

REPORT OF THE BOARD OF DIRECTORS (BOARD'S REPORT)

To,
The Members of,
AXIO DIGITAL PRIVATE LIMITED (the "Company")
No. 101, 1st Floor, PLEXUS, S. No. 134/1, CTS No. 1337/1,
Anudh, Pune, Maharashtra – 411007, India

Your Directors have pleasure in presenting the 11th (Eleventh) report of your Company, as required under Section 134(3) of the Companies Act, 2013 ("**Act**") together with the Audited Financial Statements and the Auditor's Report of your Company for the financial year ended on March 31, 2025.

1. Financial Summary or Highlights/Performance of the Company:

Amount in INR Millions

Particulars	2024-25	2023-24
Gross Income	1,132.26	806.70
Profit Before Tax and Depreciation	312.31	48.89
Provision for Depreciation	64.22	31.84
Net Profit Before Tax	248.09	17.05
Add/Less:		
Provision for Current Tax	0	0
Deferred Tax	0	0
Re-measurements of defined liability/(asset)	3.87	0.97
Profit after tax	251.96	18.02

2. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

During the financial year under review, the Company has earned an annual revenue of Rs. 1,132.26 million as against Rs. 806.70 million and the Company has incurred a profit of Rs. 251.96 million as against profit of Rs. 18.02 million incurred during the previous financial year.

3. CHANGE IN NATURE OF BUSINESS:

There has been no change in the nature of business for the company during the financial year under review.

4. DIVIDEND:

The Company achieved profitability during the financial year under review. However, in consideration of the previous year's losses and our strategic focus on future growth, the Board of Directors has resolved not to declare a dividend for this year. The profits will be retained to support upcoming projects and enhance the Company's long-term sustainability and value. This decision underscores our commitment to prudent financial management and the future success of the Company.

5. TRANSFER TO RESERVES:

No amount is transferred to general reserve of the Company.

6. INFORMATION ABOUT SUBSIDIARY/ JOINT VENTURE / ASSOCIATE COMPANY:

The Company does not have any subsidiary, joint venture, or associate companies for the financial year under review.

7. MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitments, which affects the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

However, subsequent to the reporting period, the Holding Company received approval from the Reserve Bank of India (RBI) on June 12, 2025, for the acquisition of 99.99% shareholding and control of the Holding Company by Amazon International Holdings LLC and Amazon.com Investment Holdings LLC.

8. EXTRACT OF ANNUAL RETURN:

Pursuant to the requirement under Section 92(3) of the Companies Act, 2013, copy of the annual return for financial year ended March 31, 2025, can be accessed on our website at <https://axio.co.in/>

9. CHANGE IN DIRECTORSHIP & KEY MANAGERIAL PERSONNEL (KMP):

The Composition of the Board of Directors as on 31st March, 2025 is as follows:

1. Gaurav Dinesh Hinduja - Executive Director
2. Sashank R. Risyasringa – Executive Director
3. Mauli Agarwal – Company Secretary

Ms. Seema Patel has resigned from the position of Company Secretary of the Company, effective from March 31, 2025. Consequently, Ms. Mauli Agarwal has been appointed as the Company Secretary of the Company, effective from March 31, 2025.

10. MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors met 27 times during the financial year and the details of which are given below. The maximum gap between any two Board Meetings was less than 120 (one Hundred and Twenty) days.

Sl. No.	Date of board meeting	Total strength of the Board	No of directors present
1.	24.04.2024	02	02
2.	25.04.2024	02	02
3.	25.04.2024	02	02
4.	09.05.2024	02	02
5.	30.05.2024	02	02
6.	03.06.2024	02	02
7.	29.06.2024	02	02
8.	07.08.2024	02	02
9.	06.09.2024	02	02
10.	09.09.2024	02	02
11.	17.09.2024	02	02
12.	25.09.2024	02	02
13.	27.09.2024	02	02
14.	03.10.2024	02	02
15.	09.10.2024	02	02
16.	10.01.2025	02	02
17.	22.01.2025	02	02
18.	23.01.2025	02	02
19.	24.01.2025	02	02
20.	31.01.2025	02	02
21.	11.02.2025	02	02
22.	13.02.2025	02	02
23.	25.02.2025	02	02
24.	07.03.2025	02	02
25.	14.03.2025	02	02
26.	30.03.2025	02	02
27.	31.03.2025	02	02

The attendance of the Directors at the Board Meetings are as under:

Name of Directors	Number of Meetings attended/ Total Meetings held during the F.Y. 2024-25
Mr. Gaurav Dinesh Hinduja	27/27
Mr. Sashank R Rishyasringa	27/27

11. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Act, the Directors state that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) Appropriate accounting policies have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of Rs 251.96 Million of the Company for the financial year ended March 31, 2025;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The annual accounts have been prepared on a going concern basis;
- (e) Proper internal financial controls were followed by the Company and such internal financial controls are adequate and were operating effectively;
- (f) Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. STATUTORY AUDITORS AND AUDITOR'S REPORT:

As the existing tenure of our Statutory Auditor, M/s. Nangia & Co LLP, Chartered Accountants (Firm Regn No. 002391C/N500069) as Statutory Auditors of the Company for a term of 5 (five) consecutive years starting from Financial Year 2024-25 and that they shall hold office from the conclusion of 2023-24 Annual General Meeting (AGM) until the conclusion of 2028-29 Annual General Meeting of the Company.

13. BOARDS COMMENT ON THE AUDITOR'S REPORT:

The observations of the statutory auditors, when read with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

Secretarial Audit is not applicable to this Company, as the company is a private limited company. Hence, a secretarial audit report from a Practicing Company Secretary has not been obtained.

14. COMPLIANCE WITH SECRETARIAL STANDARD:

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such system are adequate and operating effectively.

15. DECLARATORY BY INDEPENDENT DIRECTORS:

The Company was not required to appoint Independent Directors under Section 149(4) of the Act and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and hence no such declaration has been obtained.

16. LOANS, GUARANTEES AND INVESTMENTS:

There were no loans, guarantees and investments made by the Company under Section 186 of the Act during the financial year.

17. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act read with Companies (Accounts) Rules, 2014 are prescribed in the Form AOC – 2.

18. COMPANIES POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATION, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SECTION 178(3):

The Company being a Private Limited Company was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Act and Rule 6 of the Companies (meetings of Board and its Powers) Rule, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Act.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014 are as follows:

(A) Conservation of energy

1.	the steps taken or impact on conservation of energy	NIL
2.	the steps taken by the company for utilizing alternate sources of energy	NIL
3.	the capital investment on energy conservation equipment's	NIL

(B) Technology absorption

1.	the effort made towards technology absorption	NIL
2.	the benefits derived like product improvement cost reduction product development or import substitution	NIL
3.	in case of imported technology (important during the last three years reckoned from the beginning of the financial year)	NIL
	(a) the details of the technology imported	-
	(b) the year of import	-
	(c) whether the technology has been fully absorbed	-
	(d) if not fully absorbed, areas where absorption, has not taken place, and the reasons thereof	-
4.	the expenditure incurred on Research and Development	NIL

(C) Foreign Exchange Earnings and Outgo

The details of foreign exchange earnings and outgo during the year are given below

Particulars	2024-25 (Amount in Rs. millions)
Foreign Exchange Earnings	0.00
Foreign Exchange Outgo	4.56

20. RISK MANAGEMENT:

The Company is exposed to inherent uncertainties as applicable to the sector/ industry it operates. The board of directors, as necessary, identifies, reviews and monitors the risks associated with its operations and takes steps to mitigate the same.

21. DEPOSITS:

The Company has not invited or accepted any deposits from the public during the financial year. There were no unclaimed or unpaid deposits as on March 31, 2025.

22. TRANSFER OF AMOUNTS TO INVESTORS EDUCATION AND PROTECTION FUND:

There were no funds required to be transferred to the Investor education and protection Fund (IEPF).

23. PARTICULARS OF EMPLOYEE'S REMUNERATION:

The Company is a private company therefore disclosure in the Board's report relating to Section 197 of the Companies Act, 2013 read with companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended will not be applicable to the Company.

24. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company is not covered under the criteria in Section 135(1) of Companies Act, 2013 and therefore no CSR committee of the board has been constituted.

25. SHARE CAPITAL:

There was no change in share capital of the company.

26. EMPLOYEE STOCK OPTION PLAN (ESOP):

The employee stock option plan namely "Thumbworks Employees Stock Option Plan, 2016" has been cancelled by the company by way of passing the shareholders resolution at the extra-ordinary resolution held on June 14, 2019.

Due to the said cancellation, currently Company does not have Employee Stock Option Plan.

Further, The Company provides share-based payment scheme to its employees as per the CapFloat ESOP Scheme. The detailed note on the Employee Stock Option Scheme is provided as a part of financial statement.

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

The Company is committed to provide a safe and conducive work environment to its employees. During the financial year, no complaints were received by the company relating to sexual harassment.

28. VIGIL MECHANISM:

The Company, being a Private Limited Company, was not required to establish a vigil mechanism in pursuant to the provisions of section 177 (9)& (10) of the Act, read with the companies (Meetings of Boards and its powers) Rules, 2014.

29. DETAILS OF APPLICATIONS MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016:

During the year under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

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

The Company has not made any one-time settlement against the loans obtained from Banks and Financial Institution during the year under review and hence this clause is not applicable.

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

There are no significant and material orders passed by any regulators or courts or tribunals impacting on the going concern status and Company's operation in future.

32. FRAUD REPORTING:

There are no fraud reported during the reporting period.

33. MAINTENANCE OF COST RECORDS:

The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable for the Company.

34. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has established and maintained effective internal financial controls across key processes, ensuring policy compliance, asset safeguarding, accurate financial reporting, and operational efficiency, which were found adequate and effective as of March 31, 2025.

35. ACKNOWLEDGEMENT:

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the financial year. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the executives, staff and the employees of the Company.

For and on behalf of Board of Directors
For AXIO DIGITAL PRIVATE LIMITED


SASHANK R RISHI ASKINGA
Director
DIN: 06466985

For AXIO DIGITAL PRIVATE LIMITED


GAURAV DINESH HINDUJA
Director
DIN: 01264801

Date: 05 August 2025

Place: Bengaluru

Annexure 1

Form N0. AOC- 2

(Pursuant to clause (h) of sub- section (3) of section 134 of the Act and Rule 8(2) of the companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

2. Details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2025:

S No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	CapFloat Financial Services Private Limited (CF) – Holding Company	Referral Fee Income	Fee against sourcing of loans (BNPL and Personal Loans) to CF	11-04-2025	Nil
		Interest Service Fees (Income / Expense)	Service fee received from the co-lender will be distributed between CF & Axio Digital at 33.70: 66.30 ratio respectively	11-04-2025	Nil
		Collection service expense	Charges against the collection of MDR and PG fee on behalf of axio Digital from the merchants and transfer to axio Digital	11-04-2025	Nil
		Rent	Rent paid for using the vehicles of CF.	11-04-2025	Nil

		Interest Expense	Interest paid against loan obtained from CF	11-04-2025	Nil
		ESOP Loan	ESOPs granted to the employees of axio Digital	11-04-2025	Nil
		Business support fee (income / expense)	Cross charge of expenses between the CF & axio Digital wherever the expenses are incurred in one entity and the service is received by both the entities	11-04-2025	Nil

Note: The Board in the First Board meeting of the FY 2025-26 has taken note of all the transactions entered by the Company with the related party at arm's length basis in the financial year 2024-25.

For AXIO DIGITAL PRIVATE LIMITED
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Authorised Signatory
SASHANK R RISHYASRINGA
Director
DIN: 06466985

For AXIO DIGITAL PRIVATE LIMITED

Authorised Signatory
GAURAV DINESH HINDUJA
Director
DIN: 01264801

Date: 05 August 2025
Place: Bengaluru