

Independent Auditor's Report

TO THE MEMBERS OF DFL TECHNOLOGIES PRIVATE LIMITED

REPORT ON AUDIT OF IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Ind AS financial statements of **DFL TECHNOLOGIES PRIVATE LIMITED** ("the Company"), which comprises the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 accounting principles generally accepted in India including India Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March 2023, and its Loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

BASIS OF OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Ind AS financial statements.

INFORMATION OTHER THAN THE IND AS FINANCIAL STATEMENTS AND AUDITORS REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance and Shareholder's Information and Business Responsibility Report, but does not include the Ind AS financial statements and our auditor's report thereon.

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



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In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

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

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statement 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. 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,



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2013, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 purpose 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 (including other comprehensive income), Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023, 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 and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on the financial position in the Ind AS financial statements - refer Note 36 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:



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- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For Bansal Bansal & Co.

Chartered Accountants
FRN: 100986W

Jatin Bansal
(Partner)
Membership No.135399
UDIN: 23135399BGZFSG1650

Place : Mumbai
Dated : 23rd May, 2023

Bansal Bansal & Co.

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Annexure – A to the Auditor’s Report

The Annexure referred to in Paragraph 1 of the Auditors Report of Even date to the Members of DFL TECHNOLOGIES PRIVATE LIMITED

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i.
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - b. The Company has a regular programme for physical verification in a phased periodic manner, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. The company does not have any immovable property
 - d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - e. The Company does not hold any benami property.
- ii. The Company is engaged in the business of providing services and does not hold any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, clause 3(iii) of the Order is not applicable to the Company.
- iv. The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- vi. The Company is not required to maintain cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.
- vii.
 - a. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees’ State Insurance, Income-Tax, Sales-Tax, Goods and Services tax, Service tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.



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- b. According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service tax, Sales Tax, Goods and Services tax, Duty of custom, Duty of excise, Value added tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- viii. There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. In our opinion the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.
- x. In our opinion and according to the information and explanations provided by the management, monies have been raised by way of preferential allotment. The money has been applied for the purposes for which those are raised.
- xi. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations provided by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements, as required by the applicable Indian Accounting Standards.
- xiv. Based on information and explanation provided to us and our audit procedures, in our opinion, The company have an internal audit system commensurate with size and nature of business.
- xv. According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi. According to the information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.
- xvii. The company has incurred cash losses in the current financial year of Rs. 3,78,65,000. There were 2,05,05,240 cash losses in preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year;
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit and the Company is capable of meeting



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its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;

- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project

For Bansal Bansal & Co.
Chartered Accountants
FRN: 100986W


Jatin Bansal
(Partner)
Membership No. 135399
UDIN: 23135399BGZFSG1650

Place : Mumbai
Dated : 23rd May 2023

Annexure – B to the Auditor’s Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **DFL TECHNOLOGIES PRIVATE LIMITED** (“the Company”) as of 31st March 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘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 its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial control and both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Bansal Bansal & Co.

Chartered Accountants

FRN: 100986W

Jatin Bansal
(Partner)
Membership No.135399

UDIN:23135399BGZFSG1650

Place : Mumbai

Dated : 23rd May 2023

DFL Technologies Private Limited
Balance sheet as at March 31, 2023

(Rs. in Lakhs)

Particulars	Note	(Rs. in Lakhs)	
		As at March 31, 2023	As at March 31, 2022
Assets			
Non-current assets			
(a) Property, plant and equipment	4	60.34	161.76
(b) Capital work in progress	4	-	-
(c) Intangible assets under development	5	1,680.75	1,305.53
(d) Other Intangibles Assets	6	258.97	334.00
(e) Other non-current assets	7	-	0.15
Total Non- Current Assets		2,000.06	1,801.44
Current assets			
(a) Financial assets			
(i) Trade receivables	8	496.49	479.88
(ii) Cash and cash equivalents	9	15.37	96.77
(iii) Other Financial assets	10	-	5.10
(iv) Other current assets	11	130.10	187.81
(b) Non Financial assets			
(i) Current tax Assets	12	80.75	73.25
(ii) Deferred Tax Assets	13	-	11.36
Total Current Assets		722.71	854.17
Total Assets		2,722.77	2,655.61
Equity And Liabilities			
Equity			
(a) Equity share capital	14	2,258.88	1,853.00
(b) Other equity	15	265.19	460.66
Total Equity		2,524.07	2,313.66
Liabilities			
Non-current liabilities			
(a) Borrowings	16	-	93.46
(b) Deferred Tax Liability (net)	13	2.91	-
(c) Provisions	17	1.57	15.76
Total Non-current liabilities		4.48	109.22
Current liabilities			
(a) Financial liabilities			
(i) Payables			
- Trade payables	18	171.83	98.10
total outstanding dues of micro enterprises and small enterprises			
total outstanding dues of creditors other than micro enterprises and small enterprises	18	9.48	27.96
- Other payables			
total outstanding dues of micro enterprises and small enterprises			
total outstanding dues of creditors other than micro enterprises and small enterprises	19	2.97	51.16
(ii) Other financial liabilities	19	2.02	4.57
(b) Other Current liabilities	20	7.91	25.12
Total Current liabilities		194.22	232.73
Total Equity and Liabilities		2,722.77	2,655.61

Significant accounting policies and accompanying notes forming part of the Financial Statements

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For Bansal Bansal & Co
Chartered Accountants
ICAI Firm Registration No. 100989W

Jatin Bansal

Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date: May 23, 2023



For and on behalf of the Board of Directors of
DFL Technologies Private Limited
CIN: U67190MH2019PTC331368

Rohanjeet Singh Juneja

Rohanjeet Singh Juneja
Director
DIN: 08342094

Mahendra Kumar Servaiya

Mahendra Kumar Servaiya
Director
DIN: 08530776

Sanjay Kukreja
Sanjay Kukreja
Chief Financial Officer

RHThakkar
Ruchi Harsh Thakkar
Company Secretary
M.No. A44547



DFL Technologies Private Limited
Statement of Profit and Loss for period ended March 31, 2023

(Rs. In Lakhs)

Particulars	Note	For the period ended March 31, 2023	For the period ended March 31, 2022
I. Revenue from Operations	21	69.69	742.99
II. Revenue from others	22	56.96	71.45
III. Total Income		126.65	814.44
IV. Expenses			
Finance Expense	23	5.46	12.08
Employee Benefits Expense	24	154.31	481.58
Impairment on financial instruments	25	(77.11)	77.11
Depreciation and amortisation expense	26	174.72	66.69
Other expenses	27	345.53	545.84
Total Expenses (IV)		602.92	1,163.30
V. Profit/(Loss) before Exceptional Items and tax (I-IV)		(476.27)	(348.86)
VI. Exceptional items (Net Tax)		-	-
VII. Profit/(Loss) before tax (V-VI)		(476.27)	(348.86)
VIII Tax Expenses			
Current Tax		-	-
Deferred Tax		11.27	(10.12)
Total Tax Expenses		11.27	(10.12)
IX Profit/(Loss) for the period (VII-VIII)		(487.54)	(338.74)
X Other Comprehensive Income			
Items that will not be reclassified to profit or loss (A)			
Remeasurement gain / (loss) on defined benefit plan		11.53	7.83
Income tax impact on above		(3.00)	(2.03)
Total (A)		8.53	5.80
Items that will reclassified to profit or loss (B)		-	-
Other comprehensive income/(loss) (A+B)		8.53	5.80
XI Total Comprehensive Income for the period (IX+X)		(479.01)	(332.94)
XII Earning Per Share			
Basic		(2.12)	(1.80)
Diluted		(2.12)	(1.80)

Significant accounting policies and accompanying notes forming part of the Financial Statements

1 to 41

For Bansal Bansal & Co
Chartered Accountants
ICAI Firm Registration No. 10099304

Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date: May 23, 2023



For and on behalf of the Board of Directors of
DFL Technologies Private Limited
CIN: U67190MH2019PTC331368

Rohanjeet Singh Juneja
Director
DIN: 08342094

Sanjay Kukreja
Chief Financial Officer

Mahendra Kumar Servalya
Director
DIN: 08580776

R. Thakkar

Ruchi Harsh Thakkar
Company Secretary
M.No. A44547



DFL Technologies Private Limited
Statement of Cash Flows for the year ended March 31, 2023

(Rs. in Lakhs)

Particulars	Period ended March 31, 2023	Period ended March 31, 2022
A. Cash flow from operating activities		
Profit before tax	(476.27)	(348.85)
Adjustments for	-	-
Interest Income from Fixed Deposits	(0.03)	(0.89)
Depreciation and amortisation	174.72	66.69
Employee share based payment expenses	(0.58)	70.25
Impairment on financial instruments	(77.11)	-
Profit on sale of property, plant and equipment	(0.50)	(0.01)
Operating (loss)/ profit before working capital changes	(379.77)	(212.81)
Movement in working capital		
Decrease/(Increase) in trade receivables	60.51	(82.07)
Decrease/(Increase) in Other Financial assets	5.10	111.33
Decrease/(Increase) in Other current assets	57.71	(180.00)
Decrease/(Increase) in other non-current assets	0.15	(0.15)
(Decrease)/Increase in trade payables	(18.77)	116.17
(Decrease)/Increase in Other financial liabilities	6.01	6.84
(Decrease)/Increase in Provision	(14.20)	(4.06)
(Decrease)/Increase in other current liabilities	(17.21)	(33.22)
Cash generated from operations	(300.47)	(277.97)
Income taxes paid	(7.50)	(97.55)
Net cash from/(utilised in) operating activities	(307.97)	(375.52)
B. Cash flow from Investing activities		
Purchase of Property, Plant and Equipment	(81.79)	(79.92)
Purchase of Intangible Asset	(300.19)	(1,418.61)
Proceeds from Property, Plant and Equipment	8.51	0.08
Proceeds from sale of Intangible Assets	-	-
Investment in Fixed Deposits	-	(250.00)
Proceeds from sale of Fixed Deposits	-	250.00
Interest Income from Fixed Deposits	0.03	0.89
Net cash from/(utilised in) investing activities	(373.44)	(1,497.56)
C. Cash flow from financing activities		
Proceeds from Issue of equity Share Capital	690.00	1,800.10
Borrowings other than debt securities issued	-	340.00
Proceeds from / (repayment of) borrowings	(90.00)	(250.00)
Net Cash from financing activities	600.00	1,890.10
Net (Decrease)/ Increase In Cash And Cash Equivalents	(81.41)	17.02
Cash and cash equivalents at the beginning of the financial year	96.77	79.75
Cash and cash equivalents at the end of the year	15.37	96.77

Reconciliation of cash and cash equivalents as per the cash flow statement
Cash and cash equivalents as per above comprise of the following

Particulars	Period ended March 31, 2023	Period ended March 31, 2022
Balances with banks - in current accounts	15.37	96.77
Total	15.37	96.77

The above statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 'Statement of Cash Flows'.

Significant accounting policies and accompanying notes forming part of the Financial Statements

1 to 41

For Bansal Bansal & Co
Chartered Accountants
ICAI Firm Registration No. 100986W

Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date: May 23, 2023



For and on behalf of the Board of Directors of
DFL Technologies Private Limited
CIN: U67190MH2019PTC331368

Rohanjeet Singh Juneja
Director
DIN: 09342094

Mahendra Kumar Servaiya
Director
DIN: 08580776

Sanjay Kukreja
Chief Financial Officer

Ruchi Harsh Thakkar
Company Secretary
M.No. A44547



DFL Technologies Private Limited
Statement of Changes In Equity as at March 31, 2023

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the period	1,853.00	700.00
Changes in Equity Share capital during the period	405.88	1,153.00
Balance at the end of the period	2,258.88	1,853.00

(Rs. in Lakhs)

Particulars	Retained Earnings	Capital Contribution	Securities Premium	Total
Balance as on April 01, 2022	(272.11)	85.67	647.10	460.66
Profit/(Loss) for the period	(479.01)		-	(479.01)
Addition	85.09	(85.67)	284.12	283.54
Other comprehensive income for the period	-	-		-
Balance as on March 31, 2023	(666.02)	-	931.22	265.19
Balance as on April 01, 2021	60.83	15.42	-	76.25
Profit/(Loss) for the period	(332.94)		-	(332.94)
Addition		70.25	647.10	717.35
Other comprehensive income for the period	-	-		-
Balance as on Mar 31, 2022	(272.11)	85.67	647.10	460.66

For Bansal Bansal & Co
 Chartered Accountants
 ICAI Firm Registration No. 100986W

Jatin Bansal

Jatin Bansal
 Partner
 Membership No. 135399
 Mumbai
 Date: May 23, 2023

For and on behalf of the Board of Directors of
 DFL Technologies Private Limited
 CIN: U67190MH2019PTC331368

Rohanjeet Singh Juneja
Rohanjeet Singh Juneja
 Director
 DIN: 08342094

Mahendra Kumar Servaiya
Mahendra Kumar Servaiya
 Director
 DIN: 08580776

Sanjay Kukreja
Sanjay Kukreja
 Chief Financial Officer

RH Thakkar

Ruchi Harsh Thakkar
 Company Secretary
 M.No. A44547

DFL Technologies Private Limited
Notes to Financial Statements for the year ended 31st March 2023

1. Nature of operations

DFL Technologies Private Limited is subsidiary Company of Trucap Finance Limited (Formerly Dhanvarsha Finvest Limited). It was incorporated on 7 October, 2019 and the Company is in the business of distribution of various financial services, loan products, software developments and IT consultancy services. The Company's registration number under MCA is U67190MH2019PTC331368 The registered office of the Company is Office Ground Floor, DJ House, Old Nagardas Road, Andheri East Mumbai City Maharashtra 400069 India.

2. Basis of preparation

A. Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

The Financial Statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention and on accrual basis of accounting unless stated otherwise. GAAP comprises of Indian Accounting Standards (Ind AS) as specified in Section 133 of the Companies Act, 2013 (The 'Act'), pronouncements of regulatory bodies applicable to the Company and other provisions of the Act. Accounting policies have been consistently applied to all the years presented. These financial statements have been prepared to assist Dhanvarsha Finvest Limited, the Holding Company to comply with the requirements of Section 129(3) of the Act.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the financial years presented in the financial statements..

These financial statements are approved for issue by the Board of Directors on 23 May, 2023.

B. Functional and Presentation Currency

The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All the amounts are rounded to the nearest thousands with two decimals, except when otherwise indicated.

C. Basis of Measurement

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the Act except for:

- Financial instruments – measured at fair value
- Employees Stock Option plan as per fair value of the option
- Employee's Defined Benefit Plan as per actuarial valuation.

D. Use of Estimates and Judgements

The preparation of financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realized may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

Judgments, estimates and assumptions are recognised in particular for:



i. Business model Assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii. Determination of estimated useful lives of property, plant, equipment:

Useful lives of property, plant and equipment are based on nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance support.

iii. Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions which form the basis of above valuation includes discount rate, trends in salary escalation, demographics and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Further details are disclosed in **Note 32**.

iv. Recognition of deferred tax assets:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized.

v. Recognition and measurement of provisions and contingencies

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

vi. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.



DFL Technologies Private Limited
Notes to Financial Statements for the year ended 31st March 2023

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Refer Note 34 about determination of fair value. For recognition of impairment loss on other financial assets and risk exposures, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss.

vii. Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. At each reporting date, the Company assesses whether the above financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

viii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

ix. Employee Stock Option Scheme (ESOP)

The company measures the cost of equity-settled transactions with employees using the Black-Scholes Model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

E. Standards issued but not effective:

The amendments are proposed to be effective for reporting periods beginning on or after April 1, 2021:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.



3. Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

A. Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow with the Company and the cost of the item can be measured reliably.

Borrowing costs to the extent related/attributable to the acquisition/construction of property, plant and equipment that takes substantial period of time to get ready for their intended use are capitalized up to the date such asset is ready for use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on plant, property and equipment

Depreciation on property, plant and equipment is provided on straightline method at estimated useful life, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

Particulars	Useful Life as per prescribed in Schedule II of the Act (year)
Computers	3
Networks and Servers	6
Furniture and fixtures	10
Office equipment	5

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits.



B. Capital Work in Progress

Capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses to acquire the property, plant and equipment. Assets which are not ready for intended use are also shown under capital work-in-progress

C. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Development expenditure on software is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise it is recognized in the profit or loss.

Borrowing costs to the extent related/attributionable to the acquisition/construction of intangible asset that takes substantial period of time to get ready for their intended use are capitalized from the date it meets capitalization criteria till such asset is ready for use.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

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 derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the Company's intangible assets is as below:

Particulars	Useful life (years)
Computer software	5

D. Intangible Assets Under Development

It includes assets not ready for the intended use and are carried at cost, comprising direct cost and related incidental expenses.

E. Impairment of property, plant and equipment and intangible assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired, if any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of asset or recoverable amount of cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at balance sheet date there is an indication that a previously assessed impaired loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. Recoverable amount is the higher of an asset's or cash generating unit's net selling price and value in use.



F. Revenue recognition

i. Fees & Commission Income:

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

ii. Other Income and Expenses

Other income and expenses are recognised in the period they occur

G. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

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

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;



DFL Technologies Private Limited
Notes to Financial Statements for the year ended 31st March 2023

- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property and hence disclosed in 'property, plant and equipment' and lease liabilities in 'Borrowings' in the statement of financial position.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of properties that are having non-cancellable lease term of less than 12 months and for low value assets . The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a Lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

H. Financial Instruments

i. Classification of financial Instruments

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

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial instruments to be measured at fair value through profit or loss account



DFL Technologies Private Limited
Notes to Financial Statements for the year ended 31st March 2023

The classification depends on the contractual terms of the cashflows of the financial assets and the Company's business model for managing financial assets which are explained below:

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

ii. Financial assets at Amortised Cost:

The Company classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.



iii. Financial assets at Fair value through Other Comprehensive Income (FVOCI):

The Company classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Company's business model is achieved by both collecting contractual cash flow and selling financial assets. In case of debt instruments measured at FVOCI, changes in fair value are recognised in other comprehensive income. The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method are recognised in profit or loss. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. In case of equity instruments irrevocably designated at FVOCI, gains / losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition.

iv. Financial Instruments at Fair Value through Profit and Loss Account (FVTPL)

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis. As at the reporting date, the Company does not have any financial instruments designated as measured at fair value through profit or loss.

- v. A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:
- if a host contract contains one or more embedded derivatives; or
 - if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.



DFL Technologies Private Limited
Notes to Financial Statements for the year ended 31st March 2023

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Company has not designated any financial instruments as measured at fair value through profit or loss.

vi. Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the statement of profit and loss.

vii. Derecognition of financial assets and financial liabilities

Recognition

- i) Investments are initially recognised on the settlement date.
- ii) Borrowings are initially recognised when funds reach the Company.
- iii) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades; purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

a) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- i. The Company has transferred its contractual rights to receive cash flows from the financial asset,
- or ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

A transfer only qualifies for derecognition if either:

- i. The Company has transferred substantially all the risks and rewards of the asset, or
- ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where 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 a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss. As at the reporting date, the Company does not have any financial liabilities which have been derecognised.



viii. **Offsetting of Financial Instruments**

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

ix. **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognized at the amount of the proceeds received, net of direct issue costs.

i. **Impairment of Financial Assets:**

In accordance with Ind AS 109, Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets carried at amortised cost e.g., advances, debt securities, deposits and Company balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Loan commitments which are not measured as at FVTPL, financial guarantee contracts which are not measured as at FVTPL

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. When estimating the cash flows, an Company is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms
 - Modelling techniques

Simplified approach for trade/other receivables and contract assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade/other receivables that do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. For trade receivables that contain a significant financing component a general approach is followed.



J. Determination of Fair Value

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1: quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (e.g. derived from the prices).

Level 3: inputs for the current assets or liability that are not based on observable market data (unobservable inputs).

K. Retirement and other employee benefits

Defined Contribution schemes

The employees of the Company who have opted, are entitled to receive benefits under the Provident Fund Scheme and Employee Pension Scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

Defined benefit plans

Provision for Gratuity is recorded on the basis of actuarial valuation certificate provided by the actuary using Projected Unit Credit Method.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss. Net interest expense / (income) on the defined liability / (assets) is computed by applying the discount rate, used to measure the net defined liability / (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.



Other Long Term Employee Benefits

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

L. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

The current income tax charge is calculated based on 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 based on amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred income taxes reflect the impact of temporary timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary timing differences. Deferred tax assets are recognized for deductible temporary timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

M. Foreign currency transactions and balances

i. Initial recognition:

Foreign currency transactions are recorded in the reporting currency (which is Indian Rupees), by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.



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Notes to Financial Statements for the year ended 31st March 2023

ii. **Conversion:**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. **Exchange differences:**

All exchange differences arising on settlement or translation of monetary items are recognized as income or as expenses in the period in which they arise.

N. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

O. Segmental Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

The Joint Managing Director of the Holding Company, who is also a Director in the Company, acts as the chief operating decision maker (CODM) of the Company in accordance with Operating Segment (Ind AS 108) for the purpose of assessing financial performance and position of the Company and make strategic decisions.

P. Provisions

A provision is recognized when the Company has a present obligation as a result of past event; 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 of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.



Q. Contingent liabilities and Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements if the inflow of the economic benefit is probable than it is disclosed in the financial statements.

R. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

S. Good and service tax input credit

Goods and Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

Goods and services tax paid on acquisition of assets / incurring of expenses

Expenses and assets are recognized net of goods and services tax paid, except:

- (i) When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as a part of the cost of acquisition of the asset or as a part of the expense item, as applicable;
- (ii) When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as a part of other non-financial assets and other non-financial liabilities in the balance sheet.



4 Property, Plant and Equipment

(Rs. in Lakhs)

Particulars	Computers	Furniture and Fixture	Leasehold Improvement	Office Equipment	Motor Car	Total
For the period ended March 31, 2023						
Gross Carrying Amount						
Cost as at April 1, 2022	53.79	5.79	109.72	11.60	24.63	205.53
Additions	1.46	-	5.12	0.21	-	6.79
Gross carrying value as of March 31, 2023	55.25	5.79	114.84	11.81	24.63	212.32
Accumulated Depreciation						
Accumulated Depreciation as at April 01, 2022	19.44	1.05	19.05	2.35	1.88	43.77
Depreciation charge during the year	23.74	1.10	77.12	2.35	3.90	108.21
Accumulated depreciation as of March 31, 2023	43.18	2.15	96.17	4.70	5.78	151.98
Net carrying value as of March 31, 2023	12.07	3.64	18.68	7.10	18.85	60.34
For the period ended March 31, 2022						
Gross Carrying Amount						
Cost as at April 1, 2021	40.99	2.91	25.96	6.72	-	76.57
Additions	12.81	2.88	83.77	4.88	24.63	128.97
Gross carrying value as of March 31, 2021	53.79	5.79	109.72	11.60	24.63	205.54
Accumulated Depreciation						
Accumulated Depreciation as at April 01, 2021	2.83	0.09	3.25	0.27	-	6.45
Depreciation charge during the year	16.61	0.96	15.81	2.08	1.88	37.33
Accumulated depreciation as of March 31, 2022	19.44	1.05	19.05	2.35	1.88	43.78
Net carrying value as of March 31, 2022	34.35	4.74	90.67	9.25	22.75	161.76

Capital work in progress

Particulars	As at March 31, 2023	As at March 31, 2022
Capital work in progress	-	-
Total	-	-



DFL Technologies Private Limited
Notes to financial statements for the period ended March 31, 2023

5 Intangible assets under development (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Intangible assets under development	1,680.75	1,305.53
Total	1,680.75	1,305.53

6 Other Intangible assets (Rs. in Lakhs)

Particulars	Computers Software	Computers Software
For the period ended March 31, 2023		
Gross Carrying Amount		
Cost as at April 01, 2022	364.45	364.45
Additions	-	-
Gross carrying value as of March 31, 2023	364.45	364.45
Accumulated Depreciation		
Accumulated Depreciation as at April 01, 2022	30.45	30.45
Depreciation charge during the year	75.03	75.03
Accumulated depreciation as of Mar 31, 2023	105.48	105.48
Net carrying value as of March 31, 2023	258.97	258.97
For the period ended March 31, 2022		
Gross Carrying Amount		
Cost as at April 01, 2021	16.02	16.02
Additions	348.43	348.43
Gross carrying value as of March 31, 2022	364.45	364.45
Accumulated Depreciation		
Accumulated Depreciation as at April 01, 2021	0.86	0.86
Depreciation charge during the year	29.59	29.59
Accumulated depreciation as of March 31, 2022	30.45	30.45
Net carrying value as of March 31, 2022	334.00	334.00

7 Other non-current assets (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Others	-	0.15
Total	-	0.15

8 Trade receivables (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good - unsecured	496.49	556.99
Unsecured, significant increase in credit risk	-	-
Less: provision for doubtful debts	-	(77.11)
Total	496.49	479.88

9 Cash and cash equivalents (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Current Balance with Bank (of the nature of cash and cash equivalents)	15.37	96.77
Total	15.37	96.77



DFL Technologies Private Limited
Notes to financial statements for the period ended March 31, 2023

10 Other Financial assets (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Accrued Income	-	-
Other Receivable	-	5.10
Total	-	5.10

11 Other current assets (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance for Capital Expenditure	-	0.18
Advance to Creditor	8.99	5.35
Recoverable from Govt Authority	95.94	170.56
Prepaid Expenses	10.78	9.93
Deposits	-	1.79
Other Receivable	14.39	-
Total	130.10	187.81

12 Current tax Assets (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Tax(Net)	80.75	73.25
Total	80.75	73.25

13 Deferred tax assets/liabilities (net) (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax asset on account of:		
Timing difference between tax depreciation and depreciation charged in the books	-	-
Gratuity	0.16	1.84
Leave Encashment	0.24	2.26
ECL	-	20.04
Employee Stock Option	-	-
Deferred tax liability on account of:		
Timing difference between tax depreciation and depreciation charged in the books	(3.32)	(12.78)
Net deferred tax assets / (liabilities)	(2.91)	11.36



14 Equity share capital (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
a. Authorised Share Capital		
6,35,30,000 Equity Shares of Rs. 10 each	6,353.00	6,353.00
Total		
b. Issued, Subscribed and Paid-up:		
2,25,88,820 Equity Shares of Rs. 10 each	2,258.88	1,853.00
Total	2,258.88	1,853.00

c. Reconciliation of number of equity shares: (Rs. in Lakhs)

Particulars	March 31, 2023		March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the period	1,85,30,000	1,853.00	70,00,000	700.00
Issued during the period	40,58,820	405.88	1,15,30,000	1,153.00
Balance as at the end of the period	2,25,88,820	2,268.88	1,85,30,000	1,853.00

d. Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2023		March 31, 2022	
	No. of shares	% Percentage	No. of shares	% Percentage
Trucap Finance Limited	2,25,88,820	100.00%	1,85,30,000	100.00%
Total	2,25,88,820	100.00%	1,85,30,000	100.00%

e. Shares of the Company held by holding Company

Particulars	As at March 31, 2023	As at March 31, 2022
Trucap Finance Limited	2,25,88,820	1,85,30,000
Total	2,25,88,820	1,85,30,000

f. Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be proportional to the number of equity shares held by the shareholders.

g. There were no shares allotted pursuant to contract(s) without payment being received in cash or as fully paid up by way of bonus shares or any shares bought back since the inception of the Company.

h. There are no unpaid calls from any director or officer.

15 Other equity (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Retained Earnings	(666.02)	(272.11)
Capital Contribution	-	85.67
Share Premium Account	931.22	647.10
Total	265.19	460.66

Retained Earnings

Retained Earnings are the profits of the Company earned till date net of appropriations.

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	(272.11)	60.83
Profit/(Loss) for the period	(479.01)	(332.94)
Transfer from Capital Contribution	85.09	-
Balance at the end of the year	(666.02)	(272.11)

Capital Contribution

Capital Contribution towards employee stock option scheme

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	85.67	15.42
Addition/(Reduction) during year	(85.67)	70.25
Balance at the end of the year	-	85.67

Share Premium Account

Share premium is used to record the premium on issue of shares.

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	647.10	-
Addition during year	284.12	647.10
Balance at the end of the year	931.22	647.10



DFL Technologies Private Limited
Notes to financial statements for the period ended March 31, 2023

16 Borrowings (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Loan	-	93.46
Total	-	93.46

17 Provisions (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Leave	0.95	8.69
Gratuity	0.62	7.07
Total	1.57	15.76

18 Payables (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
- Trade Payables		
total outstanding dues of micro enterprises and small enterprises	171.83	98.10
total outstanding dues of creditors other than micro enterprises and small enterprises	9.48	27.96
- Other Payable		
total outstanding dues of micro enterprises and small enterprises	-	25.82
total outstanding dues of creditors other than micro enterprises and small enterprises	2.97	51.16
Total	184.28	203.04

19 Other financial liabilities (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
NPS	0.06	0.09
Payable to employees	1.96	4.48
Total	2.02	4.57

20 Other Current liabilities (Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Dues	7.82	24.34
Other	0.09	0.78
Total	7.91	25.12



21 Revenue from operations

Particulars	(Rs. In Lakhs)	
	For the period ended March 31, 2023	For the Year ended March 31, 2022
Commission Income	57.13	195.67
Advisory and Technical Support	7.50	524.85
Rent	5.03	1.80
Franchise Fees	-	19.58
Fees Income on Credit Health	0.01	0.20
Interest on Fixed Deposit	0.03	0.89
Total	69.69	742.99

22 Revenue from Others

Particulars	(Rs. In Lakhs)	
	For the period ended March 31, 2023	For the Year ended March 31, 2022
Interest on Income Tax Refund	-	-
Other Income	56.46	71.44
Profit on sale of fixed assets	0.50	0.01
Total	56.96	71.45

23 Finance Expense

Particulars	(Rs. In Lakhs)	
	For the period ended March 31, 2023	For the Year ended March 31, 2022
Interest on Loan	5.46	11.34
Interest on lease	-	-
Interest on Taxes	-	0.74
Total	5.46	12.08

24 Employee Benefits Expense

Particulars	(Rs. In Lakhs)	
	For the period ended March 31, 2023	For the Year ended March 31, 2022
Salaries and wages	136.36	355.58
Gratuity Expenses	6.82	1.09
Contribution to provident and other funds	10.78	31.41
Share Based Payments to employees	(0.58)	70.25
Staff welfare expenses	0.93	3.25
Total	154.31	461.58

25 Impairment on financial instruments

Particulars	(Rs. In Lakhs)	
	For the period ended March 31, 2023	For the Year ended March 31, 2022
On Receivable	(77.11)	77.11
Total	(77.11)	77.11

26 Depreciation, amortization and Impairment

Particulars	(Rs. In Lakhs)	
	For the period ended March 31, 2023	For the Year ended March 31, 2022
Depreciation of property, plant and equipment (Refer Note 1)	89.79	37.10
Amortization of Intangible Assets (Refer Note 3)	84.93	29.59
Total	174.72	66.69

27 Others expenses

Particulars	(Rs. In Lakhs)	
	For the period ended March 31, 2023	For the Year ended March 31, 2022
Annual Maintenance Charges	0.20	-
Director's Sitting Fee	11.00	3.75
Fees and Commission	-	14.18
GST Expenses	5.25	0.32
Insurance	(1.11)	2.21
Legal and Professional Fee	219.22	323.73
Loss on Foreign Currency Transactions	-	0.05
Other expenditure	43.63	99.27
Payments to the Auditor	6.18	6.17
Power and Fuel	2.59	4.64
Printing and Stationery	0.69	1.02
Rent, Rates and Taxes	57.74	90.52
Travelling and Conveyance	0.14	2.97
Total	345.63	545.83

27.1 Payment to Auditors

Particulars	(Rs. In Lakhs)	
	For the period ended March 31, 2023	For the Year ended March 31, 2022
Statutory audit	3.75	3.75
Limited Review	2.25	2.25
Others	0.18	0.17
Total	6.18	6.17



28 Income tax expense

Particulars	(Rs. In Lakhs)	
	For the period ended March 31, 2023	For the Year ended March 31, 2022
Current tax		
Current tax on profits for the period	-	-
Adjustments for current tax of prior periods	-	-
Total Current Tax	-	-
Deferred tax expense (income)		
Increase in deferred tax liabilities (Refer Note 9)	14.27	(11.36)
Total deferred tax expense/(benefit)	14.27	(11.36)
Total tax expense	14.27	(11.36)

28.1 Reconciliation of effective tax rate:

Particulars	(Rs. In Lakhs)	
	For the period ended March 31, 2023	For the Year ended March 31, 2022
Profit/(Loss) before income tax expense	(476.27)	(348.86)
Enacted income tax rate in India applicable to the Company 27.82 %	(132.50)	(97.05)
Tax effect of:		
DTA not created on losses	-	1.08
Income tax expense	(132.50)	(95.97)
Effective tax rate	0.28	0.28

28.2 Amounts recognised directly in equity

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity.

29 Earnings per share

Particulars	(Rs. In Lakhs)	
	For the period ended March 31, 2023	For the Year ended March 31, 2022
Profit attributable to the equity holders of the Company (A)	(479.01)	(332.94)
Weighted Average number of shares issued for Basic EPS (B)	225.89	185.30
Adjustment for calculation of Diluted EPS (c)	-	-
Weighted Average number of shares issued for Diluted EPS (D= B+C)	225.89	185.30
Basic EPS in Rs.	(2.12)	(1.80)
Diluted EPS in Rs.	(2.12)	(1.80)

30 Capital and other commitments and contingent liabilities

The Company has no capital commitments as at the balance sheet date and there are no contingent liabilities as at the balance sheet date.

31 Derivatives

The Company has no transactions / exposure in derivatives in the current period. The Company has no unhedged foreign currency exposure as on March 31,

32 Disclosures under Ind AS -19

(a) Long term employee benefit obligations

The compensated absences charge for the year ended March 31, 2023 of Rs (4.28 lakh) (March 31, 2022 Rs 7.27 lakh) has been charged in the Statement of Profit and Loss.

The liability for compensated absences based on actuarial valuation amounting as at the year ended March 31, 2023 is .0.95 Lakhs (March 31, 2022 : Rs. 10.25 Lakhs)

(b) Post employment obligations

1. Defined contribution plans

a. The Company has classified the various benefits provided to employees as under:
Provident Fund

b. Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by the Income Tax authorities.

The expense recognised during the period towards defined contribution plan -

Particulars	(Rs. In Lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Contribution to Provident Fund	8.11	20.87
Contribution to Employees' Pension Scheme 1995	2.49	8.20
Contribution to Employees' State Insurance Scheme	0.16	2.34



II. Defined benefit plans

Gratuity

The Company provides for gratuity for employees in India 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, subject to a payment ceiling of Rs 20 lakhs. The gratuity plan is an unfunded plan.

The Company has a defined benefit plan in India (Funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The Fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the year, there are no plan amendments, curtailments and settlements.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by Rule 103 of Income Tax Rules, 1962

The actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

Sr No	Defined benefit plans	(Rs. In Lakhs)	
		For the year ended March 31, 2023	For the year ended March 31, 2022
		Gratuity (Funded)	Gratuity (Unfunded)
I	Expenses recognised in statement of profit and loss during		
	Current service cost	7.30	16.34
	Past service cost	-	-
	Expected return on plan assets	-	-
	Liability Transferred Out/ Divestments	(4.85)	(7.82)
	Net interest cost / (income) on the net defined benefit liability / (asset)	0.51	0.41
	Total expenses	2.96	8.92
II	Expenses recognised in other comprehensive Income		
	in defined benefit obligations	-	-
	defined benefit obligations	(9.41)	(7.84)
	Return on plan assets excluding Interest income	-	-
	Total expenses	(9.41)	(7.84)
III	Net asset / (liability) recognised as at balance sheet date:		
	Present value of defined benefit obligation	(0.61)	(70.05)
	Fair value of plan assets	13.35	-
	Funded status (surplus / (deficit))	12.74	(70.05)
IV	Movements in present value of defined benefit obligation		
	Present value of defined benefit obligation at the beginning of the year	70.65	5.97
	Current service cost	7.30	16.34
	Past service cost	-	-
	Liability Transferred In/ Acquisitions	(4.85)	(7.82)
	Liability Transferred Out/ Divestments	-	-
	Interest cost	0.51	0.41
	Actuarial (gains) / loss	(9.41)	(7.84)
	Benefits paid	-	-
	Present value of defined benefit obligation at the end of the year	64.20	7.05
V	Movements in fair value of the plan assets		
	Opening fair value of plan assets	-	-
	Interest Income	-	-
	Expected returns on plan assets	-	-
	Expected returns on plan assets excluding Interest income	-	-
	Actuarial (gains) / loss on plan assets	-	-
	Contribution from employer	-	-
	Benefits paid	-	-
	Closing fair value of the plan asset	-	-
VI	Maturity profile of defined benefit obligation		
a	Funding arrangements and funding policy		
b	The average outstanding term of the obligations (years) as at valuation date is 4 years		
	Expected cash flows over the next (valued on undiscounted basis):		
	1st Following Year	0.00	0.06
	2nd Following Year	0.00	0.12
	3rd Following Year	0.00	0.12
	4th Following Year	0.04	0.18
	5th Following Year	0.04	0.50
	Sum of Years 6 To 10	0.23	2.57
	Sum of Years 11 and above	2.00	22.37



VII Quantitative sensitivity analysis for significant assumptions is		
1 at the end of the year		
(i) +1% increase in discount rate	0.81 (0.08)	7.05 (0.91)
(ii) -1% decrease in discount rate	0.10	1.12
(iii) +1% increase in rate of salary increase	0.10	1.12
(iv) -1% decrease in rate of salary increase	(0.06)	(0.93)
(v) +1% increase in rate of Employee Turnover	(0.01)	(0.16)
(vi) -1% decrease in rate of Employee Turnover	0.01	0.15
2 Sensitivity analysis method		
The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.		
The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.		
Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.		
There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.		
VIII Risks associated with defined benefit plan		
Gratuity is a defined benefit plan and Company is exposed to the following risks:		
Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.		
Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.		
Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.		
Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1952, this generally reduces ALM risk.		
Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.		
Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance Companies have to follow regulatory guidelines.		
X Asset liability matching strategies		
The Company contributes to the insurance policy based on estimated liability of next financial year end. The projected liability statements is obtained from the actuarial valuer.		
XI Actuarial assumptions:	As at March 31, 2023	As at March 31, 2022
1 Expected Return on Plan Assets	7.50%	NA
2 Discount rate	7.50%	7.25%
3 Expected rate of salary increase	6.50%	6.50%
4 Rate of Employee Turnover	5% for all services groups	5% for all services groups
5 Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) (Urban)	Indian Assured Lives Mortality (2012-14) (Urban)

Notes:

- The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.
- The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- The Company expects to make a contribution of Rs. Nil lakhs to the defined benefit plans (gratuity - funded) during the next financial year.
- The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 9 years.

33 Segment reporting

The Joint Managing Director of the Holding Company, who is also a Director in the Company, acts as the chief operating decision maker (CODM) of the Company in accordance with Operating Segment (Ind AS 108) for the purpose of assessing financial performance and position of the Company and make strategic decisions. The Company's business activities are mainly related to distribution of financial products which is primarily assessed as a single reportable operating segment under Fund Based Activity in accordance with Ind AS 108 by the CODM.

All the assets of the Company and source of revenue of the Company is within India and hence, no separate geographical segment is identified.

100% of the Company's total revenue is represented by one single external customer during the period ended March 31, 2023.

34 Subsequent events

There have been no events after the reporting date that require disclosure in these financial statements.



35 Related Party Disclosures

As per Indian Accounting Standard on related party disclosures (Ind AS 24), the names of the related parties of the Company are as follows:

A. Names of related parties and nature of relationship:

Description of relationship	Name of the related party
Ultimate Holding Company	Wilson Holdings Private Limited
Holding Company	Trucap Finance Limited (Formerly Known as Dhanvarsha Finvest Limited)
Directors	Mr. Karan Neale Desai (Up to June 30, 2022)
	Mr. Mahendra Kumar Servaiya
	Ms. Manjari Kacher
	Mr. Rajiv Kapoor
	Mr. Vincent Daniel
Other Related Parties	Mr. Rohanjeet Singh Juneja
	Prolific Ventures Pvt Ltd (Relative of Promoter Having Significant Influence)
	Mr. Nimir Kishore Mehta (Promoter of Wilson Holdings Private Limited)
	Mr. Minaxi Kishor Mehta (Promoter of Wilson Holdings Private Limited)
	Mr. Exerfit Wellness Pvt Ltd (Relative of Promoter Having Significant Influence)
	Mr. Sanjay Kukeraja, Chief Financial Officer
	Ms. Ruchi Thakkar, Company Secretary

B. Details of related party transactions :

Name of the related party	Nature of Transaction	(Rs . In Lakhs)	
		Transaction value during year ended 31 March 2023	Transaction value during year ended 31 March 2022
Trucap Finance Limited (Formerly Known as Dhanvarsha Finvest Limited)	Rent Paid	-	-
	Profession Fees Paid	73.80	120.00
	issue of shares	690.00	1,800.10
	Sales of Fixed Assets	8.51	-
	Interest Expenses	5.46	11.34
	Loans taken	-	340.00
	Loans Repaid	90.00	250.00
	DSA Commission Income	1.20	17.32
	Rent Income	5.03	1.80
	Reimbursement of expenses	38.33	28.15
	Other Misc. Income	56.46	71.44
Manjari Kacher	Director Sitting Fees	4.00	2.75
Rajiv Kapoor	Director Sitting Fees	4.00	1.00
Vincent Daniel	Director Sitting Fees	3.00	-
Rohanjeet Singh Juneja	Reimbursement of expenses	-	7.10
Prolific Ventures Pvt Ltd	Rent Paid	20.70	20.70
	Reimbursement of expenses	1.31	1.88
Nimir Mehta	Rent Paid	3.27	13.07
	Reimbursement of expenses	0.41	2.91
Minaxi Kishor Mehta	Rent Paid	4.01	4.34
	Reimbursement of expenses	0.40	0.53
Exerfit Wellness Pvt Ltd	Sale of Fixed Assets	-	0.08
Ruchi Thakkar	Remuneration and Short - term employee benefits*	9.02	7.17
	Reimbursement of expenses	0.37	-

C. Details of balances outstanding for related party transactions:

Name of the related party	Nature of Transaction	As At 31 March 2023	As At 31 March 2022
Trucap Finance Limited (Formerly Known as Dhanvarsha Finvest Limited)	Trade Receivable	5.12	10.59
	Other Receivable	(26.41)	5.91
	Trade Payable	144.50	97.20
	Loan Payable	-	93.46
Prolific Ventures Pvt Ltd	Trade Payable	(0.34)	0.21
Vincent Daniel	Other Payable	2.38	-
Nimir Mehta	Trade Payable	(3.53)	0.64
Minaxi Kishor Mehta	Trade Payable	(2.08)	0.07

D The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates



36 Fair value measurements

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs. in Lakhs)

Financial Assets and Liabilities as at March 31, 2023	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Current Financial Assets								
Trade receivables	-	-	496.49	496.49	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	15.37	15.37	-	-	-	-
Other Financial assets	-	-	-	-	-	-	-	-
Other current assets	-	-	130.10	130.10	-	-	-	-
Total	-	-	641.96	641.96	-	-	-	-
Current Financial liabilities								
Trade payables	-	-	181.31	181.31	-	-	-	-
Other financial liabilities	-	-	2.02	2.02	-	-	-	-
Total	-	-	183.33	183.33	-	-	-	-

Financial Assets and Liabilities as at March 31, 2022	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Current Financial Assets								
Trade receivables	-	-	479.88	479.88	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	96.77	96.77	-	-	-	-
Other Financial assets	-	-	5.10	5.10	-	-	-	-
Other current assets	-	-	187.81	187.81	-	-	-	-
Total	-	-	769.56	769.56	-	-	-	-
Current Financial liabilities								
Trade payables	-	-	126.06	126.06	-	-	-	-
Other financial liabilities	-	-	4.57	4.57	-	-	-	-
Total	-	-	130.63	130.63	-	-	-	-

B. Measurement of fair value

The carrying amounts of trade payables, cash and cash equivalent including other current bank balances and other liabilities, etc are considered to be the same as their fair values, due to current and short term nature of such balances.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The fair value of all mutual funds is valued using the closing NAV as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on Company-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.



37 Employee Stock Option Scheme [ESOP]

The Holding Company has granted Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2018 (ESOP 2018) to employees of the Company. These options are vested during 4 years from the grant date and exercisable within 4 years from vesting date. In the case of resignation of the employee, the grants lapse (if not exercised) after the date of resignation from service. Vesting of options is subject to continued employment with the Company. The plan is an equity settled plan. The employee compensation expense for the year has been determined on fair value basis as on March 31, 2023. The details of which are as follows.

ESOP Scheme	Date of Grant	Date of Board Approval	Total options granted
ESOP Scheme 2018	31-Jul-20	31-Jul-20	6,75,000

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Series Reference	2020-2024	
Fair value of the option range	51.81 - 65.38	
Exercise price	70	
Vesting period (see table below)	12 to 48 months	
Method of settlement	Equity	
Options outstanding as at beginning of reporting period	-	6,75,000
Options granted during the year	-	-
Options lapse during the year	-	-
Options Forfeited during the year	-	6,07,500
Options exercised during the year	-	67,500
Options outstanding as at end of reporting period	-	-

Manner of vesting: In a graded manner over a 4 year period with 10%, 20%, 30% and 40% of the grants vesting in each year commencing from the start date of the first tranche.

In respect of stock options granted pursuant to the Holding Company's stock option scheme, the fair value of the options is treated as discount and accounted as "Expenses on Employee Stock Option Plan" over the vesting period.

Expenses on Employee Stock Option Plan debited to Statement of Profit and Loss during the year 2022-23 is Rs.(0.58 lakhs) (2021-22 Rs. 70.25 lakhs)

Further, during the previous year on account of transfer of employees from the Holding Company to the subsidiary company 1,26,770 option have been transfer, which has been included in the capital contributions recognised under other equity.

37.1 Fair valuation :

The fair value of options have been calculated on the date of the grant, using Black-Scholes model by an external firm of valuer.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of the grant are:

Grant Date	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of Underlying share at the time of option grant
05-Nov-18	7.35% - 7.46%	4.5 to 6 years	46.1%-47.9%	0.0229	43.8
22-May-19	6.86% - 7.41%	4.5 to 6 years	0.465	0.0073	61.5
31-Jul-20	5.13% - 5.64%	4.5 to 6 years	0.45	0.0052	98.5

37.2 Total carrying amount at the end of the year in Employee Stock Options under other equity

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total carrying amount 'Capital Contribution	-	85.67

*Employee stock options of Dhanvarsha Finvest Limited (Holding Company) are given to employees of DFL Technologies Private Limited.

37.3 Total amount charged to profit and loss accounts towards ESOP

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total carrying amount 'Capital Contribution	(0.58)	70.25



C. Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company's exposure to, and management of, these risks is explained below.

(i) **Foreign currency risk**

The Company caters mainly to the Indian Market. Most of the transactions are denominated in the Company's functional currency i.e. Rupees. Hence the Company is not exposed to Foreign Currency Risk.

(ii) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligation at floating interest rates. The Company do not have any borrowings and therefore not subject to interest rate risk.

(iii) **Price Risk**

The Company does not have a material price risk exposure.

D. Climate related risk

During the financial year March 31, 2023, the Board have updated extensively on climate change related risks through presentations at the board meeting, and this has been assessed that the climate change not affecting significantly the company's operations in future.

39 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard the Company's ability to remain as a going concern and maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The current capital structure of the Company is equity based with no financing through borrowings. The Company is not subject to any externally imposed capital requirement. No changes were made in the objectives, policies or processes for managing capital during the period ended March 31, 2023.

The Company's adjusted net debt to equity ratio is as follows: (Rs. in Lakhs)

Particulars	As at	As at
	March31,2023	March31,2022
Debt	-	93.46
Less: cash and cash equivalents	(15.37)	(96.77)
Adjusted net debt	(15.37)	(3.31)
Total Equity	2,524.07	2,313.66
Adjusted net debt to adjusted equity ratio	NA	NA

40 A. Expenditure in Foreign Currency

(Rs. in Lakhs)

Particulars	As at	As at
	March31,2023	March31,2022
Director Sitting Fees	2.38	-
Total	2.38	-

B. There are no earnings in foreign currency during the year ended March 31, 2023 (March 2022 Rs. Nil)

41 Figures of the previous years have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year.

Significant accounting policies and accompanying notes forming part of the Financial Statements

1 to 41

For Bansal Bansal & Co
Chartered Accountants
ICAI Firm Registration No. 100988W

Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date: May 23, 2023



For and on behalf of the Board of Directors of
DFL Technologies Private Limited
CIN: U67190MH2019PTC331368

Rohanjeet Singh Juneja
Director
DIN: 08342094

Sanjay Kukreja
Chief Financial Officer

Mahendra Kumar Servaiya
Director
DIN: 08580776

Ruchi Harsh Thakkar
Company Secretary
M.No. A44547

