



NARBARIYA AND ASSOCIATES LLP

CHARTERED ACCOUNTANTS

Independent Auditor's Report

To the Members of RNFI CMS Services Private Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **M/s. RNFI CMS Services Private Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and **profit** and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, is not applicable.

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 over financial reporting of the Company as required under chapter X, clause (i) of sub-section (3) of section 143 of the companies Act, 2013, is not applicable to the company.

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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, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. As informed to us, the company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. As informed to us, the company has no amount for transferring to the Investor Education and Protection Fund by the Company.

For Narbariya & Associates LLP
Chartered Accountants
Firm's Registration Number:-N500340

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CA Varun Narbariya

Partner

Membership Number- 546314

UDIN: 21546314AAAAAX8530

Place: New Delhi
Date: 02 July 2021

RNFI CMS SERVICES PRIVATE LIMITED
CIN : U74999DL2018PTC340872
Plot No 30, 3rd Floor, Nazafgarh Road Industrial Area, Delhi-110015
BALANCE SHEET AS AT MARCH 31, 2021

Particulars	Note No	As at 31st Mar 2021 (Rs.)	As at 31st Mar 2020 (Rs.)
I EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	1,00,000	1,00,000
Reserves and Surplus	2	29,43,777	(6,01,519)
Non Current Liabilities			
Deferred Tax Liabilities (Net)	3	-	355
Current Liabilities			
Short-term borrowings	4	-	27,20,100
Trade Payables	5	31,02,364	17,60,719
Other Current Liabilities	6	3,41,84,091	2,51,810
Short-Term Provisions	7	9,72,187	-
TOTAL		4,13,02,419	42,31,465
II ASSETS			
Non Current Assets			
Property Plant and Equipment	8		
(i) Tangible assets		11,598	15,235
Deferred Tax Assets (Net)	3	1,35,079	-
Current Assets			
Trade Receivables	9	50,00,213	13,06,197
Cash & Cash Equivalents	10	1,35,58,353	25,98,115
Short Term Loans and Advances	11	24,35,600	81,475
Other Current Assets	12	2,01,61,576	2,30,443
TOTAL		4,13,02,419	42,31,465
Significant Accounting Policies & Other Explanatory Notes to Financial Statements	19		

In terms of our Audit Report of even date attached

For Narbariya & Associates LLP

Chartered Accountants

Registration No.: N500340

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Partner

Membership No. 546314

Place: New Delhi

Date: 2nd July 2021

For and on behalf of the Board of Directors of
RNFI CMS SERVICES PRIVATE LIMITED

Ranveer Khyaliya
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Ranveer Khyaliya

Director

DIN: 07290203

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Kapil Chawla

Director

DIN: 07822852

RNFI CMS SERVICES PRIVATE LIMITED
CIN : U74999DL2018PTC340872
Plot No 30, 3rd Floor, Nazafgarh Road Industrial Area, Delhi-110015
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

Particulars		Note No.	For the Year Ended 31 Mar 2021 (Rs.)	For the Year Ended 31 Mar 2020 (Rs.)
I	Revenue From Operations	13	7,72,12,451	12,24,151
II	Other Income	14	1,50,643	6,30,997
III	Total Revenue (I + II)		7,73,63,094	18,55,148
IV	Expenses			
	Direct Cost of Operation	15	7,20,54,039	11,16,640
	Employee Benefit Expenses	16	3,30,000	10,46,401
	Finance Cost	17	4,39,411	96,914
	Depreciation	8	3,637	3,646
	Administrative & Other Expenses	18	1,53,957	1,25,862
	Total Expenses		7,29,81,044	23,89,463
V	Profit Before Tax (III - IV)		43,82,050	(5,34,315)
VI	Tax Expense			
	Current Tax		9,72,187	-
	Deferred tax		(1,35,433)	49
VII	Profit for the Period (V - VI)		35,45,296	(5,34,364)
VIII	Earning Per Equity Share			
	Basic (in Rs.)		354.53	(53.44)
	Diluted (in Rs.)		354.53	(53.44)
Significant Accounting Policies & Other Explanatory Notes to Financial Statements		19		

In terms of our Audit Report of even date attached

For Narbariya & Associates LLP

Chartered Accountants

Registration No.: N500340

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Varun Narbariya

Partner

Membership No. 546314

Place: New Delhi

Date: 2nd July 2021

For and on behalf of the Board of Directors of
RNFI CMS SERVICES PRIVATE LIMITED

Ranveer Khyaliya
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Ranveer Khyaliya

Director

DIN: 07290203

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Kapil Chawla

Director

DIN: 07822852

RNFI CMS SERVICES PRIVATE LIMITED
CIN : U74999DL2018PTC340872
Plot No 30, 3rd Floor, Nazafgarh Road Industrial Area, Delhi-110015
Cash Flow Statement for the year ended 31st March 2021

Particulars	For the Year Ended 31 Mar 2021 (Rs.)	For the Year Ended 31 Mar 2020 (Rs.)
A. Cash Flow From Operating Activities		
Net Profit before tax	43,82,050	(5,34,315)
Adjustments for:		
Depreciation and Amortization Expenses	3,637	3,646
Interest Expense	4,39,411	96,914
Operating profit before working capital changes	48,25,098	(4,33,755)
<u>Changes in working capital:</u>		
Adjustments for (increase)/decrease in operating assets		
Trade Receivables	(36,94,016)	(2,10,414)
Loan and advances	(23,54,125)	(70,293)
Other Current and Non-Current Assets	(1,99,31,133)	(13,26,225)
Adjustments for increase/(decrease) in operating liabilities		
Trade Payables	13,41,644	17,60,719
Other Current Liabilities	3,39,32,281	1,47,897
Cash Generated From Operations	1,41,19,749	(1,32,071)
Tax Expenses	-	-
Net cash flow from operating activities	1,41,19,749	(1,32,071)
B. Cash Flow From Investing Activities		
Net Cash Flow from Investing Activities	-	-
C. Cash Flow From Financing Activities		
Interest Expense	(4,39,411)	(96,914)
Proceeds from short term borrowings	2,49,60,06,967	4,53,50,100
Payments from short term borrowings	(2,49,87,27,067)	(4,26,30,000)
Net Cash Flow From Financing Activities	(31,59,511)	26,23,186
Net increase/(decrease) in cash and cash equivalents	1,09,60,238	24,91,115
Cash and cash equivalents at the beginning of the year	25,98,115	1,07,000
Cash and cash equivalents at the end of the year	1,35,58,353	25,98,115
Cash and cash equivalents at the end of the year *		
* Comprises:		
(a) Cash on hand	1,300	2,99,800
(b) Balances with banks		
(i) In current accounts	1,15,57,053	2,98,315
(ii) In deposit accounts	20,00,000	20,00,000
(iii) In escrow/pool accounts	-	-
	1,35,58,353	25,98,115

**In terms of our Audit Report of even date attached
For Narbariya & Associates LLP**

Chartered Accountants

Registration No.: N500340

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Varun Narbariya

Partner

Membership No. 546314

Place: New Delhi

Date: 2nd July 2021

For and on behalf of the Board of Directors of
RNFI CMS SERVICES PRIVATE LIMITED

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Director

DIN: 07290203

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Director

DIN: 07822852

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1

	(Rs.)	
Share Capital	As at 31st Mar 2021	As at 31st Mar 2020
Authorised		
10,000 Nos. (Previous Year - 10,000) Equity Shares of Rs.10 each	1,00,000	1,00,000
Issued, Subscribed and Paid Up		
10,000 Nos. (Previous Year - 10,000) Equity Shares of Rs.10 each	1,00,000	1,00,000
Total	1,00,000	1,00,000

1.1 Reconciliation of Numbers of Shares

Particulars	As at 31.03.2021		As at 31.03.2020	
	No. of Shares	Share capital	No. of Shares	Share capital
Shares outstanding as at the beginning of the year	10,000	1,00,000	10,000	1,00,000
Additions during the year	-	-	-	-
Less : Buyback during the year	-	-	-	-
Shares outstanding as at the end of the year	10,000	1,00,000	10,000	1,00,000

1.2 Shareholderes Holding more than 5% Shares

Particulars	As at 31st Mar 2021		As at 31st Mar 2020	
	No. of Shares Held	% of Share Holding	No. of Shares Held	% of Share Holding
Shares held by Holding Company RNFI Services Pvt Ltd & Nominee Shareholder	10,000	100	10,000	100

1.3 RIGHTS ATTACHED TO THE SHARES

The Company has only one class of Equity Shares of Par Value of Rs 10/- per share. Each holder of Equity Share is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and shall be payable in Indian rupees.

In the event of liquidation of the Company, the holder of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount and the remaining balance is distributed in proportion to the number of equity shares held by the Equity Shareholders.

NOTE 2

Reserves and Surplus	As at 31st Mar 2021	As at 31st Mar 2020
Surplus In Statement Of Profit & Loss		
Balance Brought Forward	(6,01,519)	(67,155)
Add:		
Profit/(Loss) as per Statement of Profit and Loss	35,45,296	(5,34,364)
Less:		
Transfer to other Reserve	-	-
Total	29,43,777	(6,01,519)

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 3

Deferred Tax Liabilities/(Assets)	As at 31st Mar 2021	As at 31st Mar 2020
Related to Property, Plants & Equipments	(490)	355
Related to Unabsorbed Business Loss & Depreciation	(1,34,589)	-
Total	(1,35,079)	355

NOTE 4

Short-term borrowings	As at 31st Mar 2021	As at 31st Mar 2020
Other Loans & Advances - Unsecured		
Loan from Body Corporate	-	27,20,100
Total	-	27,20,100

Loan is repayable on demand & Carries Simple Interest @ 7% P.A.

NOTE 5

Trade Payables	As at 31st Mar 2021	As at 31st Mar 2020
Dues to micro, small and medium enterprises	-	-
Other Trade Payable	31,02,364	17,60,719
Total	31,02,364	17,60,719

Due to micro, small and medium enterprises

The company has initiated the process of identification of suppliers registered under Micro, Small and Medium Enterprise Development Act ,2006, by obtaining confirmations from all suppliers information has been collected only to the extent of information received as at balance sheet date. Based on the information available with the company, there are no suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprises Development Act 2006" as at 31st March 2021.

NOTE 6

Other Current Liabilities	As at 31st Mar 2021	As at 31st Mar 2020
Interest Accrued & due on Borrowing	4,93,678	87,223
Other Payable		
Audit Fees Payable	36,850	10,000
Expenses Payable	36,54,090	89,063
Portal balance of Channel Partners	2,95,69,224	-
TDS Payable	2,93,540	65,524
Advance from customers	125	-
Other Refund Payable	1,36,584	-
Total	3,41,84,091	2,51,810

NOTE 7

Short-Term Provisions	As at 31st Mar 2021	As at 31st Mar 2020
Other Provision		
Provision for Income Tax	9,72,187	-
Total	9,72,187	-

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 9

Trade Receivables	As at 31st Mar 2021	As at 31st Mar 2020
Debts outstanding for more than six months		
Unsecured (considered good)	-	-
Other Debts		
Unsecured (considered good)		
Receivable from Related Parties	48,67,320	13,05,445
Other trade receivables	1,32,893	752
Total	50,00,213	13,06,197

NOTE 10

Cash & Cash Equivalents	As at 31st Mar 2021	As at 31st Mar 2020
Balances with banks:		
In current accounts	1,15,57,053	2,98,315
In Deposit Accounts with Maturity of more than 12 months (under lien)	20,00,000	20,00,000
Cash in hand	1,300	2,99,800
		-
Total	1,35,58,353	25,98,115

NOTE 11

Short Term Loans and Advances	As at 31st Mar 2021	As at 31st Mar 2020
Unsecured, considered good		
Balance with Government Authorities	24,35,600	32,475
Advance to Employees and others	-	49,000
Total	24,35,600	81,475

NOTE 12

Other Current Assets	As at 31st Mar 2021	As at 31st Mar 2020
Unbilled Revenue	72,42,296	-
Accrued Interest on FD	1,37,330	20,780
Other Receivable	1,27,81,950	2,09,663
Total	2,01,61,576	2,30,443

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 13

Revenue From Operations	As at 31st Mar 2021	As at 31st Mar 2020
Sales of Services		
Commission Income	7,72,07,170	12,24,151
Recharge Sale	5,281	-
Total	7,72,12,451	12,24,151

NOTE 14

Other Income	As at 31st Mar 2021	As at 31st Mar 2020
Interest Income on FDR	1,50,643	20,780
Discount Received on Vouchers	-	6,09,975
Short/Excess	-	242
Total	1,50,643	6,30,997

NOTE 15

Direct Cost of Operation	As at 31st Mar 2021	As at 31st Mar 2020
Commission Expenses	7,20,49,547	11,16,640
Recharge Purchases	4,492	-
Total	7,20,54,039	11,16,640

NOTE 16

Employee Benefit Expenses	As at 31st Mar 2021	As at 31st Mar 2020
Salary & Incentive	3,30,000	10,46,401
Total	3,30,000	10,46,401

NOTE 17

Finance Cost	As at 31st Mar 2021	As at 31st Mar 2020
Interest Expenses	4,39,411	96,914
Total	4,39,411	96,914

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 18

Administrative & Other Expenses	As at 31st Mar 2021	As at 31st Mar 2020
Rent	-	81,000
Bank Charges	649	1,267
Conveyance Expenses	45,326	-
Office Maintenance Expenses	37,176	-
Technology Subscription Expenses	11,236	2,231
Legal & Professional Fees	2,300	9,800
Interest on TDS	13,370	-
Late Fees on GST	-	18,864
Telephone and Internet Expenses	3,900	2,700
Audit Fee	40,000	10,000
Total	1,53,957	1,25,862

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 8

Property Plant and Equipment

Particulars	As at 1st April 2020	Gross Block		As at 31st Mar 2021	As at 1st April 2020	Depreciation		As at 31st Mar 2021	Net Block	
		Additions	Disposals			Charged for the period	Disposals		As at 1st April 2020	As at 31st Mar 2021
Tangible Assets										
Office Equipments	19,140	-	-	19,140	3,905	3,637	-	7,542	15,235	11,598
Total Tangible Assets	19,140	-	-	19,140	3,905	3,637	-	7,542	15,235	11,598
Current Year	19,140	-	-	19,140	3,905	3,637	-	7,542	15,235	11,598
Previous Year	19,140	-	-	19,140	259	3,646	-	3,905	18,881	15,235

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Notes on Financial Statements as on 31st March, 2021

Note 19 Significant Accounting Policies and Other Explanatory Notes to Financial Statements

A Corporate Information

RNFI CMS Services Private Limited is a company registered under the Companies Act, 2013 vide registration number U74999DL2018PTC340872 on 22nd October 2018 having its registered office in Delhi. The Company is engaged in the business of Aadhar Enabled Payment System (AEPS), Micro ATM (MATM), Cash deposit, Aadharpay transaction and other incidental business through its Channel partner network.

B Significant Accounting Policies

I Basis of preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis.

II Revenue Recognition

As the Company is engaged in the business of Aadhar Enabled Payment System (AEPS), Micro ATM (MATM), Cash deposit, Aadharpay transaction and other incidental business, the revenue of the company is commission income for various transactions, sale of recharges etc.

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. The following specific recognition criteria must also be met before revenue is recognized:

Commission Income: Commission income generally determined as a percentage of transaction value executed by the channel partners of the company. The commission income from various transaction services (AEPS, MATM etc.) provided through the Company's portal is recognized when the transaction is executed and the services are rendered on real time basis and is included under the head "Revenue from Operations" in the Statement of Profit and Loss.

Sale of Recharges: Revenue from sale of recharges is recognized when control of the recharge coupon/goods sold, which coincides with the delivery, is transferred to the

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customer and it is reasonable to expect ultimate collection and is included under the head “Revenue from Operations” in the Statement of Profit and Loss.

Interest Income: Interest income is recognized on an accrual basis and is included under the head “Other Income” in the Statement of Profit and Loss.

III Taxation

Current Tax

Current tax is determined as the amount of tax payable in respect of estimated taxable income for the year and in accordance with the provisions as per Income Tax Act, 1961.

Deferred Tax

Deferred tax is recognized using the enacted / subsequently enacted tax rates and laws as on the Balance Sheet date, subject to the consideration of virtual/reasonable certainty of realization in respect of deferred tax assets, on all temporary timing differences, between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

IV Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, except where results would be anti-dilutive.

V Provisions

Provisions are recognized for liabilities when the Company has a present obligation as a result of past events, a probable outflow of resources is expected to settle the obligation and the amount can be reliably estimated.

VI Property Plant and Equipment

Property Plant and Equipment are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost comprises purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Financing costs relating to acquisition of Property Plant and Equipment are also included to the extent they relate to the period till such assets are ready to be put to use.

VII Depreciation & Amortization

Depreciation on Property Plant and Equipment is provided on straight line method (SLM) method at the life prescribed in Schedule II to the Companies Act, 2013.

VIII Borrowing Cost

Borrowing Costs that are attributable to the acquisition, construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily

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takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to revenue in the period in which these are incurred.

IX Related Party Disclosure

Names of the related parties and related party relationship

(A) Holding Company

RNFI Services Private Limited

(B) Subsidiaries

Nil

(C) Fellow Subsidiaries/Associates

RNFI Money Private Limited
RNFI Fintech Private Limited
RNFI Capital Private Limited
Vidcom Business Solutions Private Limited
RNFI Zambia Limited (Foreign Subsidiary)
Fingpay Private Limited

(D) Key Management Personnel

Ranveer Khyaliya	Director
Kapil Chawla	Director

(E) Firm in which Director is a Partner

Pivotal Flow Consultants LLP

The related parties with whom transactions have taken place during the year are given below along with nature of Transactions:

Profit & Loss Items: -

Name of Related Parties	Nature of Transaction	FY 2020-21 Amount (Rs.)	FY 2019-20 Amount (Rs.)
RNFI Services Private Limited	Commission Income	7,68,37,280/-	11,55,263/-
RNFI Services Private Limited	Interest Expenses	4,39,411/-	96,914/-
RNFI Services Private Limited	Cash management & Voucher loading Income	Nil	68,888/-

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**Balance Sheet Items: -
FY 20-21**

Name of Related Parties	Nature of Transaction	Opening	Debit/Credit	Amount Payable/Receivable as on 31st Mar 2021
RNFI Services Private Limited	Short Term Borrowings:	27,20,100/- Cr.	2,49,87,27,067/- Dr. 2,49,60,06,967/- Cr.	Nil
RNFI Services Private Limited	Interest Accrued & due on Borrowing	87,223/- Cr.	4,06,455/- Cr	4,93,678/- Cr. (Shown under Note "Other Current Liabilities")
RNFI Services Private Limited	Trade Payable	5,94,245/- Cr	5,94,245/- Dr	Nil
RNFI Services Private Limited	Trade Receivable	13,05,445/- Dr.	8,10,63,892/- Dr. 7,75,02,017/- Cr.	48,67,320/- Dr. (Shown under Note "Trade Receivable")

FY 19-20

Name of Related Parties	Nature of Transaction	Opening	Debit/Credit	Amount Payable/Receivable as on 31st Mar 2020
RNFI Services Private Limited	Short Term Borrowings:	Nil	4,26,30,000/- Dr. 4,53,50,100/- Cr.	27,20,100/- Cr. (Shown under Note "Short Term Borrowings")
RNFI Services Private	Interest Accrued & due on	Nil	87,223/-	87,223/- Cr. (Shown under Note

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Limited	Borrowing		Cr	“Other Current Liabilities”)
RNFI Services Private Limited	Trade Payable	1,20,190/- Cr	1,00,05,400/- Dr. 1,04,79,455/- Cr.	5,94,245/- Cr (Shown under Note “Other Trade Payable”)
RNFI Services Private Limited	Trade Receivable	Nil	13,05,445/- Dr.	13,05,445/- Dr. (Shown under Note “Trade Receivable”)

X Foreign Currency Transactions

- Foreign currency transactions are accounted at exchange rate on the date of transaction.
- Monetary assets and liabilities relating to foreign currency transactions are stated at exchange rate prevailing at the end of the year and exchange difference in respect thereof is charged to Profit and Loss Account.

XI Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

XII Leases

(i) Finance Lease

Assets acquired under finance lease are recognized at lower of the fair value of the leased assets at inception and the present value of minimum lease payment. Lease payment is apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

(ii) Operating Lease

Leases other than finance lease are operating and leased assets are not recognized in the company Balance sheet. Payment under operating leases is recognized in the Statement of Profit and Loss on a straight line over the lease term.

XIII Provisions, Contingent Liabilities and Contingent Assets

A provision is made/ recognized, based on the management estimate required to settle the obligation at balance sheet date, when the Company has a present obligation as a result of past event and it is possible that an outflow embodying economic benefit will be required to settle the obligation. Contingent liabilities, if material, are disclosed by way of notes. Contingent assets are not recognized or disclosed in the Financial Statement.

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C Additional Information

- a.** Previous year figures have been reworked/regrouped/ reclassified/rearranged wherever necessary to correspond with the current year's classification/disclosure.
- b** in the opinion of the board of directors, current assets, loans & advances will be realized in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known liabilities have been made.
- c** Balance in the accounts of creditors and other liabilities are subject to confirmation.
- d** The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013 read with Companies (Accounts) Rules, 2014. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

e	Payment to Statutory Auditor	2020-21	2019-20
	Statutory Audit Fee	Rs, 25,000	Rs. 10,000
	Tax Audit Fee	Rs, 15,000	Nil
	Others	Rs, 2,000	Nil

- f** Earning Per shares (EPS): -

Particulars	2020-21	2019-20
Net profit After tax	35,45,296/-	(5,34,364/-)
Weighted Average number of equity shares outstanding at the end of the year	10000	10000
Diluted & Basic EPS	354.53	(53.44)

For Narbariya & Associates LLP
Chartered Accountants
Registration No.: N500340

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Varun Narbariya
Partner
Mem. No. 546314
Date: 2nd July 2021

For and on behalf of the Board of Directors of
RNFI CMS Services Private Limited

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Director
DIN: 07290203

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Kapil Chawla
Director
DIN: 07822852