



INMACS MANAGEMENT SERVICES LTD.

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Executive Summary

Agreed Upon Procedure Report

INMACS Management Services Limited, a public limited company registered in India ("INMACS") has been engaged by Bitcipher Labs LLP, a limited liability partnership firm registered in India ("CoinSwitch") to perform Agreed Upon procedures ("AUP") at approximately 7:30 pm Indian Standard Time (IST) on November 4, 2022. CoinSwitch engaged INMACS for the purpose of offering its management and partners (collectively, "Authorized Users" in India) additional transparency that the Indian Fiat Currency ("INR") and Total Crypto Holdings / Virtual Digital Assets ("VDA") held by CoinSwitch are higher than the INR and VDA held by CoinSwitch on behalf of the Users of its platform CoinSwitch Kuber ("CSK"), the platform being used only by the registered customers of CoinSwitch.

Therefore, the Agreed Upon procedures herein were outlined by management of CoinSwitch and executed by INMACS under Indian Standards on Related Services (SRS 4400) Engagement to Perform Agreed Upon Procedures issued by the Institute of Chartered Accountants of India, compatible to International Standard (ISRS) 4400, carried out in accordance with terms of this engagement, without expressing any assurance. No audit or review has been performed, except the Agreed Upon Procedure¹.

Specifically, the procedures detailed herein, and INMACS's findings, are intended to demonstrate that, at the time these procedures were performed, the Total INR and VDA Holdings held by CoinSwitch or held by third parties on behalf of CoinSwitch, consisting of fiat Currency (INR) and virtual digital assets (in third-party custody) (collectively, "Total Holdings") were greater than or equal to INR and VDA held by CoinSwitch on behalf of the Users of its platform CSK ("Customer Holdings").

INMACS has been engaged to perform the Agreed Upon procedures and issue this report. Data is collected and aggregated through a variety of methods such as: enquiry, analysis, observation, inspection, querying application programming interfaces ("APIs") to client database, virtual digital asset exchanges, virtual digital assets Wallets and inspecting or observing relevant agreements and/or account statements as accessed on respective electronic platforms.

INMACS obtains the detail of customer holdings directly from the CoinSwitch Database via SQL Query / Dashboard. INMACS recalculated the value of Total Holdings comprising of VDA (and not INR) using the spot INR rate of virtual digital assets.



¹ This disclosure is being done as required in terms of ISRS 4400 and SRS 4400.

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Customer Holdings as at date and time mentioned hereinbefore, are as under: -

- Customer Holdings comprising INR is Rs. 56.22 Crores.
- Customer Holdings comprising VDA are (in INR Equivalent) Rs. 1,392.45 Crores which are held by CoinSwitch on behalf of its user with third party Crypto exchanges (commonly known in the industry as “Hot Wallet”), and third party Crypto Custody Service Providers (commonly known in the industry as “Warm Wallets” or “Cold Wallets”)

Total Holdings of CoinSwitch as at Time and Date mentioned hereinbefore as described in para 5, 6 and 8 of the “procedures” are greater than the customer holdings.

Results of the procedures are presented in “Findings & Results”

The methods and procedures employed are provided in this report and are intended for the use of management of CoinSwitch and partners being Authorised Users. The specified agreed upon procedures, the specified subject matter and the specified elements concerns blockchain technology and virtual digital assets.



Independent Report on Agreed Upon Procedures

To the Management of Bitcipher Labs LLP (CoinSwitch)

We have performed the procedures enumerated below, at approximately 7:30 pm Indian standard Time ("IST") on November 4, 2022. Management of Bitcipher Labs LLP ("CoinSwitch") has agreed to the procedures performed to meet the intended purpose of demonstrating that, at the time the procedures were performed, Total CoinSwitch Holdings consisting of fiat currency ("INR"), Virtual digital assets ("VDA"), also colloquially referred to as "Crypto" (third-party custodied), (collectively, "Total CoinSwitch Holdings") were greater than or equal to customer holdings of INR and VDA ("Customer Holdings").



The procedures and the associated findings are set forth in the attached sections:

- **Procedures:** Listing of all procedures agreed to by CoinSwitch and performed by INMACS.
- **Findings & Results:** Customer Holdings and results of procedures

We were engaged by CoinSwitch to perform this Agreed Upon procedures engagement and INMACS conducted the engagement in accordance with Indian Standards on Related Services (SRS 4400) Engagement to Perform Agreed Upon Procedures issued by the Institute of Chartered Accountants of India, Compatible to International Standard (ISRS) 4400). No Audit or review has been performed except Agreed Upon Procedures. We were not engaged to and did not conduct an audit, examination or review engagement, and do not express an opinion or conclusion or assurance or certificate. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.²

We are required to be independent of CoinSwitch and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our Agreed Upon procedures engagement.

This report³ is intended solely for the information and use of Management of CoinSwitch and its partners being the Authorized Users and is not intended to be and should not be used by anyone other than these specified parties. The report is as of a specified point in time and INMACS has no responsibility to update the report or findings therein for subsequent points in time.

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| <p>Date: 16th November 2022 Place: New Delhi, India</p> | <p>Vinod Jain</p> |

² This disclosure is being done as required in terms of ISRS 4400 and SRS 4400.

³ This report is subject to the terms of use found here: <https://inmacs.com/client-report/terms-of-use/>

Procedures

INMACS performed the following Agreed Upon procedures at approximately 7:30 pm Indian standard Time (“IST”) on November 4, 2022:

General

1. Obtain a detailed listing of crypto custody service providers, counterparty sources, including Crypto exchanges (together, the “VDA Sources”) and wallet addresses from CoinSwitch, designated for inclusion in our Agreed Upon procedures testing.
2. Obtain a detailed listing of Banks, Payment Gateways, and Crypto exchanges (together, the “Fiat Sources”) from CoinSwitch, designated for inclusion in our Agreed Upon procedures testing.
3. Obtain a detailed listing of
 - a) the individual digital Virtual digital assets (Crypto of varied types and nature) with the custody providers, counterparty sources, including Crypto exchanges (together, the “VDA Sources”) as designated for inclusion in our Agreed Upon Procedures testing via Snapshot of web-logins on the web-portal of these VDA sources as provided by CoinSwitch. and
 - b) the individual fiat currency (INR) assets with Banks, Payment Gateways, and Crypto exchanges (together, the “Fiat Sources”) of CoinSwitch as designated for inclusion in our Agreed Upon procedures testing via Snapshot of web-logins on the web-portal of these Fiat sources as provided by CoinSwitch or Statement of account as provided by CoinSwitch.

Customer INR and Customer VDAs

4. Obtain a detailed listing of customer holdings with CoinSwitch in virtual digital assets and fiat currency (INR) directly from CoinSwitch via SQL Query / Dashboard from CoinSwitch’s database.

Assets

5. For virtual digital assets, held by third party crypto wallets on behalf of CoinSwitch apply the INR rate for each VDA from Nomics Portal (<https://nomics.com/>) (the “Rate”) and apply to each of the VDA and calculate the total INR equivalent value.
6. For virtual digital assets, held by Crypto exchanges, apply the INR rate for each asset from Nomics Portal (<https://nomics.com/>) (the “Rate”) and apply to each of the VDA and calculate the total INR equivalent value.



7. CoinSwitch has further made following representations during the course of Agreed Upon Procedures and we have relied on these in terms of Agreed Upon Procedures:
 - a. The Virtual Digital Assets considered in VDA Holdings for the purpose of Findings and Results of Agreed Upon Procedures and held in VDA Sources as mentioned hereinabove, as represented by CoinSwitch is neither pledged, mortgaged or encumbered in any manner whatsoever, nor have any third-party interest. (free of lien or charge).
 - b. It is further confirmed that CoinSwitch have not taken any borrowings or deposits or advances from any bank, financial institution or third party or related party or any other person.
 - c. It is further confirmed that CoinSwitch have not extended any loans or advances or deposits (other than to Fiat Sources, as duly accounted for), to any third party or related party or any other person.

8. For fiat Currency balances (INR), obtained from Fiat Sources, defined in para 3 (b) above and calculate the aggregate INR value.
 - a. For Currency balances (INR) maintained with Banks, the same was verified from Statement of Account (duly countersigned by Bankers of CoinSwitch) from Banks, duly reconciled by CoinSwitch with Books of accounts and records maintained by them.
 - b. For Currency balances (INR) maintained with Payment Gateways, via Snapshot of web-logins on the web-portal of these sources as provided by CoinSwitch (duly countersigned by Payment Gateways engaged by CoinSwitch), duly reconciled by CoinSwitch with Database, Books of accounts and records maintained by them.
 - c. For Currency balances (INR) maintained with Crypto exchanges, via Snapshot of web-logins on the web-portal of these sources as provided by CoinSwitch, duly reconciled by CoinSwitch with Database, Books of accounts and records maintained by them.

Findings

9. Sum of all holdings as per para 5, 6 and 8 hereinbefore are called "Total CoinSwitch Holdings" as obtained in terms of the Procedures in "Findings & Results".

10. Sum of all INR and VDA held by CoinSwitch on behalf of the Customers of CoinSwitch in terms of para 4 hereinbefore are called "Customer Holdings" as obtained in terms of the Agreed Upon Procedures in "Findings & Results".



11. Compare Total CoinSwitch Holdings with Customer Holdings and document whether assets were greater or less than Customer Holdings in "Findings & Results."



Findings & Results

INMACS successfully completed the Agreed Upon procedures as outlined above, performed at approximately 7:30 pm Indian standard Time ("IST") on November 4, 2022, with the following findings and results:

1. Customer Holdings are INR 1,448.67 Crores.
2. Total CoinSwitch Holdings are greater than Customer Holdings.

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| Date: 16 th November 2022 Place: New Delhi, India | Vinod Jain | |