HARIBHAKTI & CO. LLP
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of DFL Technologies Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of DFL Technologies Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements including 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 the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and 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 the Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and the Director's Report, but does not include the Ind AS financial statements and our auditor's report thereon. The Management Discussion and Analysis and the Director's Report have not been made available to us as at the date of this auditor's report.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Haribhakti & Co. LLP, Chartered Accountants Regn. No. AAC- 3768, a limited liability partnership registered in India (converted on 17th June, 2014 from a firm Haribhakti & Co. FRN: 103523W)
703, Venus Atlantis, 100 Ft. Road, Corporate Road, Prahlad Nagar, Ahmedabad - 380 015 T: +91 79 4032 0441/4032 0442
Registered offices: 701, Leela Business Park, Andheri-Kurla Road, Andheri (E), Mumbai - 400 059, India
Other offices: Bengaluru, Chennai, Coimbatore, Hyderabad, Kolkata, Mumbai, New Delhi, Pune.

HARIBHAKTI & CO. LLP
MUMBAI
CHARTERED ACCOUNTANTS

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

Responsibilities of Management and Those Charged with Governance for the 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 financial position, 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 Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 statements 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.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal

HARIBHAKTI & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

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 Ind AS 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.

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

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

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in 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 purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows 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 Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * MUMBAI

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provided any remuneration to its director during the year hence provisions of section 197 of the Act related to the managerial remuneration are not applicable.

k. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company does not have any pending litigations which would impact its financial position;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Snehal Shah

Partner

Membership Number: 048539

UDIN: 21048539AAAACK7922

Place: Mumbai

Date: June 10, 2021

HARIBHAKTI & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of **DFL technologies Private Limited** ("the Company") on the Ind AS financial statements for the year ended March 31, 2021]

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, we report that:

(i)

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not have any immovable property. Therefore, clause 3(i)(c) of the order is not applicable to the Company.

(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) In our opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under.

(vii)

(a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including, income tax, goods and services tax (GST) and any other material statutory dues applicable to it.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * MUMBAI applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty which have not been deposited on account of any dispute.

(viii) During the year, the Company has not taken any loans or borrowings from any financial institution, bank or government nor has it issued any debentures. Accordingly, clause 3(viii) of the Order is not applicable to the Company.

(ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, clause 3(ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) The Company has not paid/provided any remuneration to its director during the year hence provisions of section 197 of the Act related to the managerial remuneration are not applicable. Accordingly, clause 3(xi) of the Order is not applicable to the Company.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.

(xiii) All transactions entered into by the Company with the related parties are in compliance with section 188 of Act, where applicable, and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. Section 177 of the Act is not applicable to the Company.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause 3(xiv) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.

HARIBHAKTI & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Snehal Shah
Partner
Membership Number: 048539
UDIN: 21048539AAAACK7922
Place: Mumbai
Date: June 10, 2021

HARIBHAKTI & CO. LLP
MUMBAI
CHARTERED ACCOUNTANTS

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of DFL Technologies Private Limited on the Ind AS financial statements for the year ended March 31, 2021]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of DFL Technologies Private Limited ("the Company") as of March 31, 2021 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 with reference to financial statements.

HARIBHAKTI & CO. LLP
MUMBAI
CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Snehal Shah

Partner

Membership Number: 048539

UDIN: 21048539AAAACK7922

Place: Mumbai

Date: June 10, 2021

HARIBHAKTI & CO. MUMBAI CHARTERED ACCOUNTANTS

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 30.

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.

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * MUMBAI

DFL TECHNOLOGIES PVT. LTD. *

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.

2. 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.

MUMBAI HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS

DFL TECHNOLOGIES PVT. LTD.

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

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * MUMBAI

DFL TECHNOLOGIES PVT. LTD. *

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/attributable 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.

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * MUMBAI

DFL TECHNOLOGIES PVT. LTD. *

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:

HARIBHAKTI & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

DFL TECHNOLOGIES PVT. LTD. *

– 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;

– 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.

HARIBHAKTI & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

DFL TECHNOLOGIES PVT. LTD. *

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

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.

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * MUMBAI

DFL TECHNOLOGIES PVT. LTD. *

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

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS MUMBAI

DFL TECHNOLOGIES PVT. LTD. *

- 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.

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.

HARIBHAKTI & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

DFL TECHNOLOGIES PVT. LTD. *

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.

l. 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

HARIBHAKTI & CO. LLP
MUMBAI
CHARTERED ACCOUNTANTS

DFL TECHNOLOGIES PVT. LTD.

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.

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * MUMBAI

DFL TECHNOLOGIES PVT. LTD. *

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

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * MUMBAI

DFL TECHNOLOGIES PVT. LTD. *

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.

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.

HARIBHAKTI & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

DFL TECHNOLOGIES PVT. LTD. *

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.

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * MUMBAI

DFL TECHNOLOGIES PVT. LTD. *

DFL Technologies Private Limited
Balance sheet as at March 31, 2021

(Rs in '000)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
Non-Financial Assets			
(a) Property, plant and equipment	3	7,012.79	87.31
(b) Capital work in progress	3	7,846.26	-
(c) Intangible assets under development	4	20,576.66	-
(d) Other Intangible Assets	5	1,515.30	-
(e) Other non-current assets	6	-	27.00
Current assets			
(a) Financial assets			
(i) Trade receivables	7	39,781.67	52.61
(ii) Cash and cash equivalents	8	7,975.46	132.28
(iii) Other Financial assets	9	11,643.01	-
(b) Non Financial assets			
(i) Deferred Tax Assets	10	327.00	-
(ii) Other current assets	11	781.08	-
Total Assets		**97,459.22**	**299.20**
Equity And Liabilities			
Equity			
(a) Equity share capital	12	70,000.00	500.00
(b) Other equity	13	7,624.58	(380.50)
Liabilities			
Non-current liabilities			
Non-financial Liablities			
(a) Provisions	14	1,930.62	-
(b) Deferred Tax Liability (net)	10	-	3.23
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	15		
total outstanding dues of micro enterprises and small enterprises		217.13	108.00
total outstanding dues of creditors other than micro enterprises and small enterprises		2,462.35	58.36
(ii) Other financial liabilities	16	6,909.70	-
(b) Other Current liabilities	17	5,833.19	10.10
(c) Provisions	18	51.25	-
(d) Current tax liabilities (Net)	19	2,430.40	-
Total Equity and Liabilities		**97,459.22**	**299.20**

Significant accounting policies and accompanying Notes forming part of the Financial Statements — 1 to 40

As per our report of even date
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 048539
Mumbai
June 10, 2021

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

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

Karan Neale Desai
Director
DIN: 05285546
Mumbai
June 10, 2021

Rohanjeet Juneja
Director
DIN: 08342094
Mumbai
June 10, 2021

DFL Technologies Private Limited
Statement of Profit and Loss for the year ended March 31, 2021

(Rs in '000)

	Particulars	Note	For the year ended March 31, 2021	For the period ended March 31, 2020
I.	Revenue from Operations	20	57,369.48	52.61
II.	Other Income	21	729.50	-
III.	**Total Income**		**58,098.98**	**52.61**
IV.	**Expenses**			
	Employee Benefits Expense	22	32,752.78	-
	Finance Costs	23	63.01	-
	Depreciation and amortisation expense	24	723.51	7.32
	Other expenses	25	13,977.66	422.56
	Total Expenses (IV)		**47,516.96**	**429.88**
V.	**Profit before Exceptional items and tax (I-IV)**		**10,582.02**	**(377.27)**
VI.	Exceptional items (Net Tax)		-	-
VII.	**Profit before tax (V-VI)**		**10,582.02**	**(377.27)**
VIII	**Tax Expenses**	26		
	Current Tax		4,448.83	-
	Deferred Tax		(330.23)	3.23
IX	**Profit for the year/ period (VII-VIII)**		**6,463.41**	**(380.50)**
X	**Other Comprehensive Income**			
A.	**Items that will not be reclassified to profit or loss**		-	-
B.	**Items that will reclassified to profit or loss**		-	-
XI	**Total Other Comprehensive Income for the year/ period (IX-X)**		**6,463.41**	**(380.50)**
XII	**Earning Per Share**	27		
	Basic		0.92	(7.61)
	Diluted		0.92	(7.61)

Significant accounting policies and accompanying Notes forming part of the Financial Statements 1 to 40

As per our report of even date
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 048539
Mumbai
June 10, 2021

HARIBHAKTI & CO. LLP
MUMBAI
CHARTERED ACCOUNTANTS

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

Karan Neale Desai
Director
DIN: 05285546
Mumbai
June 10, 2021

Rohanjeet Juneja
Director
DIN: 08342094
Mumbai
June 10, 2021

DFL Technologies Private Limited
Statement of Cash Flows for the year ended March 31, 2021

(Rs in '000)

	Particulars	Year ended March 31, 2020	Period ended March 31, 2020
A.	**Cash flow from operating activities**		
	Profit/ (Loss) before tax	10,582.02	(377.26)
	Adjustments for		
	Interest Income from Fixed Deposits	220.67	-
	Depreciation and amortisation	723.51	7.32
	Employee share based payment expenses	1,541.66	-
	Loss on sale of assets	1,500.00	-
	Operating (loss)/ profit before working capital changes	**14,567.86**	**(369.94)**
	Movement in working capital		
	Decrease/(Increase) in trade receivables	(39,729.06)	(52.61)
	Decrease/(Increase) in Other Financial assets	(11,643.01)	-
	Decrease/(Increase) in Other current assets	(781.08)	-
	Decrease/(Increase) in other non-current assets	27.00	(27.00)
	(Decrease)/Increase in trade payables	2,513.11	166.36
	(Decrease)/Increase in Other financial liabilities	6,909.70	-
	(Decrease)/Increase in Provision	1,981.87	-
	(Decrease)/Increase in other current liabilities	5,823.09	10.10
	Cash generated from operations	**(20,330.52)**	**(273.09)**
	Income taxes paid	(2,018.43)	-
	Net cash from/(utilised in) operating activities	**(22,348.95)**	**(273.09)**
B.	**Cash flow from investing activities**		
	Purchase of Property, Plant and Equipment	(15,408.93)	(94.64)
	Purchase of Intangible Asset	(33,178.25)	-
	Proceeds from sale of Intangible Assets under progress	9,500.00	-
	Investment in Fixed Deposits	(40,000.00)	-
	Proceeds from Maturity of Fixed Depsits	40,000.00	-
	Interest Income from Fixed Deposits	(220.67)	-
	Net cash from/(utilised in) investing activities	**(39,307.85)**	**(94.64)**
C.	**Cash flow from financing activities**		
	Proceeds from Issue of equity Share Capital	69,500.00	500.00
	Borrowings other than debt securities issued	4,500.00	-
	Proceeds from / (repayment of) borrowings	(4,500.00)	-
	Net Cash from financing activities	**69,500.00**	**500.00**
	Net (Decrease)/ Increase In Cash And Cash Equivalents	**7,843.19**	**132.27**
	Cash and cash equivalents at the beginning of the financial year	132.27	-
	Cash and cash equivalents at the end of the year	**7,975.46**	**132.27**

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following

(Rs in '000)

Particualrs	As at March 31, 2021	As At March 31, 2020
Balances with banks - in current accounts	7,975.46	132.28
Total	**7,975.46**	**132.28**

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 40

As per our report of even date
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 048539
Mumbai
June 10, 2021

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

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

Karan Neale Desai
Director
DIN: 05285546
Mumbai
June 10, 2021

Rohanjeet Juneja
Director
DIN: 08342094

DFL Technologies Private Limited
Statement of Changes In Equity as at March 31, 2021

A. **Equity share capital**

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the period	500.00	-
Changes in Equity Share capital during the year	69,500.00	500.00
Balance at the end of the period	**70,000.00**	**500.00**

B. **Other Equity**

(Rs in '000)

Particulars	Retained Earnings	Capital Contribution	Total
Balance as on April 01, 2020	(380.50)	-	(380.50)
Profit/(Loss) for the year	6,463.41		6,463.41
Addition for the year	-	1,541.66	1,541.66
Other comprehensive income for the year	-	-	-
Balance as on March 31, 2021	**6,082.91**	**1,541.66**	**7,624.58**
Balance as on April 01, 2019			
Profit/(Loss) for the period	(380.50)	-	(380.50)
Other comprehensive income for the period	-	-	-
Balance as on March 31, 2020	**(380.50)**	**-**	**(380.50)**
Significant accounting policies and accompanying Notes forming part of the Financial Statements	1 to 40		

As per our report of even date
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 048539
Mumbai
June 10, 2021

HARIBHAKTI & CO. LLP
MUMBAI
CHARTERED ACCOUNTANTS

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

Karan Neale Desai
Director
DIN: 05285546
Mumbai
June 10, 2021

Rohanjeet Juneja
Director
DIN: 08342094

DFL Technologies Private Limited
Notes to financial statements for the year ended March 31, 2021

3 Property, Plant and Equipment

(Rs in '000)

Particulars	Computers	Furniture and Fixtures	Leasehold Improvement	Office Equiptment	Total
For the year ended March 31, 2021					
Gross Carrying Amount					
Cost as at April 1, 2020	94.64	-	-	-	94.64
Additions	4,003.92	291.32	2,595.78	671.66	7,562.67
Gross carrying value as of March 31, 2021	**4,098.55**	**291.32**	**2,595.78**	**671.66**	**7,657.31**
Accumulated Depreciation					
Accumulated Depreciation as at April 01, 2020	7.32	-	-	-	7.32
Depreciation charge during the year	276.04	9.27	324.77	27.12	637.20
Accumulated depreciation as of March 31, 2021	**283.36**	**9.27**	**324.77**	**27.12**	**644.52**
Net carrying value as of March 31, 2021	**3,815.19**	**282.05**	**2,271.01**	**644.54**	**7,012.79**
For the period ended March 31, 2020					
Gross Carrying Amount					
Cost as at April 1, 2019	-	-	-	-	-
Additions	94.64	-	-	-	94.64
Gross carrying value as of March 31, 2020	**94.64**	**-**	**-**	**-**	**94.64**
Accumulated Depreciation					
Accumulated Depreciation as at April 01, 2019	-	-	-	-	-
Depreciation charge during the year	7.32	-	-	-	7.32
Accumulated depreciation as of March 31, 2020	**7.32**	**-**	**-**	**-**	**7.32**
Net carrying value as of March 31, 2020	**87.31**	**-**	**-**	**-**	**87.31**

Capital work in progress

(Rs in '000)

Particuairs	Amount in Capital Work In Progress for a period of				As at March 31, 2021
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work in progress	7,846.26	-	-	-	
Total	**7,846.26**	**-**	**-**	**-**	

(Rs in '000)

Particuairs	Amount in Capital Work In Progress for a period of				As at March 31, 2020
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work in progress	-	-	-	-	
Total	**-**	**-**	**-**	**-**	

DFL Technologies Private Limited
Notes to financial statements for the year ended March 31, 2021

4 Intangible assets under development

(Rs in '000)

Particulars	Amount in Intangible Asset under Deveopment for a period of				As at March 31, 2021
Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Intangible assets under development	20,576.66	-	-	-	20,576.66
Total	20,576.66	-	-	-	20,576.66

(Rs in '000)

Particulars	Amount in Intangible Asset under Deveopment for a period of				As at March 31, 2020
Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Intangible assets under development	-	-	-	-	-
Total	-	-	-	-	-

5 Other Intangible assets

(Rs in '000)

Particulars	Computers Software	Total
For the year ended March 31, 2021		
Gross Carrying Amount		
Cost as at April 1, 2020	-	-
Additions	1,601.60	1,601.60
Gross carrying value as of March 31, 2021	**1,601.60**	**1,601.60**
Accumulated Depreciation		
Accumulated Depreciation as at April 01, 2020	-	-
Depreciation charge during the year	86.31	86.31
Accumulated depreciation as of March 31, 2021	**86.31**	86.31
Net carrying value as of March 31, 2021	**1,515.30**	**1,515.30**
For the period ended March 31, 2020		
Gross Carrying Amount		
Cost as at April 1, 2019	-	-
Additions	-	-
Gross carrying value as of March 31, 2020	-	-
Accumulated Depreciation		
Accumulated Depreciation as at April 01, 2019	-	-
Depreciation charge during the year	-	-
Accumulated depreciation as of March 31, 2020	-	-
Net carrying value as of March 31, 2020	-	-

6 Other non-current assets

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Advances to vendor	-	27.00
Total	-	**27.00**

7 Trade receivables

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Considered good - unsecured	39,781.67	52.61
Unsecured, significant increase in credit risk	-	-
Less: provision for doubtful debts	-	-
Total	**39,781.67**	**52.61**

For March 31, 2021

(Rs in '000)

Trade receivables days past due	Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	Total
Estimated total gross carrying amount at default	-	35,117.55	1,118.75	3,545.37	-	-	39,781.67
ECL-simplified approach	-	-	-	-	-	-	-
Net carrying amount	-	**35,117.55**	**1,118.75**	**3,545.37**	-	-	**39,781.67**

For March 31, 2020

(Rs in '000)

Trade receivables days past due	Current	1-30 days past due	31-60 days past due	61-90 days past due	91-360 days past due	More than 360 days past due	Total
Estimated total gross carrying amount at default	-	52.61	-	-	-	-	52.61
ECL-simplified approach	-	-	-	-	-	-	-
Net carrying amount	-	**52.61**	-	-	-	-	**52.61**

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS MUMBAI

DFL TECHNOLOGIES PVT. LTD.

DFL Technologies Private Limited
Notes to financial statements for the year ended March 31, 2021

8 Cash and cash equivalents

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Balance with Bank (of the nature of cash and cash equivalents)	7,975.46	132.28
Total	**7,975.46**	**132.28**

9 Other Financial assets

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Accrued Income	433.01	-
Receivable towards sale of software	11,210.00	-
Total	**11,643.01**	**-**

10 Deferred tax assets/liabilities (net)

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax asset on account of:		
Provision for gratuity	166.13	-
Provision for Leave encashment	385.23	-
Deferred tax liability on account of:		
Timing difference between WDV as per books of accounts and as per Income Tax Act, 1961	(224.36)	(3.23)
Net deferred tax assets / (liabilities)	**327.00**	**(3.23)**

10.1 Summary of deferred tax assets/(liabilities)

(Rs in '000)

Particulars	As at April 1, 2019	(Charged) / Credited to P & L	(Charged) / Credited to OCI	As at March 31, 2020	(Charged) / Credited to P & L	(Charged) / Credited to OCI	As at March 31, 2021
Provision for gratuity	-	-	-	-	166.13		166.13
Provision for Leave encashment	-	-	-	-	385.23		385.23
Timing difference between WDV as per books of accounts and as per Income Tax Act, 1961	-	(3.23)	-	(3.23)	(221.13)		(224.36)
Total	**-**	**(3.23)**	**-**	**(3.23)**	**330.23**	**-**	**327.00**

11 Other current assets

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance for Capital Expenditure	123.84	-
Advance to Trade Payable	590.00	-
Prepaid Expenses	67.23	-
Total	**781.08**	**-**

HARIBHAKTI & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

DFL TECHNOLOGIES PVT. LTD. *

DFL Technologies Private Limited
Notes to financial statements for the year ended March 31, 2021

12 Equity share capital

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
a. Authorised Share Capital		
1,00,00,000 (March 31,2020 : 50,000) Equity Shares of Rs. 10 each	1,00,000.00	500.00
Total		
b. Issued, Subscribed and Paid-up:		
7,00,000 (March 31,2020 : 50,000) Equity Shares of Rs. 10 each	70,000.00	500.00
Total	**70,000.00**	**500.00**

c. Reconciliation of number of equity shares:

(Rs in '000)

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year/ period	50,000	500.00	-	-
Issued during the period	69,50,000	69,500.00	50,000	500.00
Balance as at the end of the year/ period	**70,00,000**	**70,000.00**	**50,000**	**500.00**

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

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	% of Holding	No. of shares	% of Holding
Dhanvarsha Finvest Limited	70,00,000	100.00%	50,000	100.00%
Total	**70,00,000**	**100.00%**	**50,000**	**100.00%**

e. Shares of the Company held by holding Company

Particulars	As at March 31, 2021	As at March 31, 2020
Dhanvarsha Finvest Limited	70,00,000	50,000
Total	**70,00,000**	**50,000**

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 alloted 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.

i. Refer Note 37- Capital for the Company's objectives, policies and processes for managing capital

13 Other equity

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Retained Earnings	6,082.92	(380.50)
Capital Contribution	1,541.66	-
Total	**7,624.58**	**(380.50)**

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

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	(380.50)	-
Profit/(Loss) for the period	6,463.41	(380.50)
Balance at the end of the year	**6,082.92**	**(380.50)**

Capital Contribution
Capital Contribution represent the indirect equity contribution by the Holding Company towards ESOP.

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	-	-
Addition During the year	1,541.66	-
Balance at the end of the year	**1,541.66**	-

HARIBHAKTI & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

DFL TECHNOLOGIES PVT. LTD. *

DFL Technologies Private Limited
Notes to financial statements for the year ended March 31, 2021

14 Provisions - Non-Current

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Leave encashment (Refer Note 30)	1,334.05	-
Gratuity (Refer Note 30)	596.57	-
Total	**1,930.62**	**-**

15 Trade Payables

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
total outstanding dues of micro enterprises and small enterprises	217.13	108.00
total outstanding dues of Trade Payable other than micro enterprises and small enterprises	2,462.35	58.36
Total	**2,679.47**	**166.36**

15.1 Information required to be disclosed in accordance with Micro, Small and Medium Enterprises Development Act, 2006 has been determined based on the parties identified on the basis of information available with the Company, which has been relied upon by the auditors. The outstanding balance on account of principal and interest as on remaining unpaid to any supplier registered as small and medium enterprises under "The Micro, Small and Medium Enterprises Development (MSMED) Act 2006" is Rs. March 31 2021 : Rs.217.13 Thousand (March 31, 2020: Rs. 108 thousand) The Company has not delayed in making payments to any of the parties registered as small and medium enterprises under MSMED, and there has been no interest accrued or paid in this regard.

16 Other financial liabilities

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payable for capital expenditure	1,312.00	-
Payable to related parties (Refer Note 33)	4,695.98	-
NPS Payable	6.55	-
Payable to employees	895.16	-
Total	**6,909.70**	**-**

17 Other Current liabilities

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Dues	5,833.19	10.10
Total	**5,833.19**	**10.10**

18 Provisions - Current

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Leave encashment (Refer Note 30)	50.66	-
Gratuity (Refer Note 30)	0.59	-
Total	**51.25**	**-**

19 Current tax liabilities (Net)

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for tax (Net of Advance tax Rs 2,018.43 Thousand (March 31, 2020 Rs. Nil))	2,430.40	-
Total	**2,430.40**	**-**

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

DFL TECHNOLOGIES PVT. LTD.

DFL Technologies Private Limited
Notes to financial statements for the period ended March 31, 2021

20 Revenue from operations

(Rs in '000)

Particulars	For the year ended March 31, 2021	For the period ended March 31, 2020
Commission Income	2,934.48	52.61
Advisory and Technical Support	54,435.00	-
Total	**57,369.48**	**52.61**

Revenue from contracts with customers
Below is the revenue from contracts with customers and reconciliation to statement of profit and loss

(Rs in '000)

Particulars	For the year ended March 31, 2021	For the period ended March 31, 2020
Type of Services		
Fee and commission income	57,369.48	52.61
Total revenue from contract with customers	**57,369.48**	**52.61**
Geographical markets		
India	57,369.48	52.61
Outside India	-	-
Total revenue from contract with customers	**57,369.48**	**52.61**
Timing of revenue recognition		
Services transferred at a point in time	57,369.48	52.61
Services transferred over time	-	-
Total revenue from contracts with customers	**57,369.48**	**52.60**

Contract balance

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables	39,781.67	52.60
Contract Assets	-	-

The Company does not have any contract assets or liability, hence disclosures related to it has not been presented.

21 Other Income

(Rs in '000)

Particulars	For the year ended March 31, 2021	For the period ended March 31, 2020
Interest on Income Tax Refund	0.82	-
Rent Income	75.00	-
Interest on Fixed Deposit	220.67	-
Other Income	433.01	-
Total	**729.50**	-

22 Employee Benefits Expense

(Rs in '000)

Particulars	For the year ended March 31, 2021	For the period ended March 31, 2020
Salaries and wages	29,112.28	-
Gratuity Expenses (Refer Note No 30)	96.00	-
Contribution to provident and other funds (Refer Note No 30)	1,899.81	-
Share Based Payments to employees	1,541.66	-
Staff welfare expenses	103.04	-
Total	**32,752.78**	-

23 Finance Costs

(Rs in '000)

Particulars	For the year ended March 31, 2021	For the period ended March 31, 2020
Interest on borrowings	63.01	-
Total	**63.01**	-

24 Depreciation and amortization

(Rs in '000)

Particulars	For the year ended March 31, 2021	For the period ended March 31, 2020
Depreciation of property, plant and equipment (Refer Note 3)	637.20	7.32
Amortization of Intangible Assets (Refer Note 4)	86.31	-
Total	**723.51**	**7.32**

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS MUMBAI

DFL TECHNOLOGIES PVT. LTD.

25 Others expenses

(Rs in '000)

Particulars	For the year ended March 31, 2021	For the period ended March 31, 2020
Rent	1,787.20	67.38
Rates and taxes	1,281.38	4.34
DSA Commission	1,124.75	-
Legal & Professional Fees	5,306.75	128.64
Loss on sale of assets	1,500.00	-
Foreign Exchange (Gain)/Loss	24.50	-
Auditor fees and expenses (Refer Note 25.1)	531.75	118.00
Power and fuel	196.83	-
Printing and stationery	25.07	-
Miscellaneous Expenditure	2,199.43	104.20
Total	**13,977.66**	**422.55**

25.1 Payment to Auditors

(Rs in '000)

Particulars	For the year ended March 31, 2021	For the period ended March 31, 2020
As Auditor:		
- Statutory audit fees	300.00	118.00
- Limited review fees	225.00	-
- Reimbursement of expenses	6.75	-
Total	**531.75**	**118.00**

26 Income tax expense

(Rs in '000)

Particulars	For the year ended March 31, 2021	For the period ended March 31, 2020
Current tax		
Current tax on profits for the period	4,448.83	-
Adjustments for current tax of prior periods	-	-
Total Current Tax	4,448.83	
Deferred tax expense (income)		
Increase in deferred tax liabilities (Refer Note 10)	(330.23)	3.23
Total deferred tax expense/(benefit)	**(330.23)**	**3.23**
Total tax expense	**4,118.60**	**3.23**

26.1 Reconciliation of effective tax rate:

(Rs in '000)

Particulars	For the year ended March 31, 2021	For the period ended March 31, 2020
Profit/(Loss) before income tax expense	10,582.02	(377.27)
Enacted income tax rate in India applicable to the Company 27.82 %	2,943.92	(104.96)
Tax effect of:		
Permanent disallowances		-
Provision for ESOP	428.89	
Others	745.80	
DTA not created on losses	-	108.18
Income tax expense	**4,118.60**	**3.23**
Effective tax rate	**38.92%**	**(0.86%)**

26.2 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.

27 Earnings per share

(Rs in '000)

Particulars	For the year ended March 31, 2021	For the period ended March 31, 2020
Profit attributable to the equity holders of the Company (A)	6,463.41	(380.50)
Weighted Average number of shares issued for Basic EPS (B)	33,21,644	50,000
Adjustment for calculation of Diluted EPS (c)	-	-
Weighted Average number of shares issued for Diluted EPS (D= B+C)	33,21,644	50,000
Basic EPS in Rs.	1.95	(7.61)
Diluted EPS in Rs.	1.95	(7.61)

28 Capital and other commitments and contingent liabilities

There are no contingent liabilities or capital commitments as on March 31, 2021 (March 31, 2020: Nil)

29 Derivatives

The Company has no transactions / exposure in derivatives. The Company has no unhedged foreign currency exposure as on March 31, 2021

30 Disclosures under Ind AS -19

(a) **Compensated Absences**

The compensated absences charge for the year ended March 31, 2021 of Rs 1,826.10 Thousand (March 31, 2020 Rs Nil) has been charged in the Statement of Profit and Loss.

Based on actuarial valuation, as at the year ended March 31, 2021, long term liability for compensated absences is Rs.1,334.05 Thousand and short term liability is Rs. 50.66 Thousand (March 31, 2020 : Nil)

(b) Post employment obligations

I. Defined contribution plans

The Company has classified the various benefits provided to employees as under:

a. Provident Fund
b. Employees' Pension Scheme 1995
c. Employee State Insurance Scheme

The Company makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. 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 fund the benefits. These funds are recognized by the Income Tax authorities.

The expense recognised during the year towards defined contribution plan -

(Rs in '000)

Particulars	For the year ended March 31, 2021
Contribution to Provident Fund	1,346.05
Contribution to Employees' Pension Scheme 1995	512.77
Contribution to Employee State Insurance Scheme	41.00
Total	**1,899.81**

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 2,000.00 Thousand. The gratuity plan is a unfunded plan.

The Company has a defined benefit plan in India (unfunded). The Company's defined benefit gratuity plan is a final salary plan for employees. Gratuity is paid from entity as and when it becomes due and is paid as per company's scheme for gratuity.

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

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:

(Rs in '000)

Sr No	Defined benefit plans	For the year ended March 31, 2021
		Gratuity (Unfunded)
I	**Expenses recognised in statement of profit and loss during the year:**	
	Current service cost	96.00
	Past service cost	-
	Expected return on plan assets	-
	Liability Transferred Out/ Divestments	-
	Net interest cost / (income) on the net defined benefit liability / (asset)	-
	Total expenses	**96.00**
II	**Expenses recognised in other comprehensive income**	
	Actuarial (gains) / losses due to demographic assumption changes	-
	Actuarial (gains) / losses due to financial assumption changes	-
	Actuarial (gains)/ losses due to experience on defined benefit obligations	-
	Return on plan assets excluding Interest income	-
	Total expenses	-

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * MUMBAI

DFL TECHNOLOGIES PVT. LTD. *

III	**Net asset /(liability) recognised as at balance sheet date:**	
	Present value of defined benefit obligation at the end of the period	(597.16)
	Fair value of plan assets	-
	Net (Liability)/Asset Recognized in the Balance Sheet	**(597.16)**
IV	**Movements in present value of defined benefit obligation**	
	Present value of defined benefit obligation at the beginning of the year	-
	Current service cost	96.00
	Past service cost	-
	Liability Transferred In/ Acquisitions	501.17
	(Liability Transferred Out/ Divestments)	-
	Interest cost	-
	Actuarial (gains) / loss	-
	Benefits paid	-
	Present value of defined benefit obligation at the end of the year	**597.16**
V	**Maturity profile of defined benefit obligation**	
a	**Funding arrangements and funding policy**	
	Gratuity plan is unfunded.	
b	The average outstanding term of the obligations (years) as at valuation date is 14 years	
	Expected cash flows over the next (valued on undiscounted basis):	
	1st Following Year	0.59
	2nd Following Year	0.64
	3rd Following Year	0.71
	4th Following Year	0.78
	5th Following Year	27.74
	Sum of Years 6 To 10	158.79
	Sum of Years 11 and above	2,492.42
VI	**Quantitative sensitivity analysis for significant assumptions is as below:**	
1	Increase / (decrease) on present value of defined benefit obligation at the end of the year	597.16
	(i) +1% increase in discount rate	(96.51)
	(ii) -1% decrease in discount rate	122.76
	(iii) +1% increase in rate of salary increase	86.65
	(iv) -1% decrease in rate of salary increase	(82.94)
	(v) +1% increase in rate of Emplyoee Turnover	(40.99)
	(vi) -1% decrease in rate of Emplyoee Turnover	45.41

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.

VII **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.

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.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Entity has to manage pay-out based on pay as you go basis from own funds.

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.

VIII **Asset liability matching strategies**

Entity has to manage pay-out based on pay as you go basis from own funds. The projected liability statements is obtained from the actuarial valuer.

IX	**Actuarial assumptions:**	**As at March 31, 2021**
1	Expected Return on Plan Assets	NA
2	Discount rate	6.82%
3	Expected rate of salary increase	10.00%
4	Rate of Employee Turnover	5.00%
5	Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08) Ult

Notes:

a) The Company did not have any employees on payroll in the period ended March 31, 2020 therefore the disclosures for that period have not made with respect to the employee benefits.

b) Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.

c) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 20 years.

d) Maturity Analysis of Benefit Payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above.

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS MUMBAI

DFL TECHNOLOGIES PVT. LTD.

31 Segment reporting

The chief operating decision maker examines the Company's performance on an entity level. The Company has only one reportable segment, i.e., Advisory services. The Company does not have any reportable geographical segments.

32 Subsequent events

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

33 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	Dhanvarsha Finvest Limited
Key Managerial Personnel (KMP)	Mr. Karan Neale Desai (Director)
	Mr. Mahendra Kumar Servaiya (Director)
	Mr. Narendra Kumar Tater (Director) (Upto July 31, 2020)
	Mr. Rohanjeet Singh Juneja (Director)
Other Related Parties	Prolific Ventures Pvt Ltd (Relative of Promoter Having Singnificant Influence)
	Mr. Nimir Kishore Mehta (Relative of Promoter of Wilson Holdings Private Limited)

B. **Details of related party transactions :**

(Rs in '000)

Name of the related party	Nature of Transaction	Transaction value during year ended 31 March 2021	Transaction value during period ended 31 March 2020
Dhanvarsha Finvest Limited	Rent Paid	70.00	61.36
	Issue of shares	69,500.00	-
	Purchase of Fixed assets	3,139.09	-
	Purchase of Leasehold Improvements	2,199.81	-
	Purchase of Intangible assets	5,571.98	-
	Purchase of Intangible assets under developments	5,824.02	-
	Interest Expenses	63.00	-
	Loans taken	4,500.00	-
	Loans Repaid	4,500.00	-
	Share Capital	69,500.00	500.00
	DSA Commission Income	903.77	-
	Rent Income	75.00	-
	Reimbursement of expenses	10,206.68	-
	Other Misc Income	433.01	-
	Capital contribution towards ESOP	1,541.66	-
Prolific Ventures Pvt Ltd	Rent Paid	1,490.40	-
	Reimbursement of expenses	27.60	-
Nimir Mehta	Rent Paid	217.80	-
	Reimbursement of expenses	4.50	-

C. **Details of balances outstanding for related party transactions:**

(Rs in '000)

Name of the related party	Nature of Transaction	As At 31 March 2021	As At 31 March 2020
Dhanvarsha Finvest Limited	Trade Receivable	1,551.77	-
	Other Payable	5,132.06	11.80
	Equity Share Capital	70,000.00	500.00
	Capital contribution towards ESOP	1,541.66	-
Prolific Ventures Pvt Ltd	Trade Payable	781.51	-
Nimir Mehta	Trade Payable	245.64	-

D. **Payment to KMP**

The Company has not paid any managerial remuneration to KMP.

E. 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

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS MUMBAI

DFL TECHNOLOGIES PVT. LTD.

34 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 '000)

Financial Assets and Liabilities as at March 31, 2021	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Current Financial Assets								
Trade receivables	-	-	39,781.67	39,781.67	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	7,975.46	7,975.46	-	-	-	-
Other Financial assets	-	-	11,643.01	11,643.01				
Total	**-**	**-**	**59,400.15**	**59,400.15**	**-**	**-**	**-**	**-**
Current Financial liabilities								
Trade payables	-	-	2,679.47	2,679.47	-	-	-	-
Other financial liabilities	-	-	6,909.70	6,909.70				
Total	**-**	**-**	**9,589.17**	**9,589.17**	**-**	**-**	**-**	**-**

(Rs in '000)

Financial Assets and Liabilities as at March 31, 2020	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Current Financial Assets								
Trade receivables	-	-	52.61	**52.61**	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	132.28	**132.28**	-	-	-	-
Total	**-**	**-**	**184.89**	**184.89**	**-**	**-**	**-**	**-**
Current Financial liabilities								
Trade payables	-	-	166.36	166.36	-	-	-	-
Total	**-**	**-**	**166.36**	**166.36**	**-**	**-**	**-**	**-**

B. **Measurement of fair value**

The carrying amounts of trade payables, cash and cash equivalent including other current bank balances, other financial assets 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.

D. Transfers between Level 1 and Level 2 and between Level 1 and Level 3

There were no transfers between level 1 and 2 and between Level 1 and Level 3 during the period. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS MUMBAI

DFL TECHNOLOGIES PVT. LTD.

35 **Employee Stock Options 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 with in 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, 2021. 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	1,35,000

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
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	-	-
Options granted during the year	1,35,000	-
Options lapse during the year	-	-
Options Forfeited during the year	-	-
Options exercised during the year	-	-
Options outstanding as at end of reporting period	**1,35,000**	-

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 2020-21 is Rs.1541.66 thousand (2019-20 Rs. Nil lakhs)

Further, during the year on account of transfer of employees from the Holding Company to the subsidiary company 25,354 option have been transfer, which has been included in the capital contributions recongised under other equity.

35.1 **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

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

(Rs in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Total carrying amount 'Capital Contribution	1,541.66	-

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

35.3 **Total amount chaged to profit and loss accounts towards ESOP**

(Rs in '000)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Total carrying amount 'Capital Contribution	1,541.66	-

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

DFL TECHNOLOGIES PVT. LTD.

36 Financial Risk Management

The Company has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the Company. Together they help in achieving the business goals and objectives consistent with the Company's strategies to prevent inconsistencies and gaps between its policies and practices. The management reviews the adequacy and effectiveness of the risk management policy and internal control system. The Company's financial risk management is an integral part of how to plan and execute its business strategies.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

A. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables.

(i) Cash and bank balances

The Company has bank balance of Rs.7,975.46 Thousands (Previous Year: Rs. 132.28 thousands). The same are held with bank and financial institution counterparties with good credit rating.

(ii) Trade Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of busines.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

(Rs in '000)

Particulars	As at
Outstanding for a period not exceeding six months	39,781.67
Outstanding for a period exceeding six months	-
Gross Trade Receivables	**39,781.67**
Less: Impairment Loss	-
Net Trade Receivables	**39,781.67**

The Company computes the expected credit loss allowance as per simplified approach for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer .The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is based on the ageing of the receivable days and the rates as given in the provision matrix.

(iii) Other than trade financial assets reported above , the Company has no other financial assets which carries any significant credit risk.

B. Liquidity Risk

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

(i) Maturities of financial Assets and liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

(Rs in '000)

Contractual maturities of financial assets as at March 31, 2021	1 year or less	1-3 years	More than 3 years	Total
Trade receivables	39,781.67	-	-	39,781.67
Bank balances other than cash and cash equivalents	7,975.46	-	-	7,975.46
Other Financial assets	11,643.01	-	-	11,643.01
Total	**59,400.14**	-	-	**59,400.14**
Contractual maturities of financial liabilities as at March 31, 2021	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Trade payables	2,679.47	-	-	2,679.47
Other financial liabilities	6,909.70	-	-	6,909.70
Total	**9,589.16**	-	-	**9,589.16**

HARIBHAKTI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

DFL TECHNOLOGIES PVT. LTD. *

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

(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.

37 Capital Management

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize 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 or issue new shares capital securities. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2021.The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio is as follows.

(Rs in '000)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Debt	-	-
Less: Cash and cash equivalents	(7,975.46)	(132.28)
Adjusted net debt	**(7,975.46)**	**(132.28)**
Total Equity	77,624.58	119.50
Adjusted net debt to adjusted equity ratio	NA	NA

38 A. Expenditure in Foreign Currency

(Rs in '000)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Professional Fees	553.88	-

B. There are no earnings in foreign currency during the year ended March 31, 2021 (March 31, 2020: Nil).

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

40 The Company was incorporated on October 07, 2019 and therefore previous year figures are from the said date onwards. Hence, figures for statement of profit and loss for the current year are not comparable with previous year fiugures.

As per our report of even date
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Snehal Shah
Partner
Membership No. 048539
Mumbai
June 10, 2021

HARIBHAKTI & CO. LLP * MUMBAI * CHARTERED ACCOUNTANTS

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

Karan Desai
Director
DIN: 05285546
Mumbai
June 10, 2021

Rohanjeet Juneja
Director
DIN: 08342094
Mumbai
June 10, 2021