limited | 1,11,120 | 604 | 1,11,120 | 576 |
| Total (A) | | 604 | | 576 |
| B. Investment in mutual funds - Unquoted (At fair value through profit or loss) | | | | |
| Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund - Direct - Growth | 1,43,01,344 | 1,609 | 1,43,01,344 | 1,500 |
| Axis Banking & PSU Debt Fund - Dir - Growth | 74,278 | 1,823 | 74,278 | 1,700 |
| Bandhan Liquid Fund - Direct - Growth | - | - | 1,20,740 | 3,282 |
| Kotak Liquid Fund - Direct - Growth | - | - | 48,427 | 2,203 |
| Axis Liquid Fund - Direct Growth | - | - | 1,46,270 | 3,658 |
| Axis Money Market Fund- Direct - Growth | - | - | 1,53,907 | 1,874 |
| Bandhan Ultra Short Term Fund - Direct - Growth | 1,00,97,372 | 1,418 | 2,82,01,984 | 3,689 |
| ICICI Prudential Money Market Fund - Direct - Growth | 8,35,193 | 2,917 | 6,90,505 | 2,239 |
| HDFC Ultra Short Term Fund - Direct - Growth | 1,95,21,545 | 2,750 | 2,35,33,976 | 3,084 |
| HSBC Liquid Fund - Direct - Growth | - | - | 20,353 | 456 |
| Nippon India Liquid Fund - Direct - Growth | - | - | 81,570 | 4,492 |
| DSP Liquidity Fund - Direct - Growth | 53,886 | 1,860 | 1,20,845 | 3,888 |
| DSP Ultra Short Term Fund - Direct - Growth | 26,273 | 884 | 54,916 | 1,718 |
| UTI Overnight Fund - Direct - Growth | 3,204 | 105 | - | - |
| Aditya Birla Sun life Low Duration Fund - Direct - Growth | 1,86,132 | 1,227 | - | - |
| ICICI Prudential Nifty PSU Bond Plus SDL Sep 2027 40:60 Index Fund | 1,71,89,312 | 1,929 | 1,71,89,312 | 1,800 |
| ICICI Prudential Liquid Fund - Direct - Growth | 3,10,416 | 1,110 | 15,22,998 | 5,074 |
| TATA Liquid Fund - Direct - Growth | 27,795 | 1,059 | 32,507 | 1,154 |
| TATA Money Market Fund - Direct - Growth | - | - | 32,572 | 1,319 |
| UTI Liquid Cash Plan - Regular - Growth | - | - | 16,400 | 601 |
| UTI Money Market Fund - Direct - Growth | 12,893 | 366 | 78,777 | 2,076 |
| Invesco India Money Market Fund - Direct plan - Growth | 7,118 | 204 | 91,450 | 2,441 |
| Invesco India Liquid Fund - Direct - Growth | 27,294 | 905 | 38,283 | 1,183 |
| ICICI Prudential Overnight Fund-Direct Plan-Growth | - | - | 19,096 | 231 |
| UTI Liquid Fund - Direct - Growth | 28,608 | 1,132 | 1,59,254 | 5876 |
| Aditya Birla Sunlife Corporate Bond Fund - Regular - Growth | 21,82,021 | 2,220 | - | - |
| Axis Ultra Short Fund- Direct - Growth | 2,21,09,539 | 3,139 | - | - |
| Bandhan Liquid Fund - Regular - Growth | 43,354 | 1,255 | - | - |
| Baroda BNP Paribas Liquid Fund - Direct - Growth | 3,596 | 100 | - | - |
| HSBC Ultra Short Duration Fund - Direct - Growth | 36,079 | 451 | - | - |
| ICICI Prudential Banking & PSU Debt Fund - Regular - Growth | 35,63,779 | 1,057 | - | - |
| ICICI Prudential Savings Fund - Direct - Growth | 3,07,230 | 1,535 | - | - |
| ICICI Prudential Ultra Short Fund - Direct - Growth | 61,34,286 | 1,670 | - | - |
| Kotak Corporate Bond Fund - Direct - Growth | 29,895 | 1,057 | - | - |
| Mirae Asset Liquid Fund - Direct - Growth | 57,462 | 1,465 | - | - |
| Nippon India Money Market Fund - Direct - Growth | 1,37,008 | 5,236 | - | - |
| Nippon India Overnight Fund - Direct - Growth | 43,476 | 56 | - | - |
| SBI Liquid Fund - Direct - Growth | 32,080 | 1,212 | - | - |
| Total (B) | | 41,751 | | 55,538 |
| C. Investment in Bonds - Quoted (at fair value through other comprehensive income) | | | | |
| 8.83% ONGC Petro Additions Limited 10/03/2025 INE163N08115 | - | - | 10 | 111 |
| Total (C) | | - | | 111 |
| Total current investments (A+B+C) | | 42,355 | | 56,225 |
| Aggregate amount of quoted investments and market value thereof | | 604 | | 687 |
| Aggregate amount of unquoted investments | | 41,751 | | 55,538 |
| Aggregate amount of impairment in value of investments | | - | | - |



Note 6 (b) : Loans

Current

Unsecured, considered good

Loan to employees

Total

| As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|
| 71 | 67 |
| 71 | 67 |

Break-up of security details

Loans considered good - secured

Loans considered good - unsecured

Loans which have significant increase in credit risk

Loans - credit impaired

Total

Loss allowance

Total Loans

| As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|
| - | - |
| 71 | 67 |
| - | - |
| - | - |
| 71 | 67 |
| - | - |
| 71 | 67 |

Note 6 (c) : Loans towards financing activities

Non-current

Loss allowance

Total

| As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|
| 612 | 754 |
| (104) | (7) |
| 508 | 747 |

Current

Loss allowance

Total

| | |
|-------|-----|
| 738 | 484 |
| (273) | (4) |
| 465 | 480 |

Total

| | |
|-----|-------|
| 973 | 1,227 |
|-----|-------|

Break-up of security details

Loans considered good - secured

Loans considered good - unsecured

Loans which have significant increase in credit risk

Loans - credit impaired

Total

Loss allowance

Total Loans towards financing activities#

| As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|
| - | - |
| 1,350 | 1,238 |
| - | - |
| - | - |
| 1,350 | 1,238 |
| (377) | (11) |
| 973 | 1,227 |

Represents loans given to external customers by MyLoanCare Ventures Private Limited (a "subsidiary") as part of its lending operations.

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Note 6(d) : Trade receivables

| | As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|--|---|---|
| Trade receivables from contract with customers | | |
| - Billed | 16,360 | 28,471 |
| - Unbilled # | 49,642 | 40,190 |
| Trade receivables from contract with related parties [refer note 28] | | |
| - Billed | 106 | - |
| - Unbilled # | 197 | - |
| Loss allowance | (1,253) | (930) |
| Total | 65,052 | 67,731 |
| Current portion | 65,052 | 67,731 |
| Non- Current portion | - | - |

Break-up of security details

| | As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|--|---|---|
| Trade receivables considered good - secured | - | - |
| Trade receivables considered good - unsecured | 66,305 | 68,661 |
| Trade receivables which have significant increase in credit risk | - | - |
| Trade receivables - credit impaired | - | - |
| Total | 66,305 | 68,661 |
| Less: Loss allowance | (1,253) | (930) |
| Total | 65,052 | 67,731 |

The receivable is 'unbilled' because the Group has not yet issued an invoice; however, the balance has been included under trade receivables because it is an unconditional right to consideration.

Ageing of trade receivables as at March 31, 2024:

| Particulars | Outstanding for following periods from the due date | | | | | | | Total |
|--|---|--------------|--------------------|-------------------|-----------|-----------|-------------------|---------------|
| | Unbilled | Not due | Less than 6 months | 6 months- 1 years | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade receivables | | | | | | | | |
| considered good | 49,839 | 9,677 | 6,277 | 121 | 49 | 15 | 22 | 66,000 |
| which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| credit impaired | - | - | - | - | - | - | - | - |
| Disputed trade receivables | | | | | | | | |
| considered good | - | - | 298 | 7 | - | - | - | 305 |
| which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| credit impaired | - | - | - | - | - | - | - | - |
| Total | 49,839 | 9,677 | 6,575 | 128 | 49 | 15 | 22 | 66,305 |

Ageing of trade receivables as at March 31, 2023:

| Particulars | Outstanding for following periods from the due date | | | | | | | Total |
|--|---|---------------|--------------------|-------------------|-----------|-----------|-------------------|---------------|
| | Unbilled | Not due | Less than 6 months | 6 months- 1 years | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade receivables | | | | | | | | |
| considered good | 40,190 | 23,383 | 4,490 | 552 | 9 | 37 | - | 68,661 |
| which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| credit impaired | - | - | - | - | - | - | - | - |
| Disputed trade receivables | | | | | | | | |
| considered good | - | - | - | - | - | - | - | - |
| which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| credit impaired | - | - | - | - | - | - | - | - |
| Total | 40,190 | 23,383 | 4,490 | 552 | 9 | 37 | - | 68,661 |

Note 6(e) : Cash and cash equivalents

| | As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|---|
| Balances with banks | | |
| - in current accounts | 3,419 | 3,215 |
| Cheques on hand | 19 | 17 |
| Cash on hand | 1 | 5 |
| Deposits with original maturity of less than 3 months | 29,047 | 3,997 |
| Total | 32,486 | 7,234 |

Note 6(f) : Other bank balances

| | As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|---|
| Balances in fixed deposit accounts with original maturity more than 3 months but less than 12 months* | 41,011 | 69,038 |
| Total | 41,011 | 69,038 |

* Includes fixed deposits of ₹ Nil (March 31, 2023 - ₹ 6,032 Lakhs) under lien

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Note 6(g) : Other financial assets

Non-current

| | |
|--|--|
| Security deposits | |
| Deposits with insurance companies | |
| Balances in fixed deposit accounts with original maturity more than 12 months* | |
| Capital contribution in equity instruments pending allotment # | |
| Total | |

| As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|
| 1,703 | 1,714 |
| 21 | 21 |
| 27,406 | 1,59,787 |
| - | 500 |
| 29,130 | 1,62,022 |

Current

| | |
|--|--|
| Security deposits | |
| Balances in fixed deposit accounts with original maturity with more than 12 months** | |
| Amount recoverable from employees | |
| Less: Loss allowance | |
| Interest receivable on loan to customer | |
| Recoverable from customers for TDS deducted u/s 194O | |
| Interest accrued but not due | |
| Others | |
| Total | |

| As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|
| 246 | 222 |
| 2,94,072 | 2,06,331 |
| 152 | 107 |
| - | (13) |
| 29 | - |
| 1,187 | 780 |
| 14 | 88 |
| 41 | 4 |
| 2,95,741 | 2,07,519 |

* Includes fixed deposits of ₹ 80 Lakhs (March 31, 2023 - ₹ 34 Lakhs) under lien.

** Includes fixed deposits of ₹ 231 Lakhs (March 31, 2023 - ₹ 65 Lakhs) under lien.

PB Marketing and Consulting Private Limited (the "Wholly owned subsidiary" or "PB Marketing") proposes for investment in equity instruments of the New Umbrella Entity ('NUE') that focus on pan India retail payment systems under RBI NUE framework. The capital contribution amount is deposited with escrow account of Foster Payment Network Private Limited maintained with IndusInd Bank Limited, as it is a pre-requisites for applying with RBI to procure the requisite authorisation under the NUE Framework to set up an NUE (as a 'for-profit' company incorporated in India under the Companies Act, 2013). W.e.f. July 15, 2021 deposited in fixed deposits held with IndusInd Bank. Further during the current financial year, PB Marketing received the refund of capital contribution along with interest on rejection of application for New Umbrella Entity.

Note 7 : Income tax assets (net)

| | |
|---|--|
| Advance income tax [net of provision ₹ 1,270/- Lakhs (March 31, 2023: ₹ Nil)] | |
| Total | |

| As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|
| 31,577 | 12,893 |
| 31,577 | 12,893 |

Note 8 : Other non-current assets

| | |
|------------------|--|
| Capital advances | |
| Prepaid expenses | |
| Total | |

| As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|
| 10 | 176 |
| 26 | 28 |
| 36 | 204 |

Note 9 : Other current assets

| | |
|-------------------------------------|--|
| Advance to vendors | |
| Less: Loss allowance | |
| Balance with government authorities | |
| Prepaid expenses | |
| Others | |
| Less: Loss allowance | |
| Total | |

| As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|
| 330 | 315 |
| (24) | (31) |
| 306 | 284 |
| 3,269 | 2,561 |
| 1,394 | 890 |
| 523 | 193 |
| (427) | - |
| 96 | 193 |
| 5,065 | 3,928 |



Equity

Note 10(a): Equity share capital

Authorised equity share capital

| | Number of shares | Amount (₹ In Lakhs) |
|-------------------------------|------------------|------------------------|
| As at March 31, 2022 | 49,05,00,000 | 9,810 |
| Add: Increase during the year | - | - |
| As at March 31, 2023 | 49,05,00,000 | 9,810 |
| Add: Increase during the year | - | - |
| As at March 31, 2024 | 49,05,00,000 | 9,810 |

(i) Movements in equity share capital

| | Number of shares | Amount (₹ In Lakhs) |
|------------------------------------|------------------|------------------------|
| As at March 31, 2022 | 44,94,99,806 | 8,990 |
| Add: Shares issued during the year | 6,16,543 | 12 |
| As at March 31, 2023# | 45,01,16,349 | 9,002 |
| Add: Shares issued during the year | 10,87,115 | 22 |
| As at March 31, 2024# | 45,12,03,464 | 9,024 |

Includes 2,641,258 treasury shares (March 31, 2023 - 3,747,238 treasury shares) held by Employee Stock Option Plan Trust (ESOP Trust).

(ii) Reconciliation of Treasury shares held by ESOP Trust at the beginning and at the end of the year :

| | March 31, 2024 Number of shares | March 31, 2023 Number of shares |
|----------------------------------|------------------------------------|------------------------------------|
| Treasury shares | | |
| At the beginning of the year | 37,47,238 | 1,03,98,500 |
| Add : Purchased during the year | - | - |
| Less : Exercised during the year | (11,05,980) | (66,51,262) |
| At the end of the year | 26,41,258 | 37,47,238 |

(iii) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having a par value of ₹ 2/- per share (March 31, 2023 - ₹ 2/- per share). Each shareholder is eligible for one vote per share held. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

| | March 31, 2024 | | March 31, 2023 | |
|---|------------------|-----------|------------------|-----------|
| | Number of shares | % holding | Number of shares | % holding |
| Makesense Technologies Limited | 5,98,90,000 | 13.27% | 5,98,90,000 | 13.31% |
| New World Fund Inc | 2,65,58,966 | 5.89% | - | 0.00% |
| Claymore Investment (Mauritius) Pte Ltd | - | 0.00% | 2,57,37,500 | 5.72% |
| SVF India Holdings (Cayman) Limited | - | 0.00% | 2,59,40,000 | 5.76% |
| Tencent Cloud Europe B.V. | 2,82,48,750 | 6.26% | 3,76,65,000 | 8.37% |
| Total | 11,46,97,716 | 25.42% | 14,92,32,500 | 33.16% |

(v) Details of shareholding of promoters:

The Company is a professionally managed Company and it does not have any promoters in terms of section 2(69) of Companies Act, 2013.

(vi) During the five years immediately preceding the reporting date, no shares have been bought back, issued for consideration other than cash except for conversion of CCCPS into equity shares and bonus shares issued are as follows:

| | March 31, 2024 | March 31, 2023 | March 31, 2022 | March 31, 2021 | March 31, 2020 | March 31, 2019 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Allotted as fully paid up equity shares by way of bonus | - | - | 17,67,35,820 | - | - | - |
| Additional equity shares allotted as fully paid up for conversion of CCCPS | - | - | 23,36,76,211 | - | - | - |



PB Fintech Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

Equity

Note 10(b): Instruments entirely equity in nature (cumulative compulsorily convertible preference shares)

Authorised preference share capital

| | Number of shares | Amount (₹ in Lakhs) |
|-------------------------------|------------------|------------------------|
| As at March 31, 2022 | 9,50,000 | 190 |
| Add: Increase during the year | - | - |
| As at March 31, 2023 | 9,50,000 | 190 |
| Add: Increase during the year | - | - |
| As at March 31, 2024 | 9,50,000 | 190 |

Note : As of March 31, 2024, and March 31, 2023, there are no issued, subscribed, and fully paid-up cumulative compulsorily convertible preference share capital.

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Other Equity

Note 10(c): Reserves and surplus

| (₹ in Lakhs) | | |
|--|-----------------|-----------------|
| Particulars | March 31, 2024 | March 31, 2023 |
| Securities premium | 7,10,727 | 6,97,826 |
| Retained earnings | (2,33,952) | (2,40,333) |
| Equity settled share based payment reserve | 1,00,664 | 80,494 |
| General reserve | 2 | 2 |
| Foreign currency translation reserve | 624 | 635 |
| FVOCI reserve - debt instruments | (7) | (2) |
| Treasury shares | (0) | 6 |
| Trust Reserve | 18 | - |
| Statutory reserve | 3 | - |
| Total reserves and surplus | 5,78,079 | 5,38,628 |

| (₹ in Lakhs) | | |
|--|-----------------|-----------------|
| Particulars | March 31, 2024 | March 31, 2023 |
| Opening balance | 6,97,826 | 6,77,554 |
| Add: Exercise of options transferred from equity settled share based payment reserve | 12,901 | 20,272 |
| Closing balance | 7,10,727 | 6,97,826 |

| (₹ in Lakhs) | | |
|---|-------------------|-------------------|
| Particulars | March 31, 2024 | March 31, 2023 |
| Opening balance | (2,40,333) | (1,92,092) |
| Profit/(loss) for the year | 6,698 | (48,722) |
| Less: Appropriation from current year profit to statutory reserve | (3) | - |
| Derecognition of financial liabilities incurred to the former owners of the acquired business | - | 707 |
| Items of other comprehensive income recognised directly in retained earnings | | |
| - Remeasurements of post-employment benefit obligation, net of tax | (314) | (226) |
| Closing balance | (2,33,952) | (2,40,333) |

| (₹ in Lakhs) | | |
|--|-----------------|----------------|
| Particulars | March 31, 2024 | March 31, 2023 |
| Opening balance | 80,494 | 46,578 |
| Add: Additions for employee share-based payment expense incurred | 33,071 | 54,188 |
| Less: Transfer to Securities Premium for exercise of options | (12,901) | (20,272) |
| Closing balance | 1,00,664 | 80,494 |

| (₹ in Lakhs) | | |
|--|----------------|----------------|
| Particulars | March 31, 2024 | March 31, 2023 |
| Opening balance | 2 | 2 |
| Add : Transfer during the year from equity settled share based payment reserve | - | - |
| Closing balance | 2 | 2 |

| (₹ in Lakhs) | | |
|--|----------------|----------------|
| Particulars | March 31, 2024 | March 31, 2023 |
| Opening balance | 635 | 135 |
| Add: Currency translation adjustments relating to subsidiary | (11) | 500 |
| Closing balance | 624 | 635 |

| (₹ in Lakhs) | | |
|---|----------------|----------------|
| Particulars | March 31, 2024 | March 31, 2023 |
| Opening balance | (2) | - |
| Add: Changes in the fair value of debt instruments at FVOCI | (5) | (2) |
| Closing balance | (7) | (2) |

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PB Fintech Limited
Notes to the consolidated financial statements for the year ended March 31, 2024

| vii) Treasury shares | | (₹ in Lakhs) | |
|---|-----------------------|-----------------------|--|
| Particulars | March 31, 2024 | March 31, 2023 | |
| Opening balance | 6 | - | |
| Less: Transferred to trust reserve | (6) | - | |
| Add: Exercised/sold during the year | 0 | - | |
| Add: Net results of ESOP trust operations | - | 6 | |
| Closing balance | (0) | 6 | |

| viii) Trust Reserve | | (₹ in Lakhs) | |
|---|-----------------------|-----------------------|--|
| Particulars | March 31, 2024 | March 31, 2023 | |
| Opening balance | - | - | |
| Add: Transferred from treasury shares | 6 | - | |
| Add: Net results of ESOP trust operations | 12 | - | |
| Closing balance | 18 | - | |

| ix) Statutory reserve | | (₹ in Lakhs) | |
|---|-----------------------|-----------------------|--|
| Particulars | March 31, 2024 | March 31, 2023 | |
| Opening balance | - | - | |
| Add: Appropriation from current year profit | 3 | - | |
| Closing balance | 3 | - | |

Nature and purpose of other reserves:

a) Securities premium

Securities premium is used to record the premium on issue of shares. Securities premium is utilised in accordance with the provisions of the Companies Act, 2013.

b) Equity settled share based payment reserve

Equity settled share based payment reserve is used to recognise the grant date fair value of options issued to the employees of the Company and its subsidiaries under ESOP scheme.

c) Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.

d) General reserve

General Reserve created on forfeiture of ESOPs in earlier years.

e) FVOCI reserve - debt instruments

The Group has elected to recognise changes in the fair values of certain investments in debt instruments in other comprehensive income. These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to retained earning when relevant debt securities are derecognised.

f) Treasury shares

Treasury shares represents purchase value of own shares of the Company through Etechaces Employees Stock Option Plan Trust for issuing the shares to the eligible employees on exercise of stock options.

g) Trust Reserve

This represents net income of the ESOP trust.

h) Statutory reserve

Zphin Computer Systems and Software Designing – Sole Proprietorship LLC, a subsidiary of PB Fintech FZ LLC, allocates 10% of its net profits to a statutory reserve in accordance with the UAE Commercial Companies Law (Federal Law No. 2 of 2015). Pursuant to this law, every limited liability company is required to set aside 10% of its annual net profits to form a legal reserve. However, partners have the discretion to discontinue this deduction once the reserve reaches an amount equal to half of the company's capital



PB Fintech Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

Note 10(d): Non-controlling interests (NCI)**Summarised balance sheet:**

(₹ in Lakhs)

| Particulars | MyLoanCare Ventures Private Limited | |
|-----------------------------------|-------------------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Current assets | 1,893 | 3,005 |
| Current liabilities | 145 | 302 |
| Net current assets (A) | 1,748 | 2,703 |
| Non-current assets | 660 | 1,121 |
| Non-current liabilities | 11 | 206 |
| Net non-current assets (B) | 649 | 915 |
| Net assets (A+B) | 2,397 | 3,618 |
| Accumulated NCI | 544 | 850 |

Summarised statement of profit and loss:

(₹ in Lakhs)

| Particulars | MyLoanCare Ventures Private Limited | |
|---|-------------------------------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Income: | | |
| Revenue from operations | 812 | 746 |
| Loss for the year | (1,158) | (581) |
| Other comprehensive income/(loss) | (21) | (16) |
| Total comprehensive income/(loss) for the year | (1,179) | (597) |
| Loss allocated to NCI | (257) | (72) |

Summarised statement of cash flows:

(₹ in Lakhs)

| Particulars | MyLoanCare Ventures Private Limited | |
|---|-------------------------------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Cash flows from operating activities | (962) | (1,603) |
| Cash flows from investing activities | 628 | (1,494) |
| Cash flows from financing activities | (40) | 3,628 |
| Net (decrease) / increase in cash and cash equivalents | (374) | 531 |



Note 11 : Financial liabilities

Note 11(a) : Trade payables

Current

Trade payables : micro and small enterprises*
Trade payables : others
Trade payables to related parties [refer note 28]
Total

| As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|
| 1,670 | 1,423 |
| 28,175 | 29,187 |
| 261 | - |
| 30,106 | 30,610 |

* includes amount of 0 Lakhs (March 31, 2023 - ₹ 114 Lakhs) payable to Visit Health Private Limited which is a micro enterprise

Ageing of trade payables as at March 31, 2024:

(₹ in Lakhs)

| Particulars | Outstanding for following periods from the due date | | | | | | Total |
|-----------------------------|---|---------------|---------------------|--------------|--------------|----------------------|---------------|
| | Unbilled | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade payables | | | | | | | |
| Micro and small enterprises | - | 1,384 | 286 | - | - | - | 1,670 |
| Others | 14,490 | 10,888 | 2,999 | 6 | 29 | 24 | 28,436 |
| Disputed trade payables | | | | | | | |
| Micro and small enterprises | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - |
| Total | 14,490 | 12,272 | 3,285 | 6 | 29 | 24 | 30,106 |

Ageing of trade payables as at March 31, 2023:

(₹ in Lakhs)

| Particulars | Outstanding for following periods from the due date | | | | | | Total |
|-----------------------------|---|--------------|---------------------|--------------|--------------|----------------------|---------------|
| | Unbilled | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade payables | | | | | | | |
| Micro and small enterprises | 54 | 1,069 | 295 | 2 | - | 3 | 1,423 |
| Others | 16,910 | 8,113 | 3,926 | 165 | 5 | 68 | 29,187 |
| Disputed trade payables | | | | | | | |
| Micro and small enterprises | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - |
| Total | 16,964 | 9,182 | 4,221 | 167 | 5 | 71 | 30,610 |

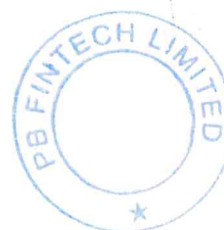
Note 11(b) : Other financial liabilities

Employee related payables
Capital creditors*
Others
Total

| As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|
| 13,803 | 11,667 |
| 310 | 216 |
| 2 | 3 |
| 14,115 | 11,886 |

* includes amount of ₹ Nil (March 31, 2023 - ₹ 164 Lakhs) payable to micro and small enterprises

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Note 12 : Provisions

| | March 31, 2024 | | | March 31, 2023 | | |
|---|----------------|--------------|--------------|----------------|--------------|--------------|
| | Current | Non-current | Total | Current | Non-current | Total |
| Gratuity | - | 3,479 | 3,479 | 2 | 2,444 | 2,446 |
| Compensated absences | 4,131 | - | 4,131 | 2,822 | 12 | 2,834 |
| Total employee benefit obligations | 4,131 | 3,479 | 7,610 | 2,824 | 2,456 | 5,280 |

(i) Compensated absences

The leave obligations cover the Group's liability for earned leaves. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

The amount of the provision of ₹ 4,131 lakhs (March 31, 2023 - ₹ 2,822 lakhs) is presented as current with respect to companies in the Group which does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees of such companies to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

| | March 31, 2024 (₹ in Lakhs) | March 31, 2023 (₹ in Lakhs) |
|--|--------------------------------|--------------------------------|
| Leave obligations not expected to be settled within the next 12 months | 3,159 | 2,035 |

(ii) Defined contribution plans

a) Provident Fund

The Group has a defined contribution plan in respect of provident fund. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year ended March 31, 2024 towards defined contribution plan is ₹ 3,665 lakhs (March 31, 2023- ₹ 2,854 Lakhs) [refer note 16]

b) Employee State Insurance

The Group has a defined contribution plan in respect of employee state insurance. The expense recognised during the year ended March 31, 2024 towards defined contribution plan is ₹ 433 lakhs (March 31, 2023 - ₹ 375 lakhs) [refer note 16]

(iii) Post employment benefit plan obligations- Gratuity

The Group provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. 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 gratuity plan is a funded plan and the Group makes contribution to recognised funds in India. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

a) The amounts recognized in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

| | Present value of obligation (₹ in Lakhs) | Fair value of plan assets (₹ in Lakhs) | Net amount (₹ in Lakhs) |
|--|---|---|----------------------------|
| April 01, 2022 | 3,222 | (728) | 2,494 |
| Acquisition of subsidiary | 19 | - | 19 |
| | 3,241 | (728) | 2,513 |
| Current service cost | 1,085 | - | 1,085 |
| Interest Cost | 218 | (96) | 122 |
| Total amount recognised in profit or loss | 1,303 | (96) | 1,207 |
| Remeasurements | | | |
| Return on plan assets, excluding amounts included in interest expense/(income) | - | 56 | 56 |
| (Gain)/loss from change in demographic assumptions | (126) | - | (126) |
| (Gain)/loss from change in financial assumptions | (105) | - | (105) |
| Experience (gains)/losses | 402 | - | 402 |
| Total amount recognised in other comprehensive income | 171 | 56 | 227 |
| Employer contributions | - | (1,500) | (1,500) |
| Benefit payments | (211) | 210 | (1) |
| March 31, 2023 | 4,504 | (2,058) | 2,446 |
| April 01, 2023 | 4,504 | (2,058) | 2,446 |
| Current service cost | 1,723 | - | 1,723 |
| Interest Cost | 363 | (180) | 183 |
| Total amount recognised in profit or loss | 2,086 | (180) | 1,906 |
| Remeasurements | | | |
| Return on plan assets, excluding amounts included in interest expense/(income) | - | (85) | (85) |
| (Gain)/loss from change in demographic assumptions | 175 | - | 175 |
| (Gain)/loss from change in financial assumptions | 162 | - | 162 |
| Experience (gains)/losses | 65 | - | 65 |
| Total amount recognised in other comprehensive income | 402 | (85) | 317 |
| Employer contributions | - | (1,114) | (1,114) |
| Benefit payments | (348) | 272 | (76) |
| March 31, 2024 | 6,644 | (3,165) | 3,479 |

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b) The net liability disclosed above relates to funded plans are as follows:

| | March 31, 2024 (₹ in Lakhs) | March 31, 2023 (₹ in Lakhs) |
|-------------------------------------|--------------------------------|--------------------------------|
| Present value of funded obligations | 6,644 | 4,504 |
| Fair value of plan assets | (3,165) | (2,058) |
| Deficit of funded plan | 3,479 | 2,446 |

c) The significant actuarial assumptions were as follows:

| | Employees Gratuity Fund | | Compensated absences | |
|---|--------------------------------------|---------------------|--------------------------------------|---------------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Discount Rate | 7.00% - 7.27% | 7.00% - 7.50% | 7.00% - 7.27% | 7.00% - 7.50% |
| Salary growth rate | 7.50% - 10.00% | 7.50% - 10.00% | 7.50% - 10.00% | 7.50% - 10.00% |
| Attrition Rate | | | | |
| 18 years to 30 years | 2.00% - 52.00% | 8.00% - 47.00% | 2.00% - 52.00% | 8.00% - 47.00% |
| 31 years to 44 years | 2.00% - 9.00% | 4.00% - 11.00% | 2.00% - 9.00% | 4.00% - 11.00% |
| 45 years to 58 years | 1.00% | 1.00% - 2.00% | 1.00% | 1.00% - 2.00% |
| Expected average remaining working lives of employees (years) | 23.34 - 32.09 | 24.33 - 32.70 | 23.34 - 32.09 | 24.33 - 32.70 |
| Mortality Table | IALM (2006-08) and IALM 2012-14 Ult. | IALM (2006-08) Ult. | IALM (2006-08) and IALM 2012-14 Ult. | IALM (2006-08) Ult. |

Assumptions regarding future mortality for pension are set based on actuarial advice in accordance with published statistics and experience. The discount rate assumed is determined by reference to market yield at the balance sheet date on government bonds. The estimates of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

d) Sensitivity analysis:

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Impact on defined benefit obligation

| | Change in assumption | | Impact on defined benefit obligation (%) | | | |
|--------------------|----------------------|----------------|--|----------------|------------------------|----------------|
| | March 31, 2024 | March 31, 2023 | Increase in assumption | | Decrease in assumption | |
| | | | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Discount rate | 1% | 1% | (10.37)% | (9.73)% | 12.51% | 11.60% |
| Salary growth rate | 1% | 1% | 8.17% | 7.84% | (7.61)% | (7.40)% |

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 balance sheet. Assumptions other than discount rate and salary growth rate are not material for the Company.

e) The major categories of plans assets are as follows:

Funds Managed by Insurers* - 100%

*The Funds are managed by Life Insurance Corporation of India (LIC) and Kotak Mahindra Life Insurance Company Limited (insurers) and TATA AIA Life Insurance Company Limited. They do not provide breakup of plan assets by investment type.

f) Risk exposure

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

Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The gratuity fund is administered through Life Insurance Corporation of India and Kotak Mahindra Life Insurance Company Limited (insurers) under its group gratuity scheme. Accordingly almost the entire plan asset investments is maintained by the insurers. These are subject to interest rate risk which is managed by the insurers.

Changes in bond yields: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets maintained by the insurers. The gratuity fund is administered through LIC & Kotak Mahindra Life Insurance Company Limited TATA AIA Life Insurance Company Limited under its group gratuity scheme.

g) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is (8.93 - 27 years) [March 31, 2023: (8.4 - 25 years)].

| | Less than a year (₹ in Lakhs) | Between 1 - 2 years (₹ in Lakhs) | Between 2 - 5 years (₹ in Lakhs) | Over 5 years (₹ in Lakhs) | Total (₹ in Lakhs) |
|---|-------------------------------------|--|--|---------------------------------|-----------------------|
| March 31, 2024 | | | | | |
| Post employment defined benefit obligation (Gratuity) | 562 | 539 | 2,441 | 8,489 | 12,031 |
| Total | 562 | 539 | 2,441 | 8,489 | 12,031 |
| March 31, 2023 | | | | | |
| Post employment defined benefit obligation (Gratuity) | 463 | 515 | 1,834 | 4,527 | 7,339 |
| Total | 463 | 515 | 1,834 | 4,527 | 7,339 |



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Note 13 : Other current liabilities

Statutory dues payable
Advance from customers
Deferred revenue
Others
Total

| As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|
| 7,908 | 6,376 |
| - | 58 |
| 94 | - |
| 38 | 54 |
| <u>8,040</u> | <u>6,488</u> |



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Note 14 : Revenue from operations

Sale of services (net of applicable taxes):

| |
|--|
| Insurance commission and rewards |
| Outsourcing services |
| Commission from online aggregation of financial products |
| Online marketing and consulting |
| Sale of leads |
| IT support services |
| Human health services |
| Interest & fees income - lending operations |
| Total |

| Year ended March 31, 2024 (₹ in Lakhs) | Year ended March 31, 2023 (₹ in Lakhs) |
|--|--|
| 2,39,295 | 71,869 |
| 35,731 | 54,916 |
| 54,618 | 38,421 |
| 4,263 | 83,949 |
| 8,724 | 5,474 |
| 761 | 912 |
| - | 23 |
| 376 | 221 |
| 3,43,768 | 2,55,785 |

Note 15 : Other income

Interest income

| |
|--|
| - On bank deposits- measured at amortised cost |
| - On income tax refund |
| - On unwinding of discount on security deposit - measured at amortised cost |
| - On Corporate bonds- measured at amortised cost |
| - On other financial assets |
| Net gain on sale on financial assets mandatorily measured at fair value through profit or loss |
| Net fair value gains on financial assets mandatorily measured at fair value through profit or loss |
| Gain on termination of leases |
| Net gain - foreign exchange differences |
| Profit on sale of property, plant and equipment |
| Liabilities no longer required written back |
| Loss allowances - loans and other financials assets no longer required written back |
| Loss allowances- other assets no longer required written back |
| Miscellaneous income |
| Total |

| Year ended March 31, 2024 (₹ in Lakhs) | Year ended March 31, 2023 (₹ in Lakhs) |
|--|--|
| 32,519 | 21,589 |
| 51 | 372 |
| 240 | 125 |
| 1,477 | 10 |
| 30 | - |
| 1,983 | 2,866 |
| 1,011 | 632 |
| 715 | 38 |
| - | 2 |
| 4 | - |
| - | 265 |
| 13 | - |
| 7 | - |
| 7 | 0 |
| 38,057 | 25,899 |

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Note 16 : Employee benefit expense

| | Year ended March 31, 2024 (₹ in Lakhs) | Year ended March 31, 2023 (₹ in Lakhs) |
|--|--|--|
| Salaries, wages and bonus | 1,21,004 | 92,112 |
| Contributions to provident and other funds [refer note 12] | 4,098 | 3,229 |
| Compensated absences | 2,075 | 1,414 |
| Gratuity [refer note 12] | 1,906 | 1,207 |
| Staff welfare expenses | 2,301 | 1,758 |
| Employee share-based payment expense [refer note 25(b)] | 33,028 | 54,240 |
| Total | 1,64,412 | 1,53,960 |

Note 17 : Finance costs

| | Year ended March 31, 2024 (₹ in Lakhs) | Year ended March 31, 2023 (₹ in Lakhs) |
|--|--|--|
| Interest expenses - lease liabilities measured at amortised cost | 2,599 | 2,083 |
| Interest expenses - others | 47 | 53 |
| Total | 2,646 | 2,136 |

Note 18 : Depreciation and amortisation expense

| | Year ended March 31, 2024 (₹ in Lakhs) | Year ended March 31, 2023 (₹ in Lakhs) |
|---|--|--|
| Depreciation of property, plant and equipment | 4,011 | 2,519 |
| Depreciation of right-of-use assets | 4,538 | 3,568 |
| Amortisation of intangible assets | 323 | 295 |
| Total | 8,872 | 6,382 |

Note 19 : Advertising and promotion expenses

| | Year ended March 31, 2024 (₹ in Lakhs) | Year ended March 31, 2023 (₹ in Lakhs) |
|-----------------------------|--|--|
| Advertisement expenses | 87,235 | 1,34,751 |
| Business promotion expenses | 2,666 | 974 |
| Total | 89,901 | 1,35,725 |

Note 20 : Network and internet expenses

| | Year ended March 31, 2024 (₹ in Lakhs) | Year ended March 31, 2023 (₹ in Lakhs) |
|-------------------------------|--|--|
| Internet and server charges | 7,594 | 6,436 |
| Computer and equipment rental | 7 | 11 |
| IT consultancy charges | 296 | 355 |
| Communication expenses | 3,517 | 2,852 |
| Others | 64 | 32 |
| Total | 11,478 | 9,686 |



Note 21 : Other expenses

| | Year ended March 31, 2024 (₹ in Lakhs) | Year ended March 31, 2023 (₹ in Lakhs) |
|--|--|--|
| Electricity and water expenses | 1,630 | 1,200 |
| Rent | 306 | 294 |
| Repairs and maintenance | 735 | 608 |
| Insurance | 990 | 525 |
| Rates and taxes | 359 | 296 |
| Legal and professional charges # | 1,555 | 1,490 |
| Security and housekeeping expenses | 1,158 | 682 |
| Office expense | 471 | 271 |
| Travel and conveyance | 2,106 | 1,853 |
| Recruitment expenses | 669 | 486 |
| Printing and stationery | 240 | 192 |
| Postage and courier expense | 214 | 117 |
| Payment gateway charges | 9,696 | 6,868 |
| Bank charges | 26 | 24 |
| Contract staff | 4,298 | 1,947 |
| Training and seminar | 722 | 510 |
| Corporate social responsibility expenditure | 6 | 4 |
| Loss allowance - trade receivables (net adjustment of bad debts)* | 708 | 397 |
| Loss allowance - loans for financial activities (net adjustment of loan written off)** | 373 | 12 |
| Loss allowances- other assets | 427 | 7 |
| Property, plant and equipment written off | - | 5 |
| Loss on sale of property, plant and equipment | - | 0 |
| Net loss - foreign exchange differences | 3 | - |
| Membership fee and subscription charges | 89 | 71 |
| Commission to point-of-sale person | 69,456 | 4,205 |
| Miscellaneous expenses | 366 | 510 |
| Total | 96,603 | 22,574 |

includes ₹ 189 Lakhs (March 31, 2023: ₹ 197 Lakhs) as sitting fees and remuneration to independent directors of parent company.

*includes bad debts of ₹ 385 Lakhs (March 31, 2023: ₹ 127 Lakhs)

**includes loan written off of ₹ 7 Lakhs (March 31, 2023: ₹ 2 Lakhs)



PB Fintech Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

Note : 22(a) Income tax expense

| | Year ended March 31, 2024 (₹ in Lakhs) | Year ended March 31, 2023 (₹ in Lakhs) |
|--|--|--|
| (i) Income tax expense | | |
| Current tax | | |
| Current tax on profits for the year | 1,270 | 8 |
| Tax expenses related to earlier years | - | (0) |
| Total current tax expense | 1,270 | 8 |
| Deferred tax | | |
| Decrease / (increase) in deferred tax assets | - | (10) |
| Total deferred tax expense/(benefit) | - | (10) |
| Income tax expense | 1,270 | (2) |

(ii) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

| | | |
|--|--------------|------------|
| Loss before tax | 7,913 | (48,779) |
| Tax at the Indian tax rate of 35.26% (March 31, 2023 - 23.04%) | 2,790 | (11,239) |
| Tax losses and temporary differences for which no deferred tax assets/(liability) recognised | (1,768) | 11,124 |
| others | 248 | 113 |
| Income tax expense | 1,270 | (2) |

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Note : 22(b) Deferred Tax Assets (net)

(a) Deferred tax assets (net)

| Particulars | As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|--------------------------------------|---|---|
| Deferred tax liabilities | (6,208) | (5,022) |
| Deferred tax assets * | 6,208 | 5,023 |
| Net deferred tax asset / (liability) | - | 1 |

* Deferred tax assets has been recognised only to the extent of deferred tax liability. However at March 31, 2023, ₹ 1 lakhs pertains to MyLoanCare Ventures Private Limited acquired by the Parent entity during the previous year.

(b) Components of deferred tax assets

| Particulars | As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|--|---|---|
| Property, plant and equipment an intangible assets | 719 | 492 |
| Employee benefit obligations | 1,888 | 1,308 |
| Unwinding of discount on security deposit - measured at amortised cost | 178 | - |
| Loss allowance - trade receivables | 324 | 225 |
| Provision for doubtful advances | 6 | 8 |
| Lease liabilities | 6,380 | 5,656 |
| Tax losses | 51,136 | 53,652 |
| Others | 352 | 224 |
| Total | 60,983 | 61,565 |

(c) Components of deferred tax liabilities

| Particulars | As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|---|
| Right of use assets | 5,653 | 5,022 |
| Net gain on financial assets carried at fair value through profit or loss | 255 | - |
| Unrealised income on corporate bonds measured at amortised cost | 300 | - |
| Total | 6,208 | 5,022 |

(d) Unused tax losses and unrecognised temporary differences:

| Particulars | As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|----------------------------------|---|---|
| Unused tax losses | 2,00,748 | 2,05,043 |
| Other tax credits # | 2,432 | 8,133 |
| Deductible temporary differences | 14,459 | 11,487 |
| Total | 2,17,639 | 2,24,663 |
| Potential tax benefit @ 25.168% | 54,775 | 56,543 |

Expiry dates for unused tax losses

| | | |
|------------------|--------|--------|
| - March 31, 2024 | 5,269 | 8,460 |
| - March 31, 2025 | 1,794 | 5,728 |
| - March 31, 2026 | 1,710 | 2,179 |
| - March 31, 2027 | 26,028 | 30,312 |
| - March 31, 2028 | 29,523 | 29,523 |
| - March 31, 2029 | 14,862 | 14,862 |
| - March 31, 2030 | 75,132 | 75,112 |
| - March 31, 2031 | 39,675 | 38,867 |
| - March 31, 2032 | 6,755 | - |

It includes unabsorbed depreciation which can be carried forward indefinitely and have no expiry date.

Note: The Group has accumulated business losses of ₹ 203,180 lakhs (Previous year - ₹ 213,176 lakhs) [including accumulated unabsorbed depreciation of ₹ 2,432 lakhs (Previous Year - ₹ 8,133 lakhs)] as per the provisions of the Income Tax Act, 1961. The unabsorbed business losses amounting to ₹ 200,748 lakhs (Previous Year ₹ 205,043 lakhs) are available for offset for maximum period of eight years from the incurrence of loss.

As at the year ended March 31, 2024 and March 31, 2023, the Group has net deferred tax assets comprising of deductible temporary differences, brought forward losses and unabsorbed depreciation under tax laws. In the absence of reasonable certainty as to its realization of Deferred Tax Assets (DTA), the same has not been recognised in respect of some of the entities.

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Note 23: Tax Collected at Source under Goods and Services Tax

Policybazaar Insurance Brokers Private Limited (the "Wholly owned subsidiary" or "Policybazaar") is an electronic commerce operator ("operator") under the Central Goods and Services Tax Act, 2017 ("CGST Act"). The said Act requires every operator, not being an agent, to collect an amount, calculated at the prescribed rate, on the value of taxable supplies made through it where the consideration for such supplies is collected by the operator.

In the assessment of the management supported by legal advice, the aforesaid requirement of collecting tax at source is not applicable to Policybazaar as Policybazaar is not engaged in collecting money on behalf of the insurers and the money flows directly from the customers to the insurance company through a nodal bank account. In view of the management, Policybazaar merely facilitates transfer of insurance premium to the insurance companies and is required to ensure transfer of the full amount of such premium, without the ability to deduct any amounts paid by the customers. Accordingly, the above matter is not likely to have any impact and accordingly, no provision has been made in these financial statements.

Policybazaar also made representation to the Government authorities and the Principal Regulator ("IRDAI") in the earlier years, seeking clarification and exemption from applicability of the above section on insurance intermediaries.

Note 24: Contingent liabilities and Commitments**(i) Contingent liabilities**

Claims against the Group not acknowledged as debts :

| | As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|---|---|---|
| Income tax matters (including interest and penalties) | 8,922 | 6,845 |
| | <u>8,922</u> | <u>6,845</u> |

*Matter pertains to the addition of share premium received by the company against the issue of share capital for AY 2016-17. These matters are pending before various Appellate Authorities and the management expects its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Company's financial position and results of operations.

(ii) Capital commitments

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

| | As at March 31, 2024 (₹ in Lakhs) | As at March 31, 2023 (₹ in Lakhs) |
|-------------------------------|---|---|
| Property, plant and equipment | 80 | 510 |
| | <u>80</u> | <u>510</u> |



Note 25: Share based payments

(a) Employee option plan

The Company instituted the Employee Stock Option Plan(s) to grant equity based incentives to eligible employees of the Company and its subsidiaries. The Company has three ESOP schemes, namely, Employee Stock Option Plan 2014 ("ESOP- 2014"), Employee Stock Option Plan 2020 ("ESOP - 2020") and Employees Stock Option Plan - 2021 ("ESOP - 2021"). With an objective to implement the ESOP- 2014 and ESOP- 2020, the Company formed the Etchaces Employees Stock Option Plan Trust (the "ESOP Trust") to hold or possess Equity Shares and subsequently allot or transfer them to employees in accordance with the terms of the ESOP Schemes, as applicable. ESOP - 2021 scheme is implemented and administered directly by the Company.

The options granted till March 31, 2024 have minimum vesting period of 1 year and maximum 5 years from the date of grant (March 31, 2023: 1-5 years)

(i) Summary of options granted under plan:

| | March 31, 2024 | | March 31, 2023 | |
|--|--|-------------------------------------|--|-------------------------------------|
| | Weighted Average exercise price per share option (₹) | Number of options [refer note (ii)] | Weighted Average exercise price per share option (₹) | Number of options [refer note (ii)] |
| Opening Balance | 2 | 2,00,66,844 | 2 | 2,63,90,202 |
| Granted during the year | 2 | 5,44,929 | 2 | 14,58,364 |
| Exercised during the year | 2 | (22,28,115) | 2 | (72,62,805) |
| Forfeited/lapsed during the year | 2 | (3,63,622) | 2 | (5,18,917) |
| Options grant pursuant to bonus issued during the year | 2 | - | 2 | - |
| Closing Balance | | 1,80,20,036 | | 2,00,66,844 |
| Vested and exercisable | 2 | 1,72,548 | 2 | 2,78,324 |

(ii) Share options outstanding at the end of year have following expiry date and exercise prices :

| Grant | Grant date | Expiry date | ESOP Scheme | Exercise price | Share options March 31, 2024 | Share options March 31, 2023 |
|--|-------------------|----------------|-------------|----------------|------------------------------|------------------------------|
| Grant 14 | December 01, 2020 | March 31, 2030 | ESOP- 2020 | 2 | 11,20,500 | 18,92,500 |
| Grant 15 | October 05, 2021 | March 31, 2030 | ESOP- 2020 | 2 | 12,11,348 | 16,76,664 |
| Grant 16 | October 05, 2021 | March 31, 2030 | ESOP- 2021 | 2 | 20,53,453 | 29,94,236 |
| Grant 17 | October 05, 2021 | March 31, 2030 | ESOP- 2021 | 2 | 1,20,65,863 | 1,20,65,863 |
| Grant 18 | November 16, 2022 | March 31, 2030 | ESOP- 2021 | 2 | 10,57,821 | 14,37,581 |
| Grant 19 | July 31, 2023 | March 31, 2030 | ESOP- 2021 | 2 | 3,68,251 | - |
| Grant 20 | July 31, 2023 | March 31, 2030 | ESOP- 2020 | 2 | 1,42,800 | - |
| Total | | | | | 1,80,20,036 | 2,00,66,844 |
| Weighted average remaining contractual life of options outstanding at end of year | | | | | 6.01 Years | 7.01 Years |

(iii) Fair value of options granted :

The fair value at grant date of options granted during the year ended March 31, 2024 were as given below:
Grant 19 & 20 (Time based vesting) - ₹ 730.51 to ₹ 730.92

The fair value at grant date of options granted during the year ended March 31, 2023 were as given below:
Grant 18 (Time based vesting) - ₹ 376.21 to ₹ 376.40

For Grant 19 & 20 (being time-based vesting Grant), the fair value at grant date is determined using the Black-Scholes-Merton model. The model takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2024 included:

- Options are granted at face value and vest upon completion of service for a period 1-5 years (March 31, 2023: 1-5 years) Vested options are exercisable till March 31, 2030.
- Exercise price: ₹ 2 (March 31, 2023: ₹ 2)
- Grant date: July 31, 2023 (March 31, 2023: November 16, 2022)
- Expiry date: March 31, 2030 (March 31, 2023: March 31, 2030)
- Expected price volatility of the company's shares: 50.06% (March 31, 2023: 69.39%)
- Expected dividend yield: 0% (March 31, 2023: 0%)
- Risk-free interest rate: 6.73% to 6.84% (March 31, 2023: 6.92% to 6.99% for Grant 18).

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

(b) Expense arising from share based payment transaction:

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

| | Year ended March 31, 2024 (₹ in Lakhs) | Year ended March 31, 2023 (₹ in Lakhs) |
|---|--|--|
| Employee option plan | 33,028 | 54,240 |
| Total employee share based payment expense [refer note 16] | 33,028 | 54,240 |

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PB Fintech Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

Note 26: Earnings/(Loss) per share

| Particulars | | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|-----|------------------------------|------------------------------|
| a) Basic earnings per share | | | |
| Profit/(loss) attributable to equity shareholders (₹ In lakhs) | A | 6,698 | (48,722) |
| Weighted average number of equity shares used as the denominator in calculating basic earnings per share [refer note 1 below] | B | 44,70,63,126 | 44,49,21,010 |
| Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share [refer note 2 below] | C | 46,18,63,779 | 44,49,21,010 |
| Basic earnings/(loss) per share (₹) | A/B | 1.50 | (10.97) |
| Diluted earnings/(loss) per share (₹) | A/C | 1.45 | (10.97) |

Note 1: Number of equity shares outstanding during the year used for computing earnings per share

| | | |
|---|---------------------|---------------------|
| Number of equity shares outstanding at the end of the year | 45,12,03,464 | 45,01,16,349 |
| Less : Equity shares held by ESOP trust as treasury shares (refer note 3) | (26,41,258) | (37,47,238) |
| Number of equity shares outstanding at the end of year used for computing earnings per share | 44,85,62,206 | 44,63,69,111 |
| Weighted number of equity shares used for computing basic earnings per share | 44,70,63,126 | 44,49,21,010 |

Note 2: Weighted number of equity shares used for computing diluted earnings per share:

| | | |
|---|---------------------|---------------------|
| Weighted number of equity shares used for computing basic earnings per share | 44,70,63,126 | 44,49,21,010 |
| Add: Weighted average number of potential equity shares on account of employee stock options (refer note 4) | 1,48,00,653 | - |
| Weighted average number of equity shares used as the denominator in calculating basic/diluted earnings per share | 46,18,63,779 | 44,49,21,010 |

Note 3: Treasury shares are excluded from weighted-average numbers of Equity Shares used as a denominator in the calculation of basic and diluted EPS.

Note 4: Stock options granted to the employees under various ESOP schemes are considered to be potential equity shares. In view of losses during the previous year, the potential equity shares which are anti-dilutive have been ignored in the calculation of diluted earnings per share. For details relating to stock options, refer note 25.

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PB Fintech Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

Note 27: Interests in other entities

(a) Subsidiaries

The subsidiaries in the Groups at March 31, 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Parent entity, and the proportion of ownership interests held equals the voting rights held by the Parent entity. The Country of incorporation or registration is also their principal place of business.

| Name of Entity | Place of Business/Country of Incorporation | Ownership interests held by the group | | Ownership interest held by non-controlling interests | | Principal Activities |
|--|--|---------------------------------------|----------------|--|----------------|---|
| | | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | |
| | | % | % | % | % | |
| Policybazaar Insurance Brokers Private Limited | India | 100 | 100 | - | - | Licensed insurance broker, engaged in providing insurance broker services |
| Paisabazaar Marketing and Consulting Private Limited | India | 100 | 100 | - | - | Online comparison and sales of financial products |
| Teall Support Services Private Limited | India | 100 | 100 | - | - | Call centre operations |
| Accurex Marketing and Consulting Private Limited | India | 100 | 100 | - | - | Support services in motor vehicle claims and related assistance |
| PB Marketing and Consulting Private Limited | India | 100 | 100 | - | - | Online, offline and direct marketing of Insurance products |
| Docprime Technologies Private Limited | India | 100 | 100 | - | - | Engaged in online healthcare related services |
| PB Financial Account Aggregators Private Limited | India | 100 | 100 | - | - | Business of account aggregation |
| Visit Internet Services Private Limited (Subsidiary of Docprime Technologies Private Limited) | India | 100 | 100 | - | - | Engaged in integrated health care, medical and related services |
| MyLoanCare Ventures Private Limited (w.e.f June 8, 2022) | India | 70.10 | 70.10 | 29.90 | 29.90 | Engaged in lending business and online comparison and sales of financial products |
| MLC Fintech Private Limited (Subsidiary of MyLoanCare Ventures Private Limited) (w.e.f October 11, 2022) | India | 70.10 | 70.10 | 29.90 | 29.90 | Online comparison and sales of financial products |
| PB Fintech FZ-LLC | UAE | 100 | 100 | - | - | Online, offline and direct marketing of Insurance products |
| ZPHIN Computer Systems and Software Designing – Sole Proprietorship L.L.C. (Subsidiary of PB Fintech FZ LLC) (w.e.f November 23, 2022) | UAE | 100 | 100 | - | - | Engaged in business of Information technology and related services |

(b) Interests in associates - individually immaterial associates

The Group has two associates (namely, Visit Health Private Limited and YKNP Marketing Management LLC as at March 31, 2024 & March 31, 2023) which, in the opinion of the directors, are not material to the group. These individually immaterial associates are accounted for using the equity method.

| Particulars | ₹ in Lakhs | |
|---|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Aggregate carrying amount of individually immaterial associates | 4,544 | 4,746 |
| Aggregate amounts of the group's share of: | | |
| Loss from continuing operations | (202) | (17) |
| Post-tax profit/loss from discontinued operations | - | - |
| Other comprehensive income | - | - |
| Total comprehensive loss | (202) | (17) |



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Note 28: Related Party Disclosures:

Disclosures in accordance with the requirements of IND AS - 24 on Related Party Disclosures, as identified by the management are set out as below:

(a) Names of Related Parties and nature of relationship:

i) Entities where control exists – direct and indirect subsidiaries:

| S.No. | Name of the entity | Principal place of operation / Country of Incorporation | Principal Activities | % Shareholding / Voting Power | |
|-----------------------|---|---|---|-------------------------------|----------------------|
| | | | | As at March 31, 2024 | As at March 31, 2023 |
| Direct Subsidiaries | | | | | |
| 1 | Policybazaar Insurance Brokers Private Limited. | India | Licensed insurance broker, engaged in providing insurance broker services | 100% | 100% |
| 2 | Paisabazaar Marketing and Consulting Private Limited | India | Online comparison and sales of financial products | 100% | 100% |
| 3 | Icall Support Services Private Limited | India | Call centre operations | 100% | 100% |
| 4 | Accurex Marketing and Consulting Private Limited | India | Support services in motor vehicle claims and related assistance | 100% | 100% |
| 5 | PB Marketing and Consulting Private Limited | India | Online, offline and direct marketing of Insurance products | 100% | 100% |
| 6 | Docprime Technologies Private Limited | India | Engaged in online healthcare related services | 100% | 100% |
| 7 | PB Financial Account Aggregators Private Limited | India | Business of account aggregation | 100% | 100% |
| 8 | PB Fintech FZ-LLC | UAE | Online, offline and direct marketing of Insurance products | 100% | 100% |
| 9 | MyLoanCare Ventures Private Limited (w.e.f June 8, 2022) | India | Engaged in lending business and online comparison and sales of financial products | 70.10% | 70.10% |
| Indirect Subsidiaries | | | | | |
| 1 | Visit Internet Services Private Limited (Subsidiary of Docprime Technologies Private Limited) | India | Engaged in integrated based health care, medical and related services | 100% | 100% |
| 2 | MLC Finotech Private Limited (Subsidiary of Myloancare Ventures Private Limited) (w.e.f. October 11, 2022) | India | Online comparison and sales of financial products | 70.10% | 70.10% |
| 3 | ZPHIN Computer Systems and Software Designing – Sole Proprietorship L.L.C. (Subsidiary of PB Fintech FZ LLC) (w.e.f. November 23, 2022) | UAE | Information technology and related services | 100% | 100% |

ii) Associates

| 17/ Associates | | | | | |
|----------------|--|---|---|-------------------------------|----------------------|
| S.No. | Name of the entity | Principal place of operation / Country of Incorporation | Principal Activities | % Shareholding / Voting Power | |
| | | | | As at March 31, 2024 | As at March 31, 2023 |
| | Direct Associates | | | | |
| 1 | MyLoanCare Ventures Private Limited (subsidiary w.e.f June 8, 2022) | India | Engaged in lending business and online comparison and sales of financial products | - | - |
| | Indirect Associates | | | | |
| 1 | YKNP Marketing Management LLC (Associate of PB Fintech FZ LLC w.e.f November 10, 2022) | UAE | Engaged in online marketing and sales consulting | 26.72% | 26.72% |
| 2 | Visit Health Private Limited (Associate of Docprime Technologies Private Limited) | India | Engaged in online healthcare related services | 41.50% | 31.62% |

iii) Key Management Personnel (KMP):

| S.No | Name | Designation |
|------|--------------------------|---|
| 1 | Mr. Yashish Dahiya | Director, Chairman and Chief Executive Officer |
| 2 | Mr. Alok Bansal | Whole Time Director and Vice Chairman |
| 3 | Mr. Mandeep Mehta | Chief Financial Officer (w.e.f. May 02, 2022) |
| 4 | Mr. Sarbvir Singh | Whole Time Director and (appointed as Chief Executive Officer w.e.f. August 26, 2023) |
| 5 | Ms. Kitty Agarwal | Nominee Director |
| 6 | Mr. Kaushik Dutta | Independent Director |
| 7 | Mr. Nilesh Bhaskar Sathe | Independent Director |
| 8 | Mrs. Veena Vikas Mankar | Independent Director |
| 9 | Mr. Gopalan Srinivasan | Independent Director |
| 10 | Ms. Lilian Jessie Paul | Independent Director |

*Independent directors are included only for the purpose of compliance with definition of key management personnel given under IND AS 24- Related Party Disclosures.

iv) Relatives of key management personnel where transactions have taken place:

| S.No | Name of Relatives | Relationship |
|------|---------------------|--------------------|
| 1 | Mrs. Swatee Agrawal | Spouse of Director |

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b) Transactions with related parties

| (₹ in Lakhs) | | | | | |
|--------------|---|--|----------------|--|----------------|
| S. No | Particulars | Associates / Entity under control of an entity having significant influence over the Group | | Key Management Personnel (KMP)/ Relatives of KMP | |
| | | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| | Transactions | | | | |
| 1 | Medical Teleservices received from associate company Visit Health Private Limited | 9 | 19 | - | - |
| 2 | Business Promotion Services received from associate company Visit Health Private Limited | 100 | 622 | - | - |
| 3 | Sale of Leads to Associate YKNP Marketing Management LLC | 293 | - | - | - |
| 4 | Amount reimbursed to Associate for other expenses YKNP Marketing Management LLC | 205 | - | - | - |
| 5 | Remuneration (Gross of Tax) | | | | |
| | Mr. Yashish Dahiya* | - | - | 12,406 | 21,314 |
| | Mr. Mandeep Mehta | - | - | 594 | 356 |
| | Mr. Alok Bansal | - | - | 5,343 | 9,190 |
| | Mr. Sarbvir Singh** | - | - | 2,090 | 3,430 |
| | Others (Independent Directors) | - | - | 189 | 197 |
| 6 | IT consultancy charges Swatee Agrawal | - | - | - | 2 |

(c) Related parties balances as at year end

| | | | | | |
|---|--|------------|----------|--------|--------|
| 1 | Trade Payables [refer note 11(a)] Visit Health Private Limited YKNP Marketing Management LLC | 108 153 | 114 - | - - | - - |
| 2 | Trade receivables [refer note 6(d)] YKNP Marketing Management LLC | 303 | - | - | - |

Note 1: Amounts are exclusive of applicable taxes.

Note 2: All related party transactions entered during the year were in ordinary course of the business and are on arm length basis. All outstanding receivable balances are unsecured

*includes ₹ 270 lakhs remuneration paid to Mr. Yashish dahiya from PB Fintech FZ LLC (wholly owned subsidiary of PB Fintech Limited).

**Mr. Sarbvir Singh is taking remuneration from Policybazaar Insurance Brokers Private Limited (wholly owned subsidiary of PB Fintech Limited).

(d) Key management personnel compensation

| | Year ended March 31, 2024 (₹ in Lakhs) | Year ended March 31, 2023 (₹ in Lakhs) |
|-----------------------------------|--|--|
| Short-term employee benefits* | 962 | 960 |
| Post-employment benefits | 4 | 10 |
| Other Long-term employee benefits | 2 | 5 |
| Employee share based payments | 19,654 | 33,512 |
| Total compensation | 20,622 | 34,487 |

* including sitting fees and remuneration to independent directors of the Company

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Note 29: Segment Reporting

The Group is primarily engaged in the business of insurance broking and providing online marketing, consulting and support services through its online portal policybazaar.com and paisabazaar.com largely for the financial services industry. The Group earns its revenue majorly within India only.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). All operating segments' results are reviewed regularly by the Company's Chief Executive Officer and Chief Financial Officer, who have been identified as the CODM, to assess the financial performance and position of the Group and makes strategic decisions.

Based on nature of services rendered, the risk and returns, internal organization and management structure, nature of the regulatory environment and the internal performance reporting systems, the management considers that the Group is organized into two reportable segments:

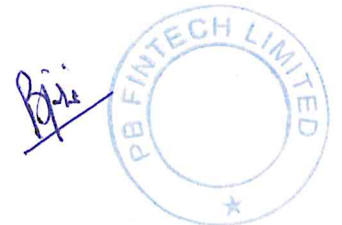
a) Insurance services : This Segment consists of Insurance Broker services provided by the Group. Insurance broker services are regulated by the Insurance Regulatory Development Authority (Insurance Brokers) Regulations, 2018.

b) Other services: This Segment consists of commission from online financial products aggregation service, online marketing, consulting and support services provided largely to the financial services industry.

| (₹ in Lakhs) | | | |
|--------------|---|------------------------------|------------------------------|
| | Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
| 1 | Segment Revenue: | | |
| | Insurance services | 2,75,026 | 1,26,785 |
| | Other Services | 68,742 | 1,29,000 |
| | Total Revenue | 3,43,768 | 2,55,785 |
| 2 | Segment Profit: | | |
| | Profit/(loss) (before finance cost and tax) | | |
| | Insurance services | 25,936 | (23,803) |
| | Other services | (15,579) | (22,857) |
| | Total Profit | 10,357 | (46,660) |
| 3 | Interest Income | | |
| | Insurance services | 6,477 | 2,686 |
| | Other Services | 27,600 | 19,285 |
| 4 | Depreciation & amortization | | |
| | Insurance services | 5,750 | 4,477 |
| | Other Services | 3,122 | 1,905 |
| 5 | Income tax expense | | |
| | Insurance services | 333 | - |
| | Other Services | 937 | (2) |

| | Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|--|-------------------------|-------------------------|
| 1 | Segment Assets | | |
| | Insurance services | 2,35,048 | 1,59,889 |
| | Other Services | 4,37,803 | 4,65,514 |
| | Total Assets | 6,72,851 | 6,25,403 |
| 2 | Segment liabilities | | |
| | Insurance services | 55,199 | 42,863 |
| | Other Services | 30,005 | 34,060 |
| | Total liabilities | 85,204 | 76,923 |
| 3 | Additions to non-current assets | | |
| | Insurance services | 8,961 | 9,696 |
| | Other Services | 7,767 | 6,940 |
| 4 | Other disclosures | | |
| | Investments in an associate | | |
| | Insurance services | - | - |
| | Other Services | 4,544 | 4,746 |

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Note:-

- 1 Segment revenue is measured in the same way as in the Statement of Profit and Loss. There are no inter-segment sales.
- 2 Segment profit is before finance cost and income tax.
- 3 Interest income includes interest income on bank deposits, corporate bonds- measured at amortised cost, other financial assets and income tax refund.
- 4 Segment assets includes fixed assets, trade receivables, cash and bank balances and other current assets and are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment of the assets. Intragroup receivables and payables have been eliminated.
- 5 Non-current assets includes Property, plant and equipment, Right-of-use assets, and Intangible assets. These non current assets are allocated based on the operations of the segment. Intragroup sales, purchases of property, plant, and equipment, and intangible assets have been eliminated, including their associated profits and losses.
- 6 The revenues of ₹ 53,865 Lakhs attributable to the "Insurance Broker services" segment are derived from two external customers (March 31, 2023 - ₹ 43,307 Lakhs from a single external customer and attributable to "Insurance Broker services" Segment).
- 7 The revenues of ₹ 12,929 Lakhs attributable to the "Other Services" segment are derived from two external customers (March 31, 2023 - ₹ 24,710 Lakhs from a single external customer and attributable to "Other Services" Segment).

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Note 30 : Fair value measurements

a) Financial instruments by category

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

| | March 31, 2024 (₹ in Lakhs) | | | March 31, 2023 (₹ in Lakhs) | | |
|------------------------------------|--------------------------------|------------|-----------------|--------------------------------|------------|-----------------|
| | FVTPL | FVOCI | Amortised cost | FVTPL | FVOCI | Amortised cost |
| Financial assets | | | | | | |
| Investments* | | | | | | |
| - Mutual funds | 41,751 | - | - | 55,538 | - | - |
| - Equity instruments | 609 | - | - | 581 | - | - |
| - Corporate Bonds | - | 102 | 88,020 | - | 111 | - |
| - Others | 821 | - | - | 1,234 | - | - |
| Trade receivables | - | - | 65,052 | - | - | 67,731 |
| Cash and cash equivalents | - | - | 32,486 | - | - | 7,234 |
| Other bank balances | - | - | 41,011 | - | - | 69,038 |
| Loan to employees | - | - | 71 | - | - | 67 |
| Loans towards financing activities | - | - | 973 | - | - | 1,227 |
| Other financial assets | - | - | 3,24,871 | - | - | 3,69,541 |
| Total financial assets | 43,181 | 102 | 5,52,484 | 57,353 | 111 | 5,14,838 |

* Excluding Investment in associates measured as per equity method in accordance with Ind AS 28

| | | | | | | |
|------------------------------------|----------|----------|---------------|----------|----------|---------------|
| Financial liabilities | | | | | | |
| Trade payables | - | - | 30,106 | - | - | 30,610 |
| Other financial liabilities | - | - | 14,115 | - | - | 11,886 |
| Total financial liabilities | - | - | 44,221 | - | - | 42,496 |

b) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets measured at fair value :

| As at March 31, 2024 | Notes | Level 1 | Level 2 | Level 3 | (₹ in Lakhs) Total |
|-----------------------------------|------------|---------------|----------|----------|-----------------------|
| Financial assets | | | | | |
| Financial Investments at FVTPL: | | | | | |
| Investments in mutual funds | 6(a) | 41,751 | - | - | 41,751 |
| Investments in equity instruments | 6(a), 6(b) | 604 | - | 5 | 609 |
| Investments in others | 6(b) | 821 | - | - | 821 |
| Financial investments at FVOCI | | | | | |
| Investments in corporate bonds | 6(a) | 102 | - | - | 102 |
| Total financial assets | | 43,278 | - | 5 | 43,283 |

| As at March 31, 2023 | Notes | Level 1 | Level 2 | Level 3 | (₹ in Lakhs) Total |
|-----------------------------------|------------|---------------|----------|----------|-----------------------|
| Financial assets | | | | | |
| Financial Investments at FVTPL: | | | | | |
| Investments in mutual funds | 6(a) | 55,538 | - | - | 55,538 |
| Investments in equity instruments | 6(a), 6(b) | 576 | - | 5 | 581 |
| Investments in others | 6(b) | 1,234 | - | - | 1,234 |
| Financial investments at FVOCI | | | | | |
| Investments in corporate bonds | 6(a) | 111 | - | - | 111 |
| Total financial assets | | 57,459 | - | 5 | 57,464 |

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in the active market for identical assets that the entity can access at the measurement date. Mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. For example, unlisted equity securities, etc.

There are no transfers between levels 1 and 2 during the year.

The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

c) Valuation technique used to determine fair value

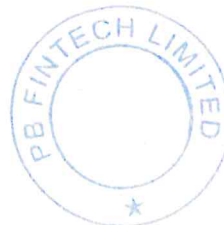
Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or mutual fund houses quotes (NAV) for such instruments. This is included in Level 1.

d) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair values due to their short term nature. Further, the carrying amount of investment made in corporate bonds measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amount would be significantly different from the fair value.

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Note 31: Financial risk and Capital management

A) Financial risk management framework

The Group's activities expose it to market risk, liquidity risk and credit risk.
This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

| Risk | Exposure arising from | Measurement | Management |
|----------------|---|-----------------------------|--|
| Credit risk | Cash and cash equivalents, trade receivables, loans and other financial assets measured at amortised cost | Aging analysis | Diversification of bank deposits and investments |
| Liquidity risk | Trade payables, other financial liabilities and lease liabilities | Rolling cash flow forecasts | Availability of surplus cash |
| Market Risk | Investments in mutual funds, equity investments and corporate bonds and debentures | Credit rating | Portfolio diversification and regular monitoring |

(a) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Trade receivables related credit risk

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry. A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which Group operates and other macro-economic factors.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Group, market intelligence and goodwill. Outstanding customer receivables are regularly monitored.

The group has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties. The calculation is based on historical data of actual losses. The Group evaluates the concentration of risk with respect to trade receivables as low.

Trade receivables are written off when there is no reasonable expectation of recovery.

Provision for expected credit losses

The Group provides for expected credit loss based on the following:

| Category | Description of category | Basis for recognition of expected credit loss provision | | | |
|---|--|---|-------------------------------|------------------------------------|---------------------------------|
| | | Security deposits | Loans to employees | Loans towards financing activities | Trade receivables |
| High quality assets, negligible credit risk | Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil | 12-month expected credit loss | 12-month expected credit loss | 12-month expected credit loss | Lifetime expected credit losses |
| Quality assets, low credit risk | Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past | | | | |

Year ended March 31, 2024:

(a) Expected credit loss for security deposits, loans to employees and loans towards financing activities:

| ₹ in Lakhs | | | | | | | |
|--|---|--|------------------------------------|--|---------------------------------|------------------------|---|
| Particulars | Category | Description of category | Asset group | Estimated gross carrying amount at default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
| Loss allowance measured at 12 month expected credit losses | High quality assets, negligible credit risk | Assets where the counterparty has strong capacity to meet the obligations and where the risk of default is negligible or nil | Security deposits | 1,949 | 0.00% | - | 1,949 |
| | | | Loans to employees | 71 | 0.00% | - | 71 |
| | | | Loans towards financing activities | 1,350 | 27.93% | (377) | 973 |

(b) Lifetime expected credit loss for trade receivables under simplified approach:

₹ in Lakhs

| Particulars /Ageing | Not Due | 0-90 days past due | 91-180 days past due | 181-270 days past due | 271-360 days past due | More than 360 days past due | Total |
|---|---------|--------------------|----------------------|-----------------------|-----------------------|-----------------------------|--------|
| Gross carrying amount- trade receivables - billed | 9,677 | 6,387 | 188 | 116 | 12 | 86 | 16,466 |
| Gross carrying amount- trade receivable - unbilled | 49,839 | - | - | - | - | - | 49,839 |
| Expected loss rate | 1.03% | 8.24% | 22.34% | 17.24% | 83.33% | 46.51% | |
| Expected credit losses (Loss allowance - trade receivables) | 615 | 526 | 42 | 20 | 10 | 40 | 1,253 |
| Carrying amount of trade receivables (net of impairment) | 58,901 | 5,861 | 146 | 96 | 2 | 46 | 65,052 |



Year ended March 31, 2023:

(a) Expected credit loss for security deposits, loans to employees and loans towards financing activities:

| (₹ in Lakhs) | | | | | | | |
|--|---|--|------------------------------------|--|---------------------------------|------------------------|---|
| Particulars | Category | Description of category | Asset group | Estimated gross carrying amount at default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
| Loss allowance measured at 12 month expected credit losses | High quality assets, negligible credit risk | Assets where the counterparty has strong capacity to meet the obligations and where the risk of default is negligible or nil | Security deposits | 1,936 | 0.00% | - | 1,936 |
| | | | Loans to employees | 67 | 0.00% | - | 67 |
| | | | Loans towards financing activities | 1,238 | 0.89% | (11) | 1,227 |

(b) Lifetime expected credit loss for trade receivables under simplified approach:

(₹ in Lakhs)

| Particulars /Ageing | Not Due | 0-90 days past due | 91-180 days past due | 181-270 days past due | 271-360 days past due | More than 360 days past due | Total |
|---|---------|--------------------|----------------------|-----------------------|-----------------------|-----------------------------|--------|
| Gross carrying amount- trade receivables - billed | 23,295 | 4,239 | 339 | 129 | 423 | 46 | 28,471 |
| Gross carrying amount- trade receivable - unbilled | 40,190 | - | - | - | - | - | 40,190 |
| Expected loss rate | 0% | 3% | 9% | 53% | 86% | 98% | |
| Expected credit losses (Loss allowance - trade receivables) | 281 | 141 | 29 | 69 | 365 | 45 | 930 |
| Carrying amount of trade receivables (net of impairment) | 63,204 | 4,098 | 310 | 60 | 58 | 1 | 67,731 |

The following table summarizes the change in loss allowance measured using the life time expected credit loss model:

| Particulars | ₹ in Lakhs |
|----------------------------------|------------|
| Loss allowance on March 31, 2022 | 628 |
| Changes in loss allowance | 302 |
| Loss allowance on March 31, 2023 | 930 |
| Changes in loss allowance | 323 |
| Loss allowance on March 31, 2024 | 1,253 |

Treasury related credit risk

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Group generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Group considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

(b) Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. The Group's treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds. Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

(₹ in Lakhs)

| | 0 to 1 year | 1 to 5 years | More than 5 years | Total |
|---|---------------|---------------|-------------------|---------------|
| March 31, 2024 | | | | |
| Non-derivatives | | | | |
| Trade payables | 30,106 | - | - | 30,106 |
| Other financial liabilities | 14,115 | - | - | 14,115 |
| Lease liabilities | 6,226 | 19,711 | 7,610 | 33,547 |
| Total non-derivative liabilities | 50,447 | 19,711 | 7,610 | 77,768 |
| March 31, 2023 | | | | |
| Non-derivatives | | | | |
| Trade payables | 30,610 | - | - | 30,610 |
| Other financial liabilities | 11,886 | - | - | 11,886 |
| Lease liabilities | 5,297 | 18,807 | 5,207 | 29,311 |
| Total non-derivative liabilities | 47,793 | 18,807 | 5,207 | 71,807 |

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Price risk: The Group's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Group diversifies its portfolio. Quotes/NAV of these investments are available from the mutual fund houses.

Profit/losses for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

Interest rate risk: The Group does not have any exposure to any floating-interest bearing assets, or any significant long term fixed bearing interest assets, its interest income and related cash inflows are not affected by changes in market interest rates, further there is no borrowing taken by the Group hence there is no exposure to interest rate risk.

Currency risk: Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. There is no outstanding forward contract and unhedged foreign currency exposure at the year end.

B) Capital management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that Group can continue to provide returns for shareholders and benefits for other stakeholders.

The capital of the Group consist of equity capital and accumulated profits/losses. As at March 31, 2024 and March 31, 2023 the Group has no debt and the funding requirements are met through operating cash flows generated and equity.



Note 32: Disclosure of additional information pertaining to the parent company, subsidiaries and associates as per Schedule III of Companies Act, 2013 (Division II) :

| Name of the entity in the Group | Net Assets i.e. total assets minus total liabilities | | Share in Profit or (loss) | | Share in other comprehensive income/(loss) | | Share in total comprehensive income/(loss) | |
|---|--|---------------------|--------------------------------------|---------------------|--|---------------------|--|---------------------|
| | As % of consolidated net Assets | Amount (₹ in Lakhs) | As % of consolidated profit / (loss) | Amount (₹ in Lakhs) | As % of consolidated other comprehensive income/(loss) | Amount (₹ in Lakhs) | As % of consolidated total comprehensive income/(loss) | Amount (₹ in Lakhs) |
| Parent Company: | | | | | | | | |
| PB Fintech Limited | | | | | | | | |
| March 31, 2024 | 131.53% | 7,72,937 | 56.19% | 3,619 | 14.65% | (49) | 58.47% | 3,570 |
| March 31, 2023 | 134.24% | 7,36,270 | 15.20% | (7,415) | 7.05% | 19 | 15.24% | (7,396) |
| Subsidiaries: | | | | | | | | |
| Indian | | | | | | | | |
| Policybazaar Insurance Brokers Private Limited | | | | | | | | |
| March 31, 2024 | 29.12% | 1,71,134 | 245.68% | 15,824 | 82.47% | (276) | 254.64% | 15,548 |
| March 31, 2023 | 20.15% | 1,10,499 | 64.69% | (31,566) | (92.30)% | (251) | 65.57% | (31,817) |
| Paisabazaar Marketing and Consulting Private Limited | | | | | | | | |
| March 31, 2024 | 9.77% | 57,399 | (139.30)% | (8,973) | (8.40)% | 28 | (146.50)% | (8,945) |
| March 31, 2023 | 11.59% | 63,582 | 10.26% | (5,008) | 4.94% | 13 | 10.29% | (4,995) |
| Icall Support Services Private Limited | | | | | | | | |
| March 31, 2024 | 0.26% | 1,499 | 3.63% | 234 | 1.85% | (6) | 3.73% | 228 |
| March 31, 2023 | 0.24% | 1,290 | (0.53)% | 256 | 2.36% | 6 | (0.54)% | 262 |
| PB Marketing and Consulting Private Limited | | | | | | | | |
| March 31, 2024 | 0.09% | 556 | (0.15)% | (10) | 0.00% | - | (0.16)% | (10) |
| March 31, 2023 | 0.10% | 566 | 0.01% | (7) | 0.00% | - | 0.01% | (7) |
| Docprime Technologies Private Limited (including step down subsidiary) | | | | | | | | |
| March 31, 2024 | 1.07% | 6,264 | 0.45% | 29 | 0.00% | - | 0.48% | 29 |
| March 31, 2023 | 1.14% | 6,235 | 0.08% | (41) | 0.00% | - | 0.09% | (41) |
| Accurex Marketing and Consulting Private Limited | | | | | | | | |
| March 31, 2024 | 0.00% | 9 | (0.04)% | (2) | 0.00% | - | (0.04)% | (2) |
| March 31, 2023 | 0.00% | 12 | 0.00% | 1 | 0.00% | - | 0.00% | 1 |
| PB Financial Account Aggregators Private Limited | | | | | | | | |
| March 31, 2024 | 0.09% | 501 | (0.12)% | (8) | 0.00% | - | (0.12)% | (8) |
| March 31, 2023 | 0.09% | 508 | (0.02)% | 11 | 0.00% | - | (0.02)% | 11 |
| Myloancare Ventures Private Limited (including step down subsidiary) | | | | | | | | |
| March 31, 2024 | 0.41% | 2,397 | (13.98)% | (901) | 4.83% | (16) | (15.01)% | (917) |
| March 31, 2023 | 0.66% | 3,618 | 0.84% | (410) | (4.76)% | (13) | 0.87% | (423) |
| Total | 40.80% | 2,39,759 | 96.17% | 6,193 | 80.75% | (270) | 97.00% | 5,923 |
| Total | 33.97% | 1,86,310 | 75.34% | (36,764) | (89.75)% | (245) | 76.27% | (37,009) |
| Foreign | | | | | | | | |
| PB Fintech FZ-LLC (including step down subsidiary) | | | | | | | | |
| March 31, 2024 | 0.95% | 5,586 | (49.25)% | (3,172) | (27.43)% | 92 | (50.44)% | (3,080) |
| March 31, 2023 | 0.73% | 4,022 | 8.45% | (4,122) | 194.22% | 528 | 7.41% | (3,594) |
| Non-Controlling interest | | | | | | | | |
| March 31, 2024 | 0.09% | 544 | (3.99)% | (257) | 1.38% | (5) | (4.28)% | (262) |
| March 31, 2023 | 0.15% | 850 | 0.15% | (72) | (1.08)% | (3) | 0.15% | (75) |
| Interests in Associates (Investment as per equity method) | | | | | | | | |
| Indian | | | | | | | | |
| Myloancare Ventures Private Limited | | | | | | | | |
| March 31, 2024 | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - |
| March 31, 2023 | 0.00% | - | 0.05% | (25) | 0.00% | - | 0.05% | (25) |
| Visit Health Private Limited | | | | | | | | |
| March 31, 2024 | 0.52% | 3,073 | 0.10% | 6 | 0.00% | - | 0.11% | 6 |
| March 31, 2023 | 0.56% | 3,066 | 0.07% | (36) | 0.00% | - | 0.07% | (36) |
| Foreign | | | | | | | | |
| YKNP Marketing Management LLC | | | | | | | | |
| March 31, 2024 | 0.25% | 1,471 | (3.23)% | (208) | 0.00% | - | (3.40)% | (208) |
| March 31, 2023 | 0.31% | 1,679 | (0.09)% | 44 | 0.00% | - | (0.09)% | 44 |
| Adjustment due to consolidation | | | | | | | | |
| March 31, 2024 | (74.15)% | (4,35,723) | 4.02% | 259 | 30.67% | (103) | 2.55% | 156 |
| March 31, 2023 | (69.96)% | (3,83,718) | 0.83% | (405) | (10.43)% | (28) | 0.89% | (433) |
| Total | | | | | | | | |
| March 31, 2024 | 100% | 5,87,647 | 100% | 6,441 | 100.00% | (335) | 100% | 6,106 |
| March 31, 2023 | 100% | 5,48,480 | 100% | (48,794) | 100.00% | 272 | 100% | (48,522) |

Note 1: Percentage has been determined before considering elimination/ adjustments arising out of consolidation.

Note 2: Consolidation eliminations/ adjustments include intercompany eliminations, consolidation adjustments.

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Note 33: Business combinations

Acquisition during the year ended March 31, 2023:

(a) Summary of acquisition

During the year ended March 31, 2023, the Parent entity has increased its stake in MyLoanCare Ventures Private Limited ("MyLoanCare") to 70.10% on June 08, 2022 for ₹ 3,658 lakhs, thereby making MyLoanCare a subsidiary of the Group (refer note 27). This acquisition will enable the Group to explore the lending business in India.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

(i) Purchase consideration

| | (₹ in Lakhs) |
|-------------------------------------|--------------|
| Particulars | MyLoanCare |
| Cash paid | 4,041 |
| Total purchase consideration | 4,041 |

(ii) The assets and liabilities recognised as a result of the acquisition are as follows:

| | (₹ in Lakhs) |
|---|----------------------------|
| Particulars | MyLoanCare (Fair Value) |
| Assets | |
| Property, Plant & Equipment | 10 |
| Intangible assets | 1 |
| Investments | 106 |
| Non-current financial assets (loans) | 116 |
| Trade receivables | 25 |
| Cash and cash equivalents | 3,672 |
| Loans | 94 |
| Income tax assets (net) | 71 |
| Other current assets | 43 |
| Liabilities | |
| Trade payables | (19) |
| Other current liabilities | (50) |
| Net identifiable assets acquired | 4,069 |

(iii) Calculation of Goodwill

| Particulars | MyLoanCare |
|--|--------------|
| Consideration transferred | 3,658 |
| Financial liabilities incurred to the former owners of the acquired business | 1,581 |
| Acquisition date fair value of previously held equity interest | 383 |
| Less: Net identifiable assets acquired | (4,069) |
| Goodwill | 1,553 |

The Parent entity previously held 24.93% interest in MyLoanCare. The acquisition date fair value of previously held equity interest is ₹ 383 Lakhs and the gain of ₹ 24 lakhs has been recognised in other income as a result of the remeasuring the previously held equity interest.

The goodwill is attributable to the value of expected synergies arising from the acquisition. It will not be deductible for tax purposes.

Significant judgement

(i) Acquired receivables

The fair value of acquired receivables is ₹ 25 Lakhs with respect of MyLoanCare. The gross contractual amount for trade receivables due is ₹ 25 Lakhs in respect of MyLoanCare with a loss allowance of ₹ Nil.

(ii) Revenue and profit contribution

The acquired business contributed revenues of ₹ 536 Lakhs and loss of ₹ 482 Lakhs to the group for the period March 31, 2023. If the acquisitions had occurred on April 01, 2022, consolidated pro-forma revenue and loss for the year ended March 31, 2023 would have been ₹ 255,862 and ₹ 48,893 Lakhs respectively.

(b) Purchase consideration - cash outflow

| | (₹ in Lakhs) |
|---|--------------|
| Particulars | MyLoanCare |
| Outflow of cash to acquire subsidiaries, net of cash acquired | |
| Cash consideration | 4,041 |
| Less: Cash and other bank balances acquired | 3,672 |
| Net cash flow on acquisition | 369 |

Note: The Parent entity has not incurred any acquisition related costs with respect to above.

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Note 34 : Additional regulatory information required by Schedule III

(i) Details of Benami Property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder. However, company has received summon under section 19 of Prohibition of Benami Property Transactions Act, 1988 requisiting certain information about the customers of the company. The company has duly furnished all the documents and information on February 09, 2024. No further communication received from the department since its last submission.

(ii) Borrowing secured against current assets

The group has no borrowings from banks or financial institutions on the basis of security of current assets during the current or previous financial year.

(iii) Wilful defaulter

None of the entities in the group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

| (₹ in Lakhs) | | | | | | |
|---|--|---|---|---|--|--|
| Name of the struck off company | Nature of transactions with struck off company | Relationship with the struck off company, if any, to be disclosed | Transaction for the year ended March 31, 2024 | Transaction for the year ended March 31, 2023 | Balance outstanding as at March 31, 2024 | Balance outstanding as at March 31, 2023 |
| Mac Realty Services Private Limited* | Other expenses | None | - | 2 | - | - |
| Sanriya Insurance Marketing Private Limited** | Marketing Expense | None | 0 | 1 | - | - |
| Swachha Development Private Limited** | Online marketing expense | None | - | 0 | - | - |

* Relates to Policybazaar Insurance Brokers Private Limited, subsidiary of the Holding Company

** Relates to Paisabazaar Marketing and Consulting Private Limited, subsidiary of the Holding Company

(v) Compliance with number of layers of companies

The group has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Company has in its board meeting held on April 26, 2022 approved merger of Makesense Technologies Limited with the Company pursuant to section 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, arrangements and amalgamations) rules, 2016. The Merger application was filed with National Stock Exchange of India Limited and Bombay Stock Exchange Limited on May 18, 2022. The National Stock Exchange of India Limited and Bombay Stock Exchange Limited issued no observation letters to the Company on January 06, 2023.

The Joint Application before the Hon'ble National Company Law Tribunal (Hon'ble Tribunal), Chandigarh Bench, under the provisions of Sections 230 to 232 of the Act was filed on May 03, 2023. As per order dated July 05, 2022 passed by Hon'ble Tribunal, meetings of Equity Shareholders and Unsecured Creditors of the Company were held on Saturday, September 02, 2023 to approve the Scheme of Amalgamation of Makesense Technologies Limited with the Company and other connected matters.

The second motion joint application was filed before Hon'ble Tribunal on September 14, 2023. The Approval of Hon'ble Tribunal is awaited.

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

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

(ix) Valuation of property plant and equipment, intangible asset and investment property

The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) The Group do not hold any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).

(xi) The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act 2013), either severally or jointly with any other person which are repayable on demand or without specifying any terms of repayment.

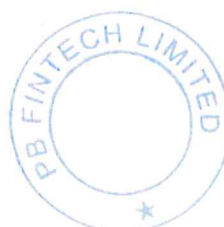
(xii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries

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Note 35 : Utilisation of the IPO proceeds:

The Company, in the financial year ended March 31, 2022, completed the Initial Public Offering (IPO) of 58,262,397 equity shares of face value of ₹ 2 each for cash at a price of ₹ 980 per equity share aggregating to ₹ 570,971 lakhs comprising a fresh issue of 38,265,306 equity shares aggregating to ₹ 375,000 lakhs and on offer for sale of 19,997,091 equity shares aggregating to ₹ 195,971 lakhs. Pursuant to the IPO, the equity shares of the Company got listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on November 15, 2021. Out of the proceeds of offer for sale, ₹ 174,181 lakhs (net of selling shareholders share of IPO related expenses and applicable taxes) was remitted to selling shareholders.

The Company incurred ₹ 17,911 lakhs as IPO related expenses which were proportionately allocated between the selling shareholder and the Company. The Company's share of expenses was ₹ 11,749 lakhs, out of which ₹ 10,466 lakhs was adjusted against securities premium and ₹ 1,229 lakhs was charged to statement of profit & loss in the previous financial year. The Company charged ₹ 6,162 lakhs from the selling shareholder towards their share of IPO expenses. The utilisation of the net IPO proceeds is summarised as below:

| (₹ in lakhs) | | | | |
|---|---|-----------------|-------------------------------------|--|
| Objects of the offer | Original amount (as per offer document) | Revised Amount | Amount utilised upto March 31, 2024 | Unutilised amount as at March 31, 2024 # |
| Enhancing visibility and awareness of our brands, including but not limited to "Policybazaar" and "Paisabazaar" | 1,50,000 | 1,50,000 | 1,17,304 | 32,696 |
| New opportunities to expand growth initiatives to increase our Consumer base including offline presence | 37,500 | 37,500 | 22,555 | 14,945 |
| Funding Strategic investments and acquisitions | 60,000 | 60,000 | 4,040 | 55,960 |
| Expanding our presence outside India | 37,500 | 37,500 | 4,000 | 33,500 |
| General corporate purposes* | 76,309 | 76,269 | 76,269 | - |
| Total | 3,61,309 | 3,61,269 | 2,24,168 | 1,37,101 |

* On finalization of offer expenses, the amount proposed to be utilized for General Corporate purposes was revised to ₹ 76,269 lakhs as compared to original amount of ₹ 76,309 lakhs.

The unutilized amount of Net IPO proceeds as at March 31, 2024 and as at March 31, 2023 were invested in fixed deposits and other bank accounts maintained with scheduled commercial banks.

Note 36 : The Insurance Regulatory and Development Authority of India ("IRDAI") had carried out certain inspections of the books of account and records of the Policybazaar Insurance Brokers Private Limited (the "Wholly owned subsidiary" or "Policybazaar") to examine compliance with relevant laws and regulations for various financial years and issued its reports, requesting for responses to the observations stated therein. Policybazaar submitted its responses to the IRDAI subsequent to which IRDAI issued show cause notices in respect of the above inspection reports and certain other matters.

In the assessment of the management, supported by legal advice, as applicable, the above matters are not likely to have a material impact on the continuing operations of the Policybazaar as well as these financial statements. Policybazaar also reviewed the same in the light of IND AS 37 and concluded that at this stage a reliable estimate cannot be made of the possible obligation and the exact impact will be known on the conclusion of the proceedings by the IRDAI.

Note 37

(a) : Deputy Director of Income Tax (DDIT) Delhi, has visited the premises of Paisabazaar Marketing and Consulting Private Limited (wholly owned subsidiary of Company) and the company on December 13 and 14, 2023 and enquired about certain vendors of Paisabazaar. Paisabazaar has provided all the information required and shall continue to provide any further details/information that might be required by the department in future. The business operations of the Paisabazaar continue as usual and have not been impacted due to the survey proceedings. In relation to this, Group has also received summon from the DDIT seeking various information/details. The Group has duly furnished all the documents and information.

(b) : In connection with the communication with Directorate General of GST (DGGI) relating to input credit availed by certain vendors of Paisabazaar Marketing and Consulting Private Limited (the "Wholly owned subsidiary" or "Paisabazaar"), Paisabazaar has provided necessary information / clarifications and made an initial deposit as agreed with DGGI. As per management assessment supported by tax counsel opinion no liability is likely to accrue on this matter and no adjustments on the financial statements is required. The Group has also received certain summons from the taxation authorities seeking various information/details. The Group has duly furnished all the documents and information.

Note: The Group engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against above disputes. It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of above pending resolution of the respective proceedings.



PB Fintech Limited

Notes to the consolidated financial statements for the year ended March 31, 2024

Note 38 : Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. For this purpose, the Company has appointed an independent consultant for conducting a Transfer Pricing study (the 'study') for the Assessment Year 2024-25. In the unlikely event that any adjustment is required consequent to completion of the study for the year ended March 31, 2024, the same would be made in the subsequent year. However, management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

Note 39 : Events occurring after the reporting period

a) The Company, subsequent to the year ended March 31, 2024, incorporated a wholly-owned subsidiary named "PB Pay Private Limited" vide Certificate of Incorporation issued by Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs dated April 09, 2024, having Corporate Identity Number U66190HR2024PTC120573.

b) The Company, subsequent to the year ended March 31, 2024, has invested funds amounting to ₹ 2700 Lakhs in equity shares of PB Pay Private Limited (a "wholly owned subsidiary Company"). The Company has subscribed 2,70,00,000 shares at a price of ₹ 10 per share on April 09, 2024.

c) The company subsequent to the year ended March 31, 2024, the board has considered and approved the following businesses:

(i) Divestment of 293,210 equity shares constituting 29.30% of the share capital of Visit Health Private Limited ("VHPL") held by Docprime Technologies Private Limited ("DTPL"), a wholly owned subsidiary of the Company for ₹ 7,600 lakhs. The Company will continue to retain and hold a shareholding of 1,22,083 equity shares.

(ii) Divestment of entire (100%) shareholding constituting 4,50,000 equity shares of Rs. 10 each and 82,759 Compulsorily Convertible Preference Shares ("CCPS") of ₹ 10 each of Visit Internet Services Private Limited ("VISPL") held by Docprime Technologies Private Limited ("DTPL"), a wholly owned subsidiary of the Company for ₹ 200 lakhs;

(iii) Acquisition of 100% shares of Genesis Group Limited, which holds 49% of Genesis Insurance Brokers LLC by Icall Support Services Private Limited, a wholly owned subsidiary of the Company at an aggregate consideration of AED 3,877,400.

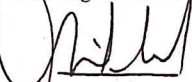
The above transactions has no impact on the consolidated financial statements for the year ended March 31, 2024.

d) These financial statements were approved and adopted by Board of Directors of the Company in their meeting held on May 07, 2024.

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration Number : 001076N/N500013


Ankit Mehra
Partner



Membership No. 507429

Place: Gurugram

Date: May 07, 2024


For and on behalf of the Board of Directors


Yashish Dahiya
Chairman and Chief
Executive Officer

DIN: 00706336

Place: Gurugram


Date: May 07, 2024


Alok Bansal
Vice Chairman and
Whole Time Director

DIN: 01653526

Place: Gurugram

Date: May 07, 2024


Mandeep Mehta
Chief Financial
Officer

Place: Gurugram

Date: May 07, 2024


Bhasker Joshi
Company
Secretary

M. No. F8032

Place: Gurugram

Date: May 07, 2024

