12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of Booth Fintech Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Booth Fintech Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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 Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 Director Report, but does not include the standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
When we read the Director's report, 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 for the Financial Statements and Those charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;

   (h) 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, as amended 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 for which there were any material foreseeable losses;

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

      iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 20(vi)(a)to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 20(vi)(b)to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership Number: 121411
UDIN: 23121411BGWEFR4251

Place: Mumbai
Date: April 27, 2023

Annexure 1 referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the financial statements of Booth Fintech Private Limited

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. The Company has not capitalized any assets in the books of the Company and accordingly, the requirement to report on clause 3(i) of the Order is not applicable to the Company.

ii. (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to [companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) There were no loans or advance in the nature of loan granted to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

iv. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

v. The Company has neither accepted any deposits from public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

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vi. The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii. (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. The provisions relating to duty of excise, value added tax sales-tax, service tax and duty of custom are not applicable to the Company.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

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xii. The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

xiv. (a) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.

(b) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There are no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

xvii. The Company has incurred cash losses amounting to Rs. 12.14 lakhs in the current year and amounting to Rs. 2.97 lakhs in the immediately preceding financial year respectively.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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xx. The provisions of Section 135 of the Act are not applicable to the company and accordingly the requirement to report on clause 3(xx) of the Order is not applicable.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership Number: 121411
UDIN: 23121411BGWEFR4251

Place: Mumbai
Date: April 27, 2023

Annexure 2 referred to in paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our even date on the financial statements of Booth Fintech Private Limited

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

We have audited the internal financial controls with reference to financial statements of Booth Fintech Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 these 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 these 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 these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls 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 controls 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.

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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 control 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financials Controls issued by the ICAI.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership Number: 121411
UDIN: 23121411BGWEFR4251

Place: Mumbai
Date: April 27, 2023

Booth Fintech Private Limited

Balance Sheet as at March 31, 2023

(Rs. In lakhs)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Non-Current Assets			
(a) Financial Assets			
(i) Non-current Investments	2	1,738.01	1,390.79
		1,738.01	1,390.79
(2) Current Assets			
(a) Financial Assets			
(i) Cash and cash equivalents	3	36.13	46.88
(b) Current tax assets (Net)		0.13	1.24
(c) Other current assets	4	3.31	2.61
		39.57	50.73
Total assets		**1,777.58**	**1,441.52**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	5A	3.93	2.47
(b) Other equity	5B	1,766.63	1,433.03
		1,770.56	1,435.50
LIABILITIES			
(1) Current Liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	6	7.02	5.25
(b) Other current liabilities	7	-	0.77
		7.02	6.02
Total equity and liabilities		**1,777.58**	**1,441.52**

Significant accounting policies and key accounting estimates and judgements 1

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership No: 121411

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors of
Booth Fintech Private Limited
CIN: U67190MH2015PTC355907

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai
Date: April 27, 2023

Prithviraj Chandrasekhar
Director
DIN: 07869747

Place: Mumbai
Date: April 27, 2023

Booth Fintech Private Limited

Booth Fintech Private Limited

Statement of Profit and Loss for the year ended March 31, 2023

(Rs. In lakhs)

Particulars	Note No	Year ended March 31, 2023	Year ended March 31, 2022
(I) Revenue From operations	8	-	5.00
(II) Other income	9	0.06	3.66
(III) Total income (I + II)		**0.06**	**8.66**
(IV) Expenses			
(i) Finance costs	10	-	3.66
(ii) Others expenses	11	1,484.98	7.97
(IV) Total expenses		**1,484.98**	**11.63**
(V) Profit before tax (III - IV)		**(1,484.92)**	**(2.97)**
(VI) Tax Expense:			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
(VII) Profit/(Loss) for the year (V-VI)		**(1,484.92)**	**(2.97)**
(VIII) Other comprehensive income		-	-
(IX) Total comprehensive income for the year (VII + VIII)		**(1,484.92)**	**(2.97)**
(X) Earnings per equity share	12		
Basic (Rs.)		(3,981.25)	(13.11)
Diluted (Rs.)		(3,981.25)	(13.11)
Significant accounting policies and key accounting estimates and judgements	1		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership No: 121411

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors of
Booth Fintech Private Limited
CIN: U67190MH2015PTC355907

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai
Date: April 27, 2023

Prithviraj

Prithviraj Chandrasekhar
Director
DIN: 07869747

Place: Mumbai
Date: April 27, 2023

Booth Fintech Private Limited

Booth Fintech Private Limited

Cash Flow Statement for the year ended March 31, 2023

(Rs. In lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash flow from operating activities		
Profit / (Loss) before tax	(1,484.92)	(2.97)
Adjustments to reconcile net profit to net cash generated from / (used in) operating activities		
Interest income on Inter corporate deposits	-	(3.66)
Provision for impairment	1,472.78	-
Interest on income tax refund	(0.06)	-
Finance cost	-	3.66
Operating cash flow before working capital changes	**(12.20)**	**(2.97)**
Working capital adjustments		
(Increase) / Decrease in other current assets	(0.70)	(0.34)
Increase / (Decrease) in other financial liabilities	1.77	0.40
Increase / (Decrease) in other current liabilities	(0.77)	0.38
Cash (used in) from operations	**(11.90)**	**(2.53)**
Income taxes refund / (paid)	1.17	(0.86)
Net cash (used in) operating activities	**(10.73)**	**(3.39)**
Cash flow from investing activities		
Investment in preference shares	(1,820.00)	(999.40)
Inter corporate deposits given	-	(500.00)
Receipts from Inter corporate deposit given	-	503.66
Net cash generated from investing activities	**(1,820.00)**	**(995.74)**
Cash flow from financing activities		
Issue of equity share capital (including securities premium)	1,819.98	999.87
Inter corporate deposits received		500.00
Payments for Inter corporate deposit received	-	(503.65)
Net cash (used in) financing activities	**1,819.98**	**996.22**
Net (decrease) in cash and cash equivalents	**(10.75)**	**(2.91)**
Cash and cash equivalents at the beginning of the year	46.88	49.79
Cash and cash equivalents at the end of the year	**36.13**	**46.88**

Significant accounting policies and key accounting estimates and judgements 1

The accompanying notes form an integral part of the standalone financial statements

Notes:

(a) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership No: 121411

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors of
Booth Fintech Private Limited
CIN: U67190MH2015PTC355907

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai
Date: April 27, 2023

Prithviraj Chandrasekhar
Director
DIN: 07869747

Place: Mumbai
Date: April 27, 2023

Booth Fintech Private Limited

Booth Fintech Private Limited

Statement of Changes in Equity for the year ended March 31, 2023

A. Equity share capital

(Rs. In lakhs)

Particulars	Amount
As at March 31, 2021	**2.04**
Changes in equity share capital during the year	0.43
As at March 31, 2022	**2.47**
Changes in equity share capital during the year	1.46
As at March 31, 2023	**3.93**

B. Other equity

(Rs. In lakhs)

Particulars	Reserves and Surplus		
	Securities premium	Retained earnings	Total
Balance as at March 31, 2021	**1,034.82**	**(598.26)**	**438.34**
(Loss) for the year	-	(2.97)	(2.97)
Total comprehensive income for the year (net of tax)	-	**(2.97)**	**(2.97)**
Transfer / utilisations			
Additions during the year	999.44	-	**999.44**
Utilisations during the year	-	-	-
Balance as at March 31, 2022	**2,034.26**	**(601.23)**	**1,433.03**
(Loss) for the year	-	(1,484.92)	(1,484.92)
Total comprehensive income for the year (net of tax)	-	**(1,484.92)**	**(1,484.92)**
Transfer / utilisations			
Additions during the year	1,818.52	-	1,818.52
Utilisations during the year	-	-	-
Balance as at March 31, 2023	**3,852.78**	**(2,086.15)**	**1,766.63**

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty.

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

per Sarvesh Warty
Partner
Membership No: 121411

Place: Mumbai
Date: April 27, 2023

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Booth Fintech Private Limited
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Booth Fintech Private Limited *

Booth Fintech Private Limited

Notes to Financial Statements

1. Significant Accounting Policies

A. Corporate Information

Booth Fintech Private Limited (the 'Company') was incorporated in India, under the provisions of the Companies Act, 2013.

The Company was incorporated to act as a financial advisor involved in providing advice and assistance in all financial, cost accounting, internal control and other similar matters.

B. Basis of preparation

i. Statement of compliance

The Standalone financial statement of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Company's financial statements were authorized for issue by the Company's Board of Directors on April 27, 2023.

For preparation of consolidated financial statements, the company has exercised an exemption stated in para 17(d) of Ind AS 28 which states that, the company is not required to prepare consolidated financial statements if its parent company produces consolidated financial statements available for public use that comply with Ind ASs.

ii. Functional and presentation currency

The Standalone financial statement are presented in Indian Rupees ('INR'), which is also the Company's functional currency. All the amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

iii. Basis of measurement

The Standalone financial statement have been prepared under the historical cost convention except for the following items:

a. Financial assets and liabilities that are measured at amortised cost; and
b. Net defined benefit asset / liability – plan assets are measured at fair value less present value of defined benefit obligation.

iv. Use of estimates and judgements

The preparation of Standalone financial statement in conformity with Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements, reported amounts of revenues and expenses during the period. Actual results may defer from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions in the accounting estimates are recognised prospectively.

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Booth Fintech Private Limited

Significant judgements

i. **Recognition of deferred tax assets / liabilities**
Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases and unutilised business loss and depreciation carry forward 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, unused tax losses, depreciation carry forward and unused tax credits could be utilised.

ii. **Recognition and measurement of provisions and contingencies**
The recognition and measurement of other 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.

iii. **Discounting of long-term financial assets / liabilities**
All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial assets / liabilities which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

iv. **Impairment of financial assets**
The Company recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost 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.

C. **Presentation of financial statements**

The Standalone financial statement of the Company are presented as per Schedule III of the Companies Act, 2013, as notified by the Ministry of Corporate Affairs ('MCA'). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7, Statement of Cash Flows. The disclosure requirements with respect to items in the Balance Sheet and Standalone Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

D. **Significant accounting policies and other explanatory information**

a) **Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

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Booth Fintech Private Limited *

The Company has an established control framework with respect to the measurement of fair values. The management has the overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Group Chief Financial Officer.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair values of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets 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 (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

b) Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition.

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ii **Classification and subsequent measurement of financial assets:**

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. The Company classifies its financial assets in the following measurement categories:

Financial assets measured at amortised cost

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment), unless the asset is designated at FVTPL:

i. the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

ii. the Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at Fair value through other comprehensive Income ('FVOCI')

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

a. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
b. the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at Fair Value through Profit and Loss ('FVTPL')

A financial asset which is not classified in above category is subsequently measured at FVTPL. Where assets are measured at fair value, gains and losses are recognized entirely in the Standalone Statement of Profit and Loss.

The assets classified in the aforementioned categories are subsequently measured as follows:

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Standalone Statement of

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Booth Fintech Private Limited

Profit and Loss. Any gain or loss on derecognition is recognised in Standalone Statement of Profit and Loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. interest income under the EIR method, foreign gains and losses and impairment! are recognised in Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of profit and Loss.

Equity investments designated at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as dividend clearly represents a recovery of part of the cost of the investment. other net reclassified to Statement of Profit and Loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Standalone Statement of Profit and Loss.

iii. Classification and subsequent measurement of financial liabilities

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as on initial recognition.

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable and incremental transaction cost.

Amortised 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 amortisation is included as finance costs profit and loss.

The Company's financial liabilities include trade payables and other financial liabilities.

iv. Derecognition

Financial assets

The Company derecognizes a financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) when the contractual rights to receive cash flows from the financial asset expires or it transfers the rights to receive to receive

the contractual cash flows in a transaction in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the asset.

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Booth Fintech Private Limited

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and Loss.

v. Offsetting of financial instruments

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

c) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

d) Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost trade receivables, other contractual rights to receive cash or other financial asset, not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss 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 (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-

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time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

f) Income Tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income ('OCI').

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Booth Fintech Private Limited

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and
b) intends to realise the asset or settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

ii temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and loss; and

iii Temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as on the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and

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Booth Fintech Private Limited

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

g) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

(i) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates,

(ii) any directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Standalone Statement of Profit and Loss.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Standalone Statement of Profit and Loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is provided on straight line basis basis as per the useful life given under Schedule II of the Companies Act, 2013, and is generally recognised in the Standalone Statement of Profit and Loss.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date which the asset is ready for use (disposed of).

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimated useful life as given above best represent the period over which management expects to use the these assets.

h) Impairment of non-financial assets

The carrying values of assets at each balance sheet date are reviewed to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of the asset is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their

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present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment loss is recognised in the Standalone Statement of Profit and Loss for such excess amount.

In respect of assets (except goodwill) for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such reversal of impairment loss is recognised in the Standalone Statement of Profit and Loss, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

i) Revenue from operations

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations.

Revenue is recognised when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable.
Revenue includes only the gross inflows of economic benefits, including taxes, received or receivable by the company, on its own account. Amounts collected on behalf of third parties such as goods and service tax are excluded from revenue.

Revenue arising from licensing agreements is recognised on an accrual basis in accordance with the licence agreement when it is probable that the economic benefits associated with the transaction will flow to the entity and the amount of revenue can be measured reliably.

j) Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

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

k) Segment Reporting

l) The Company operates in a single reportable segment and hence segment reporting is not applicable.

m) Provisions, contingent liabilities and contingent assets

a. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Standalone Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

b. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

c. Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each reporting date.

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Notes to Financial Statements

n) Standards issued but not yet effective upto the date of issuance of the financial statements

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments applies to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101.

The above amendments are applicable for annual periods beginning on or after 1 April 2023.The Company is currently assessing the impact of the amendments.

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Booth Fintech Private Limited

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Notes to the Financial Statements

2. Non-current Investments

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in compulsory convertible cumulative preference shares	3,210.79	1,390.79
Less: Provision for impairment	(1,472.78)	-
Total	**1,738.01**	**1,390.79**

3. Cash and cash equivalents

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks	36.13	46.88
Total	**36.13**	**46.88**

4. Other Current assets

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Goods and Service Tax receivable	3.31	2.61
Total	**3.31**	**2.61**

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Notes to the Financial Statements

5A. Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Rs. in lakhs	Number	Rs. in lakhs
Authorised Capital				
Equity shares of Rs.10/- each	80,000	8.00	80,000	8.00
Preference shares of Rs.10/- each	20,000	2.00	20,000	2.00
	1,00,000	10.00	1,00,000	10.00
Issued, subscribed and paid up capital				
Equity Shares of Rs. 10/- each fully paid up	39,298	3.93	24,697	2.47
Total	**39,298**	**3.93**	**24,697**	**2.47**

Terms/rights attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares held by holding company

Out of the equity shares issued by the company, shares held by its holding company:

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	Rs. in lakhs	No. of shares held	Rs. in lakhs
Equity shares of Rs. 10/- each Fully Paid Up				
InCred Financial Services Limited	39,297	3.93	24,696	2.47
Total	**39,297**	**3.93**	**24,696**	**2.47**

Equity shares held by promoters of the company

The Company's holding Company, mentioned above, itself is the promoter of the Company.

Details of shareholder(s) holding more than 5% of equity shares in the company:

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	% Holding	No. of shares held	% Holding
Equity Shares				
InCred Financial Services Limited	39,297	100%	24,696	100%
Total	**39,297**	**100%**	**24,696**	**100%**

Aggregate number of shares issued for consideration other than cash during the period for a period of five years immediately preceding

Nil

Equity Reconciliation

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Rs. in lakhs	Number	Rs. in lakhs
At the beginning of the year	24,697	2.47	20,403	2.04
Add: Issued during the year	14,601	1.46	4,294	0.43
At the end of the year	**39,298**	**3.93**	**24,697**	**2.47**

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Notes to the Financial Statements

5B. Other equity

(Rs. in lakhs)

Particulars	Securities premium	Retained earnings	Total
Balance as at March 31, 2021	**1,034.82**	**(598.26)**	**438.34**
Profit for the year	-	(2.97)	(2.97)
Total comprehensive income for the year (net of tax)	-	**(2.97)**	**(2.97)**
Transfer / utilisations			
Additions during the year	999.44	-	999.44
Utilisations during the year	-	-	-
Balance as at March 31, 2022	**2,034.26**	**(601.23)**	**1,433.03**
Profit for the year	-	(1,484.92)	**(1,484.92)**
Total comprehensive income for the year (net of tax)	-	(1,484.92)	**(1,484.92)**
Transfer / utilisations			
Additions during the year	1,818.52	-	**1,818.52**
Utilisations during the year	-	-	-
Balance as at March 31, 2023	**3,852.78**	**(2,086.15)**	**1,766.63**

Description of nature and purpose of each reserve

Retained earnings - Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

Securities premium - The securities premium account is used to record the premium received on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

6. Other current financial liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Expense payable	7.02	5.25
Total	**7.02**	**5.25**

7. Other current liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	-	0.77
Total	**-**	**0.77**

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Booth Fintech Private Limited *

Booth Fintech Private Limited

Notes to the Financial Statements

8. Revenue from Operations

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
License fee income	-	5.00
Total	**-**	**5.00**
Geographical Markets		
Within India	-	5.00
Outside India	-	-
Total	**-**	**5.00**
Timing of revenue recognition		
Services transferred at a point in time	-	5.00
Services transferred over time	-	-
Total	**-**	**5.00**

9. Other income

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest on income tax refund	0.06	-
Interest income on inter corporate deposit ("ICD")	-	3.66
Total	**0.06**	**3.66**

10. Finance costs

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial liabilities measured at amortised cost	-	-
-Interest on borrowings	-	3.66
Total	**-**	**3.66**

11. Other expenses

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Legal, professional and consultancy	1.34	1.36
Provision for diminution in value of investments	1,472.78	-
Membership and Subscription	-	0.24
Information technology expenses	-	0.05
Payment to auditors	5.11	5.25
Filing Fees	5.75	1.06
Interest on statutory dues	-	0.01
Total	**1,484.98**	**7.97**

Payment to the auditors:

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Auditor's remuneration towards - Statutory Audit fees	5.11	5.25
Total	**5.11**	**5.25**

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Booth Fintech Private Limited *

Booth Fintech Private Limited

Notes to the Financial Statements

12. Earnings per share

Basic and diluted EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

i. Profit / (Loss) attributable to Equity shareholders:

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(Loss) attributable to equity holders of the Company used in calculating basic earnings per share	(1,484.92)	(2.97)
(Loss) attributable to equity holders of the Company used in calculating diluted earnings per share	(1,484.92)	(2.97)

ii. Weighted average number of ordinary shares

Particulars	As at March 31, 2023	As at March 31, 2022
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	37,298	22,674
Add: Adjustments for calculation of diluted earnings per share	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	37,298	22,674
Basic earnings per share	**(3,981.25)**	**(13.11)**
Diluted earnings per share	**(3,981.25)**	**(13.11)**

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

Booth Fintech Private Limited

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Notes to the Financial Statements

13. Fair value measurements

A. Accounting classification

Carrying amounts of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below :

(Rs. in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial assets						
Cash and cash equivalents	-	-	36.13	-	-	46.88
Total financial assets	**-**	**-**	**36.13**	**-**	**-**	**46.88**
Financial liabilities						
Other financial liabilities	-	-	7.02	-	-	5.25
Total financial liabilities	**-**	**-**	**7.02**	**-**	**-**	**5.25**

B. Fair Value

There are no financial assets and financial liabilities which are measured at their fair values.

This section explains the judgments and estimates made in determining the fair value of the financial instrument that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard.

(Rs. in lakhs)

Particulars	Fair value							
	As at March 31, 2023				As at March 31, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	36.13	-	-	36.13	46.88	-	-	46.88
Total	**36.13**	**-**	**-**	**36.13**	**46.88**	**-**	**-**	**46.88**
Financial Liabilities			-					
Other financial liabilities	7.02	-	-	7.02	5.25	-	-	5.25
Total	**7.02**	**-**	**-**	**7.02**	**5.25**	**-**	**-**	**5.25**

(Rs. in lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Cash and cash equivalents	36.13	36.13	46.88	46.88
Total	**36.13**	**36.13**	**46.88**	**46.88**
Financial liabilities				
Other financial liabilities	7.02	7.02	5.25	5.25
Total	**7.02**	**7.02**	**5.25**	**5.25**

The company measures all the financial assets and financial liabilities at amortised cost. The carrying amounts of all financial assets and financial liabilities recognised in the financial statements approximate their fair values.

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

Booth Fintech Private Limited

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Notes to the Financial Statements

14. Financial risk management

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance. The financial risks are monitored by its Board of Directors.

A. Credit risk

i) Credit risk management

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 i.e. receivables from customers. The company does not have any trade receivables or any loans given. The investments made by the company is held at cost and hence is not covered under Ind AS 109. Accordingly, no credit risk is perceived.

Offsetting financial assets and financial liabilities

There are no financial assets and Financial liabilities which are subject to offsetting, enforceable master netting arrangements and similar agreements.

B. Liquidity risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no borrowings outstanding from banks or other parties. Accordingly, no liquidity risk is perceived.

C. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. During the previous year the company had borrowings from the holding company at fixed rate and no other outstanding loans. Accordingly, no interest risk is perceived.

D. Price risk

Equity price risk is the risk that the fair value of equities decreases as the result of changes in the level of equity indices and individual stocks. Since, the company does not hold any equity investments held at fair value through other comprehensive income, it is not exposed to price risk.

15. Contingent liabilities and commitments

There are no litigations and proceedings against the Company which requires any provision or disclosure as contingent liability.

16. Foreign Currency Exposures

During the current year, the Company has NIL foreign currency exposure (March 31, 2022: NIL)

17. Micro, Small and Medium Enterprises Development

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, as at 31 March 2023, no dues were outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act till March 31, 2023.

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Booth Fintech Private Limited

18. Related party disclosures

A. Names of related parties and nature of relationship:

Key Managerial Personnel (KMP)

Name of the Director	Designation
Mr. Bhupinder Singh	Director
Mr. Prashant Bhonsle (till April 29, 2021)	Director
Mr. Prithviraj Chandrasekhar (w.e.f. April 29, 2021)	Director
Mr. Kamlesh Dangi	Director

Ultimate Holding Company:
Bee Finance Limited (Mauritius) (uptill March 31, 2022)
InCred Holdings Limited (formerly known as KKR Capital Markets Private Limited) (w.e.f. April 1, 2022)

Holding Company:
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited) (uptill March 31, 2022)
InCred Financial Services Limited (formerly known as KKR Financial Services Limited) (w.e.f April 1, 2022)

Fellow Subsidiaries
InCred Management and Technology Services Private Limited
InCred.AI Limited

Enterprises where key management personnel exercises significant influence
InCred Capital Financial Services Private Limited (Formerly known as Proud Securities Private Limited)

Associate Company:
mValu Technology Services Private Limited (uptill May 17, 2022)

Subsidiary Company:
mValu Technology Services Private Limited (w.e.f. May 18, 2022)

Summary of transactions with the aforementioned related are as follows:

Sr. No.	Nature of transactions	Holding Company		Fellow Subsidiaries		Enterprises where KMP exercises significant influence		Associate Company/Subsidiary Company	
		For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Investment in share capital	-	999.87	-	-	-	-	-	-
2	Investment in preference share capital	-	-	-	-	-	-	-	(1,390.79)
3	ICD given	-	500.00	-	-	-	-	-	-
4	Repayment of ICD given (including interest income)	-	500.00	-	-	-	-	-	-
5	ICD received	-	-	-	-	-	500.00	-	500.00
6	Repayment of ICD received (including interest expense)	-	-	-	-	-	503.66	-	503.66
7	Interest income on ICD	-	-	-	-	-	-	-	-
8	Interest expense on ICD	-	-	-	-	-	-	-	-
9	Advances repaid	-	-	-	-	-	-	-	-
10	Payment against expenses	-	-	-	-	-	-	-	-
11	License Fee Income	-	5.00	-	-	-	-	-	-

Summary of balance receivable from the aforementioned related parties are as follows:

(Rs. In lakhs)

Sr. No.	Nature of transactions	Holding Company		Fellow Subsidiaries		Enterprises where KMP exercises significant influence		Associate Company/Subsidiary Company	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Investment in Preference shares	-	-	-	-	-	-	-	1,390.79
2	Investment in Equity shares*	-	-	-	-	-	-	1,738.01	-

*Preference shares have been converted into equity shared during the current year

Notes:
There are no debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.
No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Booth Fintech Private Limited *

Booth Fintech Private Limited

Notes to the Financial Statements
19. Ratio Analysis and its elements

Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	% change	Remarks
Current ratio	Current Assets	Current Liabilities	5.64	8.43	-33.11%	Decrease in current assets
Debt- Equity Ratio	NA	NA	NA	NA	NA	
Debt Service Coverage ratio	NA	NA	NA	NA	NA	
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	-0.93	0.00	29125.87%	Increase of losses in current year
Inventory Turnover ratio	NA	NA	NA	NA	NA	
Trade Receivable Turnover Ratio	Net credit sales	Average Trade Receivable	NA	NA	NA	
Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payables	NA	NA	NA	
Net Capital Turnover Ratio	Total sales	Working capital = Current assets – Current liabilities	NA	NA	NA	
Net Profit ratio	Net Profit	Total sales	0.00	-0.59	-100.00%	No revenue from operation in current year
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-0.84	0.00	-174580%	Increase of losses in current year
Return on Investment	Interest (Finance Income)	Investment	NA	NA	NA	

20. Other Statutory Information

During the current year and previous year:

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency.

(v) The Company is not required to file quarterly statement of current assets submitted to banks / financial institutions which are provided as security against the borrowings.

Funding Transactions:

(vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall :

(I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(II) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii)(a) On 20 September 2021, the Board of Directors of the InCred Financial Services Limited ("IFSL"), the Holding Company, had approved investment in equity for an aggregate amount of upto Rs. 999.87 lakhs in the Company. Subsequently, the Company subscribed to 17,240 equity shares of mValu Technology Services Private Limited (its Associate Company) on 20 September 2021 at a price of Rs. 5,797 (including premium of Rs. 5,787) per share aggregating to Rs. 999.40 lakhs. The transactions are in compliance with the relevant provisions of the Companies Act, 2013 and are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003). Further the provisions of Foreign Exchange Management Act, 1999 (42 of 1999) are not applicable to the transactions.

(vii)(b) On 28 April 2021, the Company had borrowed Inter Corporate Deposit from InCred Capital Financial Services Pvt Ltd ("ICFSPL"), of Rs. 500 lakhs. The amount was used to further invest as Inter Corporate Deposit to InCred Financial Services Limited ("IFSL"), the Holding Company. The transactions are in compliance with the relevant provisions of the Companies Act, 2013 and are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003). Further the provisions of Foreign Exchange Management Act, 1999 (42 of 1999) are not applicable to the transactions.

(vii)(c) On May 18, 2022, the Board of Directors of the InCred Financial Services Limited ("IFSL"), the Holding Company, had approved investment in equity for an aggregate amount of upto Rs. 1,819.99 lakhs in the Company. Subsequently, the Company purchased 45,000 equity shares of mValu Technology Services Private Limited (its Associate Company) from external parties on May 18, 2022 at a price of Rs. 4,044 per share aggregating to Rs. 1,819.99 lakhs. The transactions are in compliance with the relevant provisions of the Companies Act, 2013 and are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003). Further the provisions of Foreign Exchange Management Act, 1999 (42 of 1999) are not applicable to the transactions.

(vii)(d) Except as disclosed in (vii)(a), (vii)(b) and (vii)(c) above, the Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(II) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(viii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(ix) There are no scheme of arrangements which have been filed by the Company under the Act and which have been approved by the competent authority u/s 232 to 237 of the Act.

(x) The Company, is in compliance with the provisions of sec 2(87) read with Companies (Restriction on number of Layers) Rules, 2017.

(xi) The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

(xii) The Company has not revalued any property plant and equipment and intangible assets.

21. Previous year's figures are regrouped/reclassified, wherever necessary, to correspond with the current year's classification / disclosure.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Booth Fintech Private Limited

Booth Fintech Private Limited

Notes to the Financial Statements

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

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership No: 121411

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors of
Booth Fintech Private Limited
CIN: U67190MH2015PTC355907

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai
Date: April 27, 2023

Prithviraj Chandrasekhar
Director
DIN: 07869747

Place: Mumbai
Date: April 27, 2023

Booth Fintech Private Limited

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of InCred Management & Technology Services Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of InCred Management & Technology Services Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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 Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 Director's Report, but does not include the financial statements and our auditor's report thereon. The Draft Director's report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Draft Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the

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Indian Accounting Standards (Ind AS) specified 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;

   (h) 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, as amended 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 for which there were any material foreseeable losses;

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

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iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 34(vii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership Number: 121411
UDIN: 23121411BGWEFQ6471

Place: Mumbai
Date: April 27, 2023

Annexure 1 referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date of the financial statements of InCred Management & Technology Services Private Limited

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirements to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirements to report on clause 3(iii)(c) of the Order is not applicable to the Company.
(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

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(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

iv. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

v. The Company has neither accepted any deposits from public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii. (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable. The provisions relating to duty of excise, value added tax sales-tax, service tax and duty of custom are not applicable to the Company.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

xiv. (a) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.

(b) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

xvii. The Company has incurred cash losses amounting to Rs. 261.39 lakhs in the current year and amounting to Rs. 377.54 lakhs in the immediately preceding financial year respectively.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

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xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The provisions of Section 135 of the Act are not applicable to the Company and accordingly the requirement to report on clause 3(xx) (a) and (b) is not applicable.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership Number: 121411
UDIN: 23121411BGWEFQ6471

Place: Mumbai
Date: April 27, 2023

Annexure 2 referred to in paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our even date on the financial statements of InCred Management & Technology Services Private Limited

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

We have audited the internal financial controls with reference to financial statements of InCred Management & Technology Services Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 these 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 these 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 these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls 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 controls 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)

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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 control 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financials Controls issued by the ICAI.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sarvesh Warty.

per Sarvesh Warty
Partner
Membership Number: 121411
UDIN: 23121411BGWEFQ6471

Place: Mumbai
Date: April 27, 2023

InCred Management and Technology Services Private Limited

Balance Sheet as at March 31, 2023

(Rs. in lakhs)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Non-Current Assets			
(a) Property, plant and equipment	2	89.82	119.52
(b) Other Intangible assets	3	164.34	249.46
(c) Financial Assets			
(i) Others	4	0.25	35.11
		254.41	404.09
(2) Current Assets			
(a) Financial Assets			
(i) Current Investments	5	175.13	78.65
(i) Trade receivables	6	2.15	93.79
(ii) Cash and cash equivalents	7	16.23	245.64
(iii) Others	8	11.45	-
(b) Current tax assets (Net)		11.71	24.59
(c) Other current assets	9	176.56	190.49
		393.23	633.16
Total assets		647.64	1,037.25
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	10(A)	2,290.00	2,290.00
(b) Other equity	10(B)	(1,679.84)	(1,305.08)
		610.16	984.92
LIABILITIES			
(1) Non-Current Liabilities			
(a) Long-term provisions	11	1.33	1.20
		1.33	1.20
(1) Current Liabilities			
(a) Financial liabilities			
(i) Trade payables			
(i) total outstanding dues to micro enterprises and small enterprises		-	-
(ii) total outstanding dues other than micro enterprises and small enterprises	12	30.76	23.11
(ii) Lease liabilities	13	-	-
(b) Other current liabilities	14	5.40	28.02
		36.16	51.13
Total equity and liabilities		647.65	1,037.25

Significant accounting policies and key accounting estimates and judgements 1

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership No: 121411

Place: Mumbai
Date: April 27, 2023

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
InCred Management & Technology Services Private Limited
CIN: U72900MH2016PTC273211

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai
Date: April 27, 2023

Vivek Bansal
Whole Time Director and CFO
DIN: 07835456

Place: Mumbai
Date: April 27, 2023

Nikita Hule
Company Secretary
Membership No: A29555

Place: Mumbai
Date: April 27, 2023

InCred Management and Technology Services Private Limited

InCred Management and Technology Services Private Limited

Statement of Profit and Loss for the year ended March 31, 2023

(Rs. in lakhs)

Particulars	Note No	Year ended March 31, 2023	Year ended March 31, 2022
(I) Revenue From operations	15	-	291.20
(II) Other income	16	15.64	33.67
(III) Total income (I + II)		**15.64**	**324.87**
(IV) Expenses			
(i) Finance costs	17	-	15.39
(ii) Employee benefits expenses	18	159.40	235.03
(iii) Depreciation, amortization and impairment	2 & 3	114.82	168.57
(iv) Others expenses	19	117.09	126.61
Total expenses		**391.31**	**545.60**
(V) Profit/(Loss) before tax (III - IV)		**(375.67)**	**(220.73)**
(VI) Tax Expense:	20		
(1) Current Tax		-	-
(2) Deferred Tax		-	-
(VII) Profit/(Loss) for the year (V-VI)		**(375.67)**	**(220.73)**
(VIII) Other comprehensive income			
(A) (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		0.91	(0.38)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive income / (loss)		**0.91**	**(0.38)**
(IX) Total comprehensive income for the year (VII + VIII)		**(374.76)**	**(221.11)**
(X) Earnings per equity share	21		
Basic (Rs.)		(1.64)	(0.96)
Diluted (Rs.)		(1.64)	(0.96)

Significant accounting policies and key accounting estimates and judgements 1

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty.

per Sarvesh Warty
Partner
Membership No: 121411

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors of
InCred Management & Technology Services Private Limited
CIN: U72900MH2016PTC273211

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai
Date: April 27, 2023

Vivek Bansal
Whole Time Director and CFO
DIN: 07835456

Place: Mumbai
Date: April 27, 2023

Nikita Hule
Company Secretary
Membership No: A29555

Place: Mumbai
Date: April 27, 2023

InCred Management and Technology Services Private Limited *

InCred Management and Technology Services Private Limited

Cash Flow Statement for the year ended March 31, 2023

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash flow from operating activities		
Profit / (Loss) before tax	(375.67)	(220.73)
Adjustments to reconcile net profit to net cash generated from / (used in) operating activities		
Interest income on ICD	-	(26.13)
Depreciation and amortisation	114.82	141.40
Allowance for expected credit loss	(0.53)	0.37
Share based expense	-	2.80
Interest expense on ICD	-	14.65
Provision for retirement benefits	1.04	0.40
Operating cash flow before working capital changes	**(260.34)**	**(87.24)**
Working capital adjustments		
Decrease/(Increase) in other non current financial assets	35.00	(3.91)
Decrease/(Increase) in other current financial assets	(11.45)	-
Decrease/(Increase) in other current assets	13.93	9.26
Decrease/(Increase) in trade receivables	92.03	(95.30)
Increase/(Decrease) in trade payables	7.65	(0.02)
Increase/(Decrease) in other current liabilities	(22.63)	22.27
Cash (used in) operations	**(145.81)**	**(154.94)**
Income tax refund / (paid)	12.88	(7.86)
Net cash (used in) operating activities	**(132.93)**	**(162.80)**
Cash flow from investing activities		
Purchase of property, plant and equipment	-	(6.82)
Inter corporate deposit given	-	(2,000.00)
Receipts from inter corporate deposit given	-	2,426.44
Investment in liquid funds	(96.48)	(78.65)
Net cash (used in) / generate from investing activities	**(96.48)**	**340.97**
Cash flow from financing activities		
Inter corporate deposit received	-	2,000.00
Payment for inter corporate deposit received	-	(2,014.65)
Reversal of rent expense	-	(2.65)
Net cash (used in) / generated from financing activities	**-**	**(17.30)**
Net (decrease) in cash and cash equivalents	**(229.41)**	**160.88**
Cash and cash equivalents at the beginning of the year	245.64	84.76
Cash and cash equivalents at the end of the year	**16.23**	**245.64**

Significant accounting policies and key accounting estimates and judgements 1

The accompanying notes form an integral part of the standalone financial statements

Notes:

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty.

per Sarvesh Warty
Partner
Membership No: 121411

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors of
InCred Management & Technology Services Private Limited
CIN: U72900MH2016PTC273211

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai
Date: April 27, 2023

Vivek Bansal
Whole Time Director and CFO
DIN: 07835456

Place: Mumbai
Date: April 27, 2023

Nikita Hule
Company Secretary
Membership No: A29555

Place: Mumbai
Date: April 27, 2023

InCred Management and Technology Services Private Limited *

InCred Management and Technology Services Private Limited

Statement of Changes in Equity for the year ended March 31, 2023

A. Equity share capital (Rs. in lakhs)

Particulars	Amount
As at March 31, 2021	**2,290.00**
Changes in equity share capital during the year	-
As at March 31, 2022	**2,290.00**
Changes in equity share capital during the year	-
As at March 31, 2023	**2,290.00**

B. Other equity (Rs. in lakhs)

Particulars	Reserves and Surplus				
	Distribution to fellow subsidiary	Capital contribution from parent	Other Equity	Retained earnings	Total
Balance as at March 31, 2021	**(5.88)**	**1.52**	**(21.88)**	**(1,060.53)**	**(526.98)**
Profit for the year	-	-	-	(220.73)	(220.73)
Remeasurement benefit of defined benefit plans	-	-	-	(0.38)	(0.38)
Total comprehensive income for the year (net of tax)	-	-	-	**(221.11)**	**(221.11)**
Transfer / utilisations					
Additions during the year	-	2.80	-	-	2.80
Utilisations during the year	5.88	-	(5.88)	-	-
Balance as at March 31, 2022	-	**4.32**	**(27.76)**	**(1,281.64)**	**(1,305.08)**
Profit for the year	-	-	-	(375.67)	**(375.67)**
Remeasurement benefit of defined benefit plans	-	-	-	0.91	**0.91**
Total comprehensive income for the year (net of tax)	-	-	-	**(374.76)**	**(374.76)**
Transfer / utilisations					
Additions during the year	-	-	-	-	-
Utilisations during the year	-	-	-	-	-
Balance as at March 31, 2023	-	**4.32**	**(27.76)**	**(1,656.40)**	**(1,679.84)**

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty.

per Sarvesh Warty
Partner
Membership No: 121411

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors of
InCred Management & Technology Services Private Limited
CIN: U72900MH2016PTC273211

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai
Date: April 27, 2023

Vivek Bansal
Whole Time Director and CFO
DIN: 07835456

Place: Mumbai
Date: April 27, 2023

Nikita Hule
Company Secretary
Membership No: A29555

Place: Mumbai
Date: April 27, 2023
Membership No: A29555

InCred Management and Technology Services Private Limited *

InCred Management and Technology Services Private Limited

Notes to the Financial Statements

1. Significant Accounting Policies

A. Corporate Information

Incred Management and Technology Services Private Limited (the 'Company') was incorporated in India, under the provisions of the Companies Act, 2013.

B. Basis of preparation

i. Statement of compliance

The Standalone financial statement of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Company's financial statements were authorized for issue by the Company's Board of Directors on April 27, 2023.

ii. Functional and presentation currency

The Standalone financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency. All the amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

iii. Basis of measurement

The Standalone financial statement have been prepared under the historical cost convention except for the following items:

a. Financial assets and liabilities that are measured at amortised cost
b. Net defined benefit asset / liability – plan assets are measured at fair value less present value of defined benefit obligation; and
c. Share based payments – measured at fair value

iv. Use of estimates and judgements

The preparation of Standalone financial statement in conformity with Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements, reported amounts of revenues and expenses during the period. Actual results may defer from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions in the accounting estimates are recognised prospectively.

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Significant judgements

i. Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates 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. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

ii. Recognition of deferred tax assets / liabilities

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases and unutilised business loss and depreciation carry forward 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, unused tax losses, depreciation carry forward and unused tax credits could be utilised.

iii. Recognition and measurement of provisions and contingencies

The recognition and measurement of other 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.

iv. Discounting of long-term financial assets / liabilities

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial assets / liabilities which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

v. Fair valuation of employee share options

The fair valuation of the employee share options is based on the Black-Scholes option pricing model used for valuation of options. Key assumptions and inputs for fair value made with respect to expected volatility includes share price, expected dividends and discount rate, under the Black-Scholes option pricing model.

vi. Impairment of financial assets

The Company recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost 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.

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vii. **Leases**

The Company has recognised the lease liability at the present value of the future lease payments over the lease term discounted at the incremental borrowing rate.

C. Presentation of financial statements

The Standalone financial statement of the Company are presented as per Schedule III of the Companies Act, 2013, as notified by the Ministry of Corporate Affairs ('MCA'). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7, Statement of Cash Flows. The disclosure requirements with respect to items in the Balance Sheet and Standalone Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

D. Significant accounting policies and other explanatory information

a) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management has the overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Group Chief Financial Officer.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair values of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets 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 (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value

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measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

b) Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition.

ii Classification and subsequent measurement of financial assets:

Financial assets

On initial recognition, a financial asset is classified and measured at

- amortised cost;
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. The Company classifies its financial assets in the following measurement categories:

Financial assets measured at amortised cost

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment), unless the asset is designated at FVTPL:

i. the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

ii. the Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

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Financial assets measured at Fair value through other comprehensive Income ('FVOCI')

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

a. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
b. the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at Fair Value through Profit and Loss ('FVTPL')

A financial asset which is not classified in above category is subsequently measured at FVTPL. Where assets are measured at fair value, gains and losses are recognized entirely in the Standalone Statement of Profit and Loss.

The assets classified in the aforementioned categories are subsequently measured as follows:

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Standalone Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Standalone Statement of Profit and Loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. interest income under the EIR method, foreign gains and losses and impairment! are recognised in Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of profit and Loss.

Equity investments designated at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as dividend clearly represents a recovery of part of the cost of the investment. other net reclassified to Statement of Profit and Loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Standalone Statement of Profit and Loss.

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Notes to the Financial Statements

iii. Classification and subsequent measurement of financial liabilities

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as on initial recognition.

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable and incremental transaction cost.

Amortised 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 amortisation is included as finance costs profit and loss.

The Company's financial liabilities include trade payables and other financial liabilities.

iv. Derecognition

Financial assets

The Company derecognizes a financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) when the contractual rights to receive cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and Loss.

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v. **Offsetting of financial instruments**

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

c) **Share capital**

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

d) **Impairment of financial assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost trade receivables, other contractual rights to receive cash or other financial asset, not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss 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 (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

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When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at bank and on hand.

f) Share-based payment arrangements

a. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

b. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

c. When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Standalone Standalone Statement of Profit and Loss.

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d. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

g) Leases

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

Lease payments

Payments made under operating leases are recognised in Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

h) Income Tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income ('OCI').

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and
b) intends to realise the asset or settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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Deferred tax is not recognised for:

ii temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and loss; and

iii Temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as on the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

i) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

(i) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates,

(ii) any directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Standalone Statement of Profit and Loss.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Standalone Statement of Profit and Loss.

ii. Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

iii. Depreciation

Depreciation is provided on straight line basis as per the useful life given under Schedule II of the Companies Act, 2013, and is generally recognised in the Standalone Statement of Profit and Loss.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date which the asset is ready for use (disposed of).

The useful life as per Schedule II are as follows:

Asset	Useful life as per Schedule II
Furniture & fixtures	10 years
Office equipment	5 years
Computers	3 years

Motor Vehicles are depreciated over a useful life of 10 years on basis management estimate.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if appropriate. Management believes that its estimated useful life as given above best represent the period over which management expects to use these assets.

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j) Intangible assets

i. Recognition and measurement

Intangible assets (computer software) are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

ii. Subsequent expenditure

Subsequent expenditure on an intangible asset is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure are recognised in the Statement of Profit and Loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful life using the straight-line method, and is included in depreciation, amortisation and impairment in the Standalone Statement of Profit and Loss.

The intangible assets are amortised over the estimated useful life of 5 years.

Amortisation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

k) Impairment of non-financial assets

The carrying values of assets at each balance sheet date are reviewed to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of the asset is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment loss is recognised in the Standalone Statement of Profit and Loss for such excess amount.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such reversal of impairment loss is recognised in the Standalone Statement of Profit and Loss, to the extent that the

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asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

l) Revenue

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations.

Revenue is recognised when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable.
Revenue includes only the gross inflows of economic benefits, including taxes, received or receivable by the company, on its own account. Amounts collected on behalf of third parties such as goods and service tax are excluded from revenue.

m) Employee benefits

i. Short-term employee benefits
Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Contribution to provident fund and ESIC
Company's contribution paid/payable during the year to provident fund and ESIC is recognised in the Statement of profit and loss.

iii. Gratuity
The Company's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of profit and loss.
Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI).

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Remeasurements are not reclassified to Statement of profit and loss in the subsequent period.

iv. Compensated absence

The Company does not have a policy of encashment of unavailed leaves for its employees and are not permitted to carry forward the leaves. Hence there is no liability towards compensated absence.

n) Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

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

o) Segment Reporting

The Company operates in a single reportable segment and hence segment reporting is not applicable.

p) Provisions, contingent liabilities and contingent assets

a. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Standalone Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

b. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

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c. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

d. Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each reporting date.

q) Standards issued but not yet effective upto the date of issuance of the financial statements

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8
The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1
The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12
The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.
The amendments applies to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101.

The above amendments are applicable for annual periods beginning on or after 1 April 2023.The Company is currently assessing the impact of the amendments.

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2. Property, plant and equipment

(Rs. in lakhs)

Particulars	Furniture and fixtures	Office equipment	Computers & Printers	Vehicle	Right-of-use assets*	Total
Year ended March 31, 2022						
At carrying cost at the beginning of the year	3.56	7.13	28.41	226.91	71.51	337.52
Additions during the year	-	1.12	5.70	-	-	6.82
Disposals during the year	-	-	(17.24)	-	-	(17.24)
Gross carrying value as March 31, 2022 (A)	**3.56**	**8.25**	**16.87**	**226.91**	**71.51**	**327.10**
Accumulated depreciation as at the beginning of the year	1.23	4.83	25.17	77.79	44.34	153.36
Depreciation for the year	0.36	1.30	3.19	39.44	27.17	71.46
Depreciation on disposals during the year	-	-	(17.24)	-	-	(17.24)
Accumulated depreciation as at March 31, 2022 (B)	**1.59**	**6.13**	**11.12**	**117.23**	**71.51**	**207.58**
Net carrying value as at March 31, 2022 (A-B)	**1.97**	**2.12**	**5.75**	**109.68**	**-**	**119.52**
Year ended March 31, 2023						
At carrying cost at the beginning of the year	3.56	8.25	16.87	226.91	71.51	327.10
Additions during the year	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-
Gross carrying value as March 31, 2023 (A)	**3.56**	**8.25**	**16.87**	**226.91**	**71.51**	**327.10**
Accumulated depreciation as at the beginning of the year	1.59	6.13	11.12	117.23	71.51	207.59
Depreciation for the year	1.97	2.11	5.74	19.86	-	29.68
Depreciation on disposals during the year	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2023 (B)	**3.56**	**8.25**	**16.87**	**137.09**	**71.51**	**237.27**
Net carrying value as at March 31, 2023 (A-B)	**0.00**	**-**	**-**	**89.82**	**-**	**89.83**

**Refer note 28 for Right-of-use assets*

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3. Other intangible assets

(Rs. in lakhs)

Particulars	Computer software
Year ended March 31, 2022	
At cost at the beginning of the year	516.91
Additions during the year	
Gross carrying value as March 31, 2022 (A)	**516.91**
Accumulated amortisation:	
Accumulated amortisation at the beginning of the year	170.34
Amortisation for the year	97.11
Accumulated amortisation as at March 31, 2022 (B)	**267.45**
Net carrying value as at March 31, 2022 (A-B)	**249.46**
Year ended March 31, 2023	
At cost at the beginning of the year	516.91
Additions during the year	
Gross carrying value as March 31, 2023 (A)	**516.91**
Accumulated amortisation:	
Accumulated amortisation at the beginning of the year	267.45
Amortisation for the year	85.12
Accumulated amortisation as at March 31, 2023 (B)	**352.57**
Net carrying value as at March 31, 2023 (A-B)	**164.34**

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Notes to the Financial Statements

4. Other non current financial assets

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits	0.25	35.25
less: Allowance for impairment loss	-	(0.14)
Total	**0.25**	**35.11**

5. Current Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Investment measured at Fair Value through Profit and Loss:		
Investment in Mutual Funds	40.70	78.65
Investment in Alternative Investments Fund	134.43	-
Total	**175.13**	**78.65**
Investment in India	175.13	78.65
Investment outside India	-	-
Total	**175.13**	**78.65**

6. Trade Receivables

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
-More than 6 months Unsecured, considered good	-	-
Other receivables		
-Unsecured, considered good	2.16	94.19
less: Allowance for impairment loss	(0.01)	(0.40)
Total	**2.15**	**93.79**

7. Cash and cash equivalents

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks	16.23	245.64
Total	**16.23**	**245.64**

8. Other current financial assets

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Loans to related parties	-	-
Security Deposits*	11.45	-
Advances to related parties	-	-
Advance to Employees	-	-
Total	**11.45**	-

**Represents the amount receivable on surrender of leased property.*

9. Other Current assets

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid Expenses	2.03	4.34
Advance to Vendors	1.23	4.88
GST receivable	173.30	181.26
Total	**176.56**	**190.48**

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Notes to the Financial Statements

10(A). Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Rs. in lakhs	Number	Rs. in lakhs
Authorised Capital				
Equity shares of Rs.10/- each	3,00,00,000	3,000.00	3,00,00,000	3,000.00
Issued, subscribed and paid up capital				
Equity Shares of Rs. 10/- each fully paid up	2,29,00,000	2,290.00	2,29,00,000	2,290.00
Total	**2,29,00,000**	**2,290.00**	**2,29,00,000**	**2,290.00**

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares held by holding company

Out of the equity shares issued by the company, shares held by its holding company:

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	Rs. in lakhs	No. of shares held	Rs. in lakhs
Equity shares of Rs. 10/- each Fully Paid Up				
InCred Financial Services Limited (formerly known as KKR India Financial Services Limited)	2,28,99,999	2,290.00	-	-
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited)	-	-	2,28,99,999	2,290.00

Equity shares held by promoters of the company

The Company's holding Company, mentioned above, itself is the promoter of the Company.

Details of shareholder(s) holding more than 5% of equity shares in the company:

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	% Holding	No. of shares held	% Holding
Equity Shares				
InCred Financial Services Limited (formerly known as KKR India Financial Services Limited)	2,28,99,999	100.00%	-	0.00%
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited)	-	0.00%	2,28,99,999	100.00%

Aggregate number of shares issued for consideration other than cash during the period for a period of five years immediately preceding

Nil

Equity Reconciliation

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Rs. in lakhs	Number	Rs. in lakhs
At the beginning of the year	2,29,00,000	2,290.00	2,29,00,000	2,290.00
Add: Issued during the year	-	-	-	-
Less: Bought during the year	-	-	-	-
At the end of the year	**2,29,00,000**	**2,290.00**	**2,29,00,000**	**2,290.00**

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Notes to the Financial Statements

10(B). Other equity

(Rs. in lakhs)

Particulars	Reserves and Surplus				
	Distribution to fellow subsidiary	Capital contribution from parent	Other Equity	Retained earnings	Total
Balance as at March 31, 2021	(5.88)	1.52	(21.88)	(1,060.53)	(526.98)
Profit for the year	-	-	-	(220.73)	(220.73)
Remeasurement benefit of defined benefit plans	-	-	-	(0.38)	(0.38)
Total comprehensive income for the year (net of tax)	-	-	-	(221.11)	(221.11)
Transfer / utilisations					
Additions during the year	-	2.80	-	-	2.80
Utilisations during the year	5.88	-	(5.88)	-	-
Balance as at March 31, 2022	-	4.32	(27.76)	(1,281.64)	(1,305.08)
Profit for the year	-	-	-	(375.67)	(375.67)
Remeasurement benefit of defined benefit plans	-	-	-	0.91	0.91
Total comprehensive income for the year (net of tax)	-	-	-	(374.76)	(374.76)
Transfer / utilisations					
Additions during the year	-	-	-	-	-
Utilisations during the year	-	-	-	-	-
Balance as at March 31, 2023	-	4.32	(27.76)	(1,656.40)	(1,679.84)

Description of nature and purpose of each reserve

Distribution to fellow subsidiary - This reserve is outcome of fair value of security deposits placed by the Company on behalf of fellow subsidiary.

Other Equity - This reserve is outcome of fair value of security deposits placed by the Company on behalf of the Holding Company.

Retained earnings - Retained earnings represents deficit of the Company and are available for distribution to shareholders.

Securities Premium - Securities Premium represents premium on shares issued (after deductimg share issue expenses) and are available for distribution to shareholders.

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Notes to the Financial Statements

11. Long term provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits - Gratuity	1.33	1.20
Total	**1.33**	**1.20**

12. Trade payables

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Payables		
(i) total outstanding dues to micro enterprises and small enterprises		
- Principal	-	-
- Interest due	-	-
(ii) total outstanding dues other than micro enterprises and small enterprises		
- Principal	30.76	23.11
- Interest due	-	-
Total	**30.76**	**23.11**

13. Lease liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liability	-	-
Total	**-**	**-**

14. Other current liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Salary Payable	-	5.30
Statutory dues payable	(1.64)	15.04
Security Deposit payable	7.00	7.00
Other Payable	0.04	0.68
Total	**5.40**	**28.02**

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Notes to the Financial Statements

15. Revenue from Operations

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Service fee	-	-
Marketing revenue	-	291.20
Total	**-**	**291.20**
Geographical Markets		
Within India	-	291.20
Outside India	-	-
Total	**-**	**291.20**
Timing of revenue recognition		
Services transferred at a point in time	-	291.20
Services transferred over time	-	-
Total	**-**	**291.20**

Note: For receivable balances against the income, refere note no 6

16. Other income

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit on sale of investments	13.27	5.88
Interest income on ICD	-	20.51
Service Fee	2.00	-
Others	0.37	7.29
Total	**15.64**	**33.67**

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Notes to the Financial Statements

17. Finance costs

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial liabilities measured at amortised cost:		
Interest on Inter corporate deposit	-	14.65
Interest on Lease liability (Refer Note 28)	-	0.74
Total	**-**	**15.39**

18. Employee benefits expenses

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	141.62	212.27
Contribution to provident and other funds	8.58	9.90
ESOP Expense	-	2.80
Gratuity	1.04	0.40
Staff welfare expenses	8.16	9.66
Total	**159.40**	**235.03**

19. Other expenses

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent (Refer Note 28)	17.72	16.80
Office Expense	4.96	26.96
Travelling and conveyance	0.01	0.42
Legal, professional and consultancy charges	5.91	5.35
Repairs and maintenance	1.63	6.84
Information Technology Expenses	62.88	48.35
Payment to auditors	5.22	5.25
Interest on statutory dues	7.73	7.04
Allowance for expected credit loss	(0.53)	0.37
Miscellaneous expenses	11.56	9.23
Total	**117.09**	**126.61**

Payment to the auditors:

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Auditor's remuneration towards		
- Statutory Audit fees	5.22	5.25
Total	**5.22**	**5.25**

20. Tax expense

(a) Amounts recognised in profit and loss

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Tax expense		
Current year	-	-
Deferred tax	-	-

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21. Earnings per share

Basic and diluted EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

i. Profit / (Loss) attributable to Equity shareholders:

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit / (Loss) attributable to equity holders of the Company used in calculating basic earnings per share	(375.67)	(220.73)
Profit / (Loss) attributable to equity holders of the Company used in calculating diluted earnings per share	(375.67)	(220.73)

ii. Weighted average number of ordinary shares

Particulars	As at March 31, 2023	As at March 31, 2022
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	2,29,00,000	2,29,00,000
Add: Adjustments for calculation of diluted earnings per share	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	2,29,00,000	2,29,00,000
Basic earnings per share	**(1.64)**	**(0.96)**
Diluted earnings per share	**(1.64)**	**(0.96)**

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Notes to the Financial Statements

22. Fair value measurements

A. Accounting classification

Carrying amounts of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below :

(Rs. in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial assets						
Cash and cash equivalents	-	-	16.23	-	-	245.64
Current Investments	175.13	-	-	78.65	-	-
Receivables (I) Trade receivables	-	-	2.15	-	-	93.79
Other non current financial assets	-	-	0.25	-	-	35.11
Other current financial assets	-	-	11.45	-	-	-
Total financial assets	**175.13**	-	**30.08**	**78.65**	-	**374.54**
Financial liabilities						
Payables						
- Trade payables	-	-	30.76	-	-	23.11
Other financial liabilities	-	-	-	-	-	-
Total financial liabilities	-	-	**30.76**	-	-	**23.11**

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B. Fair Value

There are no financial assets and financial liabilities which are measured at their fair values.

This section explains the judgments and estimates made in determining the fair value of the financial instrument that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard.

(Rs. in lakhs)

Particulars	Fair value							
	As at March 31, 2023				As at March 31, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Current Investments	175.13			175.13	78.65	-	-	78.65
Cash and cash equivalents	16.23	-	-	16.23	245.64	-	-	245.64
Receivables								
(I) Trade receivables	2.15	-	-	2.15	93.79	-	-	93.79
Other non current financial assets	0.25	-	-	0.25	35.11	-	-	35.11
Other current financial assets	-	-	-	-	-	-	-	-
Total	**193.76**	**-**	**-**	**193.76**	**453.19**	**-**	**-**	**453.19**
Financial Liabilities								
Payables								
- Trade payables	30.76	-	-	30.76	23.11	-	-	23.11
Other financial liabilities	-	-	-	-	-	-	-	-
Total	**30.76**	**-**	**-**	**30.76**	**23.11**	**-**	**-**	**23.11**

(Rs. in lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Current Investments	175.13	175.13	78.65	78.65
Cash and cash equivalents	16.23	16.23	245.64	245.64
Receivables				
(I) Trade receivables	2.15	2.15	93.79	93.79
Other non current financial assets	0.25	0.25	35.11	35.11
Other current financial assets	11.45	11.45	-	-
Total	**205.21**	**205.21**	**453.19**	**453.19**
Financial liabilities				
Payables				
- Trade payables	30.76	30.76	23.11	23.11
Other financial liabilities	-	-	-	-
Total	**30.76**	**30.76**	**23.11**	**23.11**

The company measures all the financial assets and financial liabilities, other than investments, at amortised cost. The carrying amounts of these financial assets and financial liabilities recognised in the financial statements approximate their fair values.

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23. Financial risk management

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance. The financial risks are monitored by its Board of Directors.

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 i.e. receivables from customers.

i) Credit risk management

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the company through continuous monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

As at March 31, 2023

(Rs. in lakhs)

Particulars	Asset group	Gross carrying amount of financial assets	Expected credit losses	Carrying amount net of impairment provision
Stage 1	Other non current financial assets			
	- Security Deposit	0.25	-	0.25
	Trade Receivable	2.16	0.01	2.15

As at March 31, 2022

(Rs. in lakhs)

Particulars	Asset group	Gross carrying amount of financial assets	Expected credit losses	Carrying amount net of impairment provision
Stage 1	Other non current financial assets			
	- Security Deposit	35.25	0.14	35.11
	Trade Receivable	94.19	0.40	93.79

iii) Reconciliation of Loss Allowance

For other financial assets

(Rs. in lakhs)

Reconciliation of Loss Allowance	Loss allowance measured at 12 month expected losses	Financial assets for which risk has increased significantly and not credit impaired	Loss allowance measured at life-time expected losses
Loss allowance as on March 31, 2021	0.16	-	-
Assets originated or purchased	0.38	-	-
Assets repaid/reversed	-	-	-
Loss allowance as on March 31, 2022	0.54	-	-
Assets originated or purchased	(0.53)		
Assets repaid/reversed	-		
Loss allowance as on March 31, 2023	0.01	-	-

Offsetting financial assets and financial liabilities

There are no financial assets and Financial liabilities which are subject to offsetting, enforceable master netting arrangements and similar agreements.

B. Liquidity risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no outstanding loans and bank borrowings. The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

C. Market risk

Market risk or interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company has no outstanding loans and bank borrowings. Accordingly, no interest risk is perceived.

D. Price risk

The Company is exposed to price risk arising from investment in mutual funds and classified in the balance sheet at fair value through profit & loss. If the NAV of the mutual fund had been higher/ lower by 1% from market price existing as at March 31, 2023, profit or loss(pre-tax) for the year ended March 31, 2023 would increase/ decrease by Rs. 0.09 lakhs (Previous Year: Rs. 0.79 lakhs) with a corresponding increase/decrease in the Total Equity of the Company as at March 31, 2023.

24. Capital management

For the purpose of Company's capital management, capital includes issued capital and other equity reserves attributable to equity shareholders of the Company. The primary objective of the Company while managing the capital is to safeguard its ability to continue as going concern and to maintain an optimal capital structure so as to maximise shareholder value.
As at March 31, 2023, the Company has only one class of equity shares and no debt. Consequent to this capital structure there are no externally imposed capital requirements. In order to maintain and achieve and optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plan.

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Notes to the Financial Statements

25. Related party disclosures

A. Names of related parties and nature of relationship:

Key Managerial Personnel ("KMP")

Name of the KMP	Designation
Mr. Bhupinder Singh	Director
Mr. Saurabh Jhalaria	Director (uptill March 30, 2023)
Mr. Prithvi Chandrasekhar	Director (w.e.f. March 31, 2023)
Mr. Vivek Bansal	Director
Mrs. Nikita Hule	Company Secretary

Ultimate Holding Company:
Bee Finance Limited (Mauritius) (uptill March 31, 2022)
InCred Holdings Limited (formerly known as KKR Capital Markets Private Limited) (w.e.f. April 1, 2022)

Holding Company:
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited) (uptill March 31, 2022)
InCred Financial Services Limited (formerly known as KKR Financial Services Limited) (w.e.f April 1, 2022)

Fellow Subsidiaries
Booth Fintech Private Limited
InCred.AI Limited

Enterprises where key management personnel exercises significant influence
InCred Capital Financial Services Private Limited (Formerly known as Proud Securities Private Limited)

Associate of Fellow subsidiary:
mValu Technology Services Private Limited (uptill May 17, 2022)

Subsidiary of Fellow subsidiary:
mValu Technology Services Private Limited (w.e.f. May 18, 2022)

Transactions with key management personnel
i. Key management personnel compensation

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employee benefit expenses	-	22.08

As the liabilities for gratuity and share based payments are provided on actuarial basis for the Company as a whole and hence the amounts pertaining to the key management personnel are not included in the above.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(Rs. in lakhs)

Nature of transactions	Holding Company		Enterprises where KMP exercises significant influence		Fellow Subsidiaries	
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance Sheet transactions						
Advances received	-	-	-	-	-	-
Advances repaid	-	-	-	-	-	-
Receipt of advances given	-	-	-	-	-	-
Issue of equity shares	-	-	-	-	-	-
ICD given	-	2,000.00	-	-	-	-
Repayment of ICD given (including interest)	-	2,420.51	-	-	-	-
ICD received	-	-	-	2,000.00	-	-
Repayment of ICD received (including interest)	-	-	-	2,014.65	-	-
Refund of Security Deposit	-	-	-	-	-	-
Receipt against expenses	-	-	-	-	-	-
Refund of amount taken for expenses	-	-	-	-	-	-
Payment for Purchase of Fixed Assets	-	-	-	-	-	-
Transfer of balance	-	61.70	-	-	-	-
Income transactions						
Income from recharge of expenses	-	0.01	-	-	-	-
Interest income on ICD	-	20.51	-	-	-	-
Expense transactions						
Expense from recharge of expenses	-	0.86	-	-	-	-
Interest expense on ICD	-	-	-	14.65	-	-

Note: During the current year, the Utlimate Holding Company has issued employee stock options to employees of the company. (*Refer Note 27 for further details*).

Summary of balance receivable from / payable to the above related are as follows:

(Rs. in lakhs)

Balance outstanding	Holding Company		Enterprises where KMP exercises significant influence		Fellow Subsidiaries	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1. ICD Receivable	-	-	-	-	-	-
2. Other Receivables	-	-	-	-	-	-
4. No of options	32,000.00	32,000.00	-	-	-	-

Notes:

There are no debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

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26. Employee benefits

1. The Company has recognised the following amounts in the Profit & Loss Account towards contributions to provident fund and other funds:

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Provident fund	8.58	9.90

2. Gratuity

Every employee who will complete five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service, subject to ceiling of INR 20,00,000.

Table showing change in the present value of projected benefit obligation

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Change in benefit obligations		
Present value of benefit obligation at the beginning of the year	1.20	0.42
Interest cost	0.06	0.02
Current Service cost	0.98	0.38
Actuarial (Gains) / Loss on Obligations - Due to Change in Demographic Assumptions		(0.00)
Actuarial (Gains) / Loss on Obligations - Due to Change in Financial Assumptions	(0.08)	0.00
Actuarial (Gains) / Loss on Obligations - Due to Experience	(0.83)	0.38
Liability at the end of the year	**1.33**	**1.20**

Amount recognized in the Balance Sheet

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of benefit obligation at the end of the year	(1.33)	(1.20)
Fair value of plan assets at the end of the year	-	-
Funded Status (Deficit)	(1.33)	(1.20)
Net (Liability)/Asset Recognized in the Balance Sheet	**(1.33)**	**(1.20)**

Expenses recognized in the Statement of Profit and Loss

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current service cost	0.98	0.38
Net Interest cost	0.06	0.02
Expenses recognised	**1.04**	**0.40**

Expenses recognized in the Other comprehensive income (OCI)

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Actuarial (Gains) on obligation for the year	(0.91)	0.38
Net (Income) for the year recognized in OCI	**(0.91)**	**0.38**

The actuarial assumptions used to determine benefit obligations as at March 31, 2023 and March 31, 2022 are as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Discount Rate	5.15%	5.15%
Salary escalation rate	8.00%	8.00%
Expected Rate of return on Plan Assets	NA	NA
Rate of Employee Turnover	35%	35%
Weighted Average Duration of Projected Benefit Obligation	5 years	5 years
Mortality Rate during employment	Indian Assured lives mortality (2012-14)	Indian Assured lives mortality (2012-14)

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InCred Management and Technology Services Private Limited ★

InCred Management & Technology Services Private Limited

Notes to the Financial Statements

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors

Balance sheet reconciliation (Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening net liability	**1.20**	0.42
Expenses recognized in Statement of Profit and Loss	1.04	0.40
Expenses recognized in OCI	(0.91)	0.38
Net (Asset) Transfer In	-	-
Net liability recognized in the Balance Sheet	**1.33**	**1.20**

Cash Flow Projection
Maturity analysis of the benefit payments: from the employer

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Projected benefits payable in future years from the date of reporting		
1st following year	0.00	0.00
2nd following year	0.49	0.00
3rd following year	0.34	0.19
4th following year	0.24	0.35
5th following year	0.17	0.29
Sum of years 6 to 10	0.33	0.57
Sum of years 11 and above	0.07	0.11

Sensitivity analysis (Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Projected benefit obligation on current assumptions	1.33	1.20
Delta effect of +1% change in rate of discounting	(0.03)	(0.05)
Delta effect of -1% change in rate of discounting	0.04	0.05
Delta effect of +1% change in rate of salary increase	0.05	0.05
Delta effect of -1% change in rate of salary increase	(0.05)	(0.05)
Delta effect of +1% change in rate of employee turnover	(0.02)	(0.05)
Delta effect of -1% change in rate of employee turnover	0.02	0.05

Qualitative disclosures

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. Company 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.

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InCred Management and Technology Services Private Limited

Notes to the Financial Statements

27. Share-based payment arrangements

A. Description of share-based payment arrangements

i. Share option plans (equity-settled)

The Parent Company has Employee Incentive Plan under which options have been granted to eligible employees to be vested from time to time.

The Parent company has established share option plans that entitle the employees of the Group Companies to purchase the shares of the Parent Company. Under these plans, holders of the vested options are entitled to purchase shares at the exercise price of the shares determined at the respective date of grant of options.

The key terms and conditions related to the vesting of grants under these plans are continued employment with the group company from the date of grant of option till the date of vesting (25% each year); all options are to be settled by the delivery of shares.

A. Measurement of fair values

Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using Black-Scholes Option pricing model.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment options granted during the year are as follows:

The model inputs for options granted during

Particulars / Grant date	For the year ended March 31, 2023	For the year ended March 31, 2022
Fair value as on grant date (weighted average)	35.03 to 44.82	25.05 to 32.76
Share price as on grant date	65.00 to 67.02	55.00 to 65.00
Exercise price	40.00	40.00
Expected volatility (weighted average volatility)	40%	40%
Rate of Employee Turnover	20%	35%
Expected life (expected weighted average life)	11.02 years	8.5 years
Risk- free interest rate (based on government bonds)	6.89% to 7.59%	4.89% to 6.26%
Method used to determine expected volatility	The expected volatility is based on price volatility of listed companies in same industry.	

B. Reconciliation of outstanding share options

Set out below is a summary of options granted under the plan:

Particulars	Average exercise price per option	Number of options	
		As at March 31, 2023	As at March 31, 2022
Opening balance	31.75	32,000	24,000
Add: Options granted during the year	40.00	-	18,000
Less: Options exercised during the year	-	-	-
Less: Options lapsed during the year	40.00	-	(10,000)
Options outstanding as at the year end	**31.75**	**32,000**	**32,000**
Option exercisable of the above			**9,875**

Weighted average remaining contractual life of options outstanding at end of period 1.96 years

C. Expenses arising from share-based payment transactions

Refer Note 18 on employee benefit expense, for share based payment expense charged to Statement of Profit and Loss.

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Notes to the Financial Statements

28. Lease accounting

The Company has entered into leasing arrangements for premises. Right of Use Assets ("ROU") has been included under 'Property, Plant and Equipment' and Lease Liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

i. Following are the changes in the carrying value of right of use assets (ROU):

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	-	**27.17**
Addition during the year	-	-
Disposals during the year	-	-
Depreciation for the year	-	(27.17)
Balance as at the end of the year	-	-

ii. The following is the movement in lease liabilities :

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	-	**29.82**
Addition during the year	-	-
Finance cost accrued during the year	-	0.74
Payment of Lease liabilities made during the year	-	(30.56)
Balance as at the end of the year	-	-

iii. The table below provides details regarding the contractual maturities of lease liabilities:

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	-	-
Between one and five years	-	-
More than five years	-	-
Total	-	-

iv. Expenses recognised in the statement of Profit and Loss:

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation expense on right-of-use assets (Refer Note 2)	-	27.17
Interest expense on lease liabilities (Refer Note 17)	-	0.74
Expense relating to short-term leases (Refer Note 19)	17.72	16.80
Expense relating to leases of low value assets	-	-

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Notes to the Financial Statements

29. Contingent liabilities and commitments

There are no litigations and proceedings against the Company which requires any provision or disclosure as contingent liability.

30. Foreign Currency Transactions

During the current year, the Company has NIL foreign currency exposure (March 31, 2022: NIL)

31. Micro, Small and Medium Enterprises Development

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, as at March 31, 2023, no dues were outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act till March 31, 2023.

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Notes to the Financial Statements

32. Ageing Schedule

(Rs. in lakhs)

Particulars	Curent but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at March 31, 2023							
(A) Trade receivables							
Unsecured, considered good	-	2.16	-	-	-	-	2.16
Unsecured, considered doubtful	-	-	-	-	-	-	-
(C) Payables							
(I)Trade payables							
(i) total outstanding dues of micro enterprises and small enterprises ("MSME")	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than MSME	-	30.76	-	-	-	-	30.76
As at March 31, 2022							
(A) Trade receivables							
Unsecured, considered good	-	94.19	-	-	-	-	94.19
Unsecured, considered doubtful	-	-	-	-	-	-	-
(B) Other receivables							
Unsecured, considered good	-	-	-	-	-	-	-
Unsecured, considered doubtful	-	-	-	-	-	-	-
(C) Payables							
(I)Trade payables							
(i) total outstanding dues of micro enterprises and small enterprises ("MSME")	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than MSME	-	23.11	-	-	-	-	23.11

33. Ratio Analysis and its elements

Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	% change	Remarks
Current ratio	Current Assets	Current Liabilities	10.87	12.38	-12.18%	
Debt- Equity Ratio	NA	NA	NA	NA	NA	
Debt Service Coverage ratio	NA	NA	NA	NA	NA	
Return on Equity ratio	Net Profits after taxes	Shareholder's Equity	-0.62	-0.10	538.76%	Increase in loss in current year
Inventory Turnover ratio	NA	NA	NA	NA	NA	
Trade Receivable Turnover Ratio	Net credit sales	Average Trade Receivable	-	5.97	-100.00%	No revenue from operations in current year
Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payables	14.53	23.60	-38.44%	Decrease in operating expenses in current year
Net Capital Turnover Ratio	Total sales	Working capital = Current assets – Current liabilities		0.22	-100.00%	No revenue from operations in current year
Net Profit ratio	Net Profit	Total sales	(24.02)	(0.68)	3435.23%	Increase in loss in current year
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	(1.05)	(0.38)	177.42%	Increase in loss in current year
Return on Investment	Interest from investments	Investment	0.08	0.07	1.35%	

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34. Other Statutory Information

During the current year and previous year:

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency.

(v) The Company is not required to file quarterly statement of current assets submitted to banks / financial institutions which are provided as security against the borrowings.

Funding Transactions:

(vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall :

(I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(II) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii)(a) On 28 April 2021, the Company had borrowed Inter Corporate Deposit from InCred Capital Financial Services Pvt Ltd ("ICFSPL"), of Rs. 2000 lakhs. The amount was used to further invest as Inter Corporate Deposit to InCred Financial Services Limited ("IFSL"), the Holding Company. The transactions are in compliance with the relevant provisions of the Companies Act, 2013 and are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003). Further the provisions of Foreign Exchange Management Act, 1999 (42 of 1999) are not applicable to the transactions.

(vii)(b) Except as disclosed above, the Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(II) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(viii)

The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(ix) There are no scheme of arrangements which have been filed by the Company under the Act and which have been approved by the competent authority u/s 232 to 237 of the Act.

(x) The provisions of sec 2(87) read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the Company.

(xi) The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

(xii) The Company has not revalued any property plant and equipment and intangible assets.

35. Previous year's figures are regrouped/reclassified, wherever necessary, to correspond with

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InCred Management and Technology Services Private Limited

InCred Management & Technology Services Private Limited

Notes to the Financial Statements

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

As per our report of even date
For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty.

per Sarvesh Warty
Partner
Membership No: 121411

Place: Mumbai
Date: April 27, 2023

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
InCred Management & Technology Services Private Limited
CIN: U72900MH2016PTC273211

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai
Date: April 27, 2023

Vivek Bansal
Whole Time Director and CFO
DIN: 07835456

Place: Mumbai
Date: April 27, 2023

Nikita Hule
Company Secretary
Membership No: A29555

Place: Mumbai
Date: April 27, 2023

InCred Management and Technology Services Private Limited

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of mValu Technology Services Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of mValu Technology Services Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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 Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 Director's Report, but does not include the financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Responsibility of Management and those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the

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Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;;

   (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;

   (h) 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, as amended 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 for which there were any material foreseeable losses;

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

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iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership Number: 121411
UDIN: 23121411BGWEFS4435

Place: Mumbai
Date: April 27, 2023

mValu Technology Services Private Limited

Annexure 1 referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the financial statements of mValu Technology Services Private Limited

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) During the year the Company has provided loans, advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties as follows:

Particulars	Advances in nature of loans
Aggregate amount granted/ provided during the year	Rs 1,800 lakhs
- Subsidiaries - Joint Ventures - Associates - Others	- Nil - Nil - Nil Rs 1,800 lakhs
Balance outstanding as at balance sheet date in respect of above cases - Subsidiaries - Joint Ventures - Associates - Others	 - Nil - Nil - Nil - Nil

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The Company has not provided any guarantees or given any security during the year.

(b) During the year the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

(c) The Company has granted loans and / or advance in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

iv. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable. Further, according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013 in respect of loans, investments and, guarantees, and security have been complied with by the Company.

v. The Company has neither accepted any deposits from public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii. (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a one case. According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues which were not outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of excise, value added tax sales-tax, service tax and duty of custom are not applicable to the Company.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute. The provisions relating to duty of excise, value added tax sales-tax, service tax and duty of custom are not applicable to the Company.

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has complied with provisions of section 62 of the Companies Act, 2013 in respect of the preferential allotment during the year. The funds raised, have been used for the purposes for which the funds were raised.

xi. (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

xiv. (a) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.

(b) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

xvii. The Company has incurred cash losses amounting to Rs. 131.87.81 lakhs in the current year and amounting to Rs. 1,173.08 lakhs in the immediately preceding financial year respectively.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The provisions of Section 135 of the Act are not applicable to the Company and accordingly the requirement to report on clause 3(xx) is not applicable.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership Number: 121411
UDIN: 23121411BGWEFS4435

Place: Mumbai
Date: April 27, 2023

Annexure 2 referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date on the financial statements of mValu Technology Services Private Limited

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

We have audited the internal financial controls with reference to financial statements of mValu Technology Services Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as 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 these 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 these 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 these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 these financial statements.

Meaning of Internal Financial Controls with reference to these Financial Statements

A company's internal financial controls 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 controls 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

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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 control 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financials Controls issued by the ICAI.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sarvesh Warty.

per Sarvesh Warty
Partner
Membership Number: 121411
UDIN: 23121411BGWEFS4435

Place: Mumbai
Date: April 27, 2023

mValu Technology Services Private Limited

BALANCE SHEET AS AT 31 March 2023

(Rs. In lakhs)

Particulars		Note No.	As at 31st March 2023	As at 31st March, 2022
ASSETS				
1 Non-current assets				
(a)	Property, plant and equipment	2	0.69	2.97
Non-current assets			0.69	2.97
2 Current assets				
(a)	Financial Assets			
(i)	Trade Receivables	3	-	1.93
(ii)	Cash and cash equivalents	4	199.25	1,392.64
(iii)	Other bank balances	5	-	12.19
(iv)	Investments	6	1,205.03	261.22
(v)	Other current financial assets	7	59.13	133.64
(b)	Current Tax Assets	8	0.75	23.37
(c)	Other current assets	9	296.89	272.70
Current assets			1,761.04	2,097.69
	TOTAL ASSETS		**1,761.73**	**2,100.66**
EQUITY AND LIABILITIES				
Equity				
(a)	Equity share capital	10 (a)	15.83	2.75
(b)	Preference Share Capital	10 (b)	-	110.43
(c)	Other Equity	10 (c)	1,722.19	1,930.88
Total equity			1,738.01	2,044.06
Liabilities				
(1) Non-Current liabilities				
(i)	Long term provisions	11	-	0.56
			-	0.56
(2) Current liabilities				
(i)	Financial liabilities			
(a)	Trade payables			
	Total outstanding dues of micro enterprise and small enterprises		-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	12	13.23	25.59
(b)	Other current financial liabilities	13	9.95	22.19
(ii)	Other current liabilities	14	0.54	8.22
(iii)	Short term provisions	15	-	0.04
Total current liabilities			23.71	56.04
TOTAL EQUITY AND LIABILITIES			**1,761.73**	**2,100.66**

Significant accounting policies 1

The accompanying notes form an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership No: 121411

Place: Mumbai
Date: April 27, 2023

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
mValu Technology Services Private Limited
CIN: U74999MH2018PTC313289

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai

Prithviraj Chandrasekhar
Director
DIN: 07869747

Place: Mumbai

mValu Technology Services Private Limited *

mValu Technology Services Private Limited

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st March 2023

(Rs. In lakhs)

Particulars	Note No.	For the year ended 31st March 2023	For the year ended 31st March 2022
I. Revenue From Operations	16	2.99	3.79
II. Other Income	17	69.64	123.90
III. **Total Income (I+II)**		**72.62**	**127.69**
IV. **EXPENSES**			
(a) Finance Costs	18	-	3.78
(b) Employee Benefits Expense	19	18.17	(58.06)
(c) Depreciation and amortization expense	2	2.27	32.90
(d) Other Expenses	20	360.26	1,037.25
Total Expenses (IV)		**380.70**	**1,015.87**
V. Profit / (loss) before exceptional items and tax (III - IV)		(308.08)	(888.18)
VI. Exceptional Items		-	-
VII. **Profit / (loss) before tax (V - VI)**		**(308.08)**	**(888.18)**
VIII. Tax Expense:			
(a) Current Tax		-	-
(b) Deferred Tax	26	-	-
IX. **Profit / (loss) for the period from operations**		**(308.08)**	**(888.18)**
X. **Other comprehensive income**			
(a) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability/(asset)		0.75	14.74
Income tax relating to items that will not be reclassified to profit or loss		-	-
Subtotal (a)		0.75	14.74
(b) Items that will be reclassified to profit or loss			
Debt instruments through other comprehensive income		1.28	4.08
Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (b)		1.28	4.08
Other comprehensive income / (loss) (a + b)		2.04	18.82
XI. **Total comprehensive income for the period (comprising Profit (loss) and other**		**(306.04)**	**(869.36)**
XII. **Earnings per Equity Share**	22		
Basic (Rs.)		**(216.77)**	**(4,619.50)**
Diluted (Rs.)		**(216.77)**	**(4,619.50)**

Significant accounting policies 1

The accompanying notes form an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership No: 121411

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors of
mValu Technology Services Private Limited
CIN: U74999MH2018PTC313289

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai

Prithviraj Chandrasekhar
Director
DIN: 07869747

Place: Mumbai

mValu Technology Services Private Limited

mValu Technology Services Private Limited

Cash Flow Statement for the year from April 1, 2022 to March 31, 2023

(Rs. in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Cash flow from operating activities		
Profit / (Loss) before tax	(308.08)	(888.18)
Adjustments to reconcile net profit to net cash generated from / (used in) operating activities		
Depreciation and amortisation	2.27	16.67
Interest income on fixed deposits	(3.11)	(0.74)
Net gain on sale of investments	-	(11.53)
Finance cost (Interest on lease liability)	-	3.78
Share based payment	-	(413.83)
Retirement benefit expenses (Gratuity)	-	6.44
Interest income on loan	(2.42)	(71.29)
Interest Income Others	(23.06)	(23.58)
Gain on lease obligation	-	(15.37)
MTM on Debt Instruments through OCI	2.04	-
Loss on Discard of Assets	-	41.69
Operating cash flow before working capital changes	(332.36)	(1,355.94)
Working capital adjustments		
Decrease/(Increase) in other non current financial assets	-	9.82
Decrease/(Increase) in other current assets	(24.19)	(129.04)
Decrease/(Increase) in other current financial assets	(857.11)	(1.14)
Decrease/(Increase) in trade receivables	1.93	(0.08)
(Decrease)/Increase in trade payables	(12.36)	10.15
(Decrease)/Increase in other financial liabilities	(12.25)	(6.89)
(Decrease)/Increase in other current liabilities	(7.69)	(6.48)
(Decrease)/Increase in provisions	(0.59)	(9.82)
Cash generated from operations	(1,244.61)	(1,489.42)
Less: Income taxes paid	22.62	16.43
Net cash (used in) / generated from operating activities	(1,221.99)	(1,472.99)
Cash flow from investing activities		
Sale of property, plant and equipment	-	16.63
Interest income on fixed deposits received during the year	3.11	0.78
Interest Income Others	23.06	23.58
Purchase of Investment	-	(1,800.00)
Sale of Investment	-	2,011.39
ICD given	(1,800.00)	(1,700.00)
ICD repayment received	1,800.00	3,000.00
Interest income on ICD	2.42	105.01
Net cash (used in) investing activities	28.59	1,657.39
Cash Flow from financing activities		
Issue of share capital	-	1.73
Securities premium on issue of share capital	-	998.26
Reversal of rent expenses (Lease rent)	-	(19.17)
Net cash (used in) / generated from financing activities	-	980.82
Net (decrease) in cash and cash equivalents	(1,193.39)	1,165.22
Cash and cash equivalents at the beginning of the year	1,392.64	227.42
Cash and cash equivalents at the end of the year	199.25	1,392.64

Notes:

(a) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow

(b) Cash and cash equivalents comprises of

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	-	-
Balances with banks		
- Current Accounts	199.25	1,392.08
Cash in wallets	-	0.56
Cash and cash equivalents in cash flow statement	199.25	1,392.64

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty.

per Sarvesh Warty
Partner
Membership No: 121411

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors of
mValu Technology Services Private Limited
CIN: U74999MH2018PTC313289

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai

Prithviraj Chandrasekhar
Director
DIN: 07869747

Place: Mumbai

MVALU Technology Services Private Limited *

mValu Technology Services Private Limited
Notes to Financial Statements
Statement of Changes in Equity

A. Equity share capital

Particulars	Rs. in lakhs
At the beginning of the period	1.02
Changes in equity share capital during the period	1.73
As at March 31, 2022	2.75
Changes in equity share capital during the year	13.08
As at March 31, 2023	15.83

B. Compulsorily convertible preference shares ('CCPS')

Particulars	Rs. in lakhs
At the beginning of the period	110.43
Changes in preference share capital during the year	-
As at March 31, 2022	110.43
Changes in preference share capital during the year	(110.43)
As at March 31, 2023	-

C. Other equity

(Rs. in lakhs)

Particulars	Reserves and Surplus				
	Securities Premium	Retained earnings	Share based payment reserve	Debt Instruments through OCI	Total
At the beginning of the period	3,687.38	(2,124.45)	652.88	-	2,215.81
Profit for the period	-	(888.18)	-	-	(888.18)
Other comprehensive income for the period	-	14.74	-	4.08	18.82
Total comprehensive income for the period (net of tax)	-	(873.44)	-	4.08	(869.36)
Transfer / utilisations					
Additions during the period	998.26	-	(413.83)	-	584.43
Utilized during the period	-	-	-	-	-
Balance as at March 31, 2022	4,685.64	(2,997.88)	239.05	4.08	1,930.88
Profit for the year	-	(308.08)	-	-	(308.08)
Other comprehensive income for the year	-	0.75	-	1.28	2.04
Total comprehensive income for the year (net of tax)	-	(307.33)	-	1.28	(306.04)
Transfer / utilisations					
Additions during the year	97.35	235.56	-	-	332.91
Utilized during the year	-	-	(235.56)	-	(235.56)
Balance as at March 31, 2023	4,782.98	(3,069.65)	3.49	5.36	1,722.19

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

per Sarvesh Warty
Partner
Membership No: 121411

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors of
mValu Technology Services Private Limited
CIN: U74999MH2018PTC313289

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai

Prithviraj Chandrasekhar
Director
DIN: 07869747

Place: Mumbai

MVALU Technology Services Private Limited *

mValu Technology services Private Limited

Notes to the Financial Statements

1. Significant Accounting Policies

A. Corporate Information

mValu Technology Services Private Limited was incorporated in India on 31st August 2018, under the provisions of the Companies Act, 2013.

The registered office of the Company is Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra - Kurla Complex, Bandra East, Mumbai – 400051 (erstwhile 321, 3rd Floor, E Block, Kanakia Zillion, LBS Marg , CST Road, Junction, BKC Annexe, Kurla West, Mumbai -400070).

The company is a fintech company which provides web-based solutions to lending institutions for sourcing and distribution of their financial products and loans.

B. Basis of preparation

i. Statement of compliance

The Financial statement of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Company's financial statements were authorized for issue by the Company's Board of Directors on 27th April 2023.

ii. Functional and presentation currency

The financial statement are presented in Indian Rupees ('INR'), which is also the Company's functional currency. All the amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

iii. Basis of measurement

The financial statement have been prepared under the historical cost convention except for the following items:

a. Financial assets and liabilities that are measured at fair value
b. Net defined benefit asset / liability – plan assets are measured at fair value less present value of defined benefit obligation; and
c. Share-based payments - measured at fair value

iv. Use of estimates and judgements

The preparation of financial statement in conformity with Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements, reported amounts of revenues and expenses during the period. Actual results may defer from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions in the accounting estimates are recognised prospectively.

S.R. BATLIBOI & ASSOCIATES LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

MVALU Technology Services Private Limited ★

mValu Technology services Private Limited

Notes to the Financial Statements

C. Significant judgements

i. **Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates 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. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period. Further details are disclosed in Note 32.

ii. **Recognition of deferred tax assets / liabilities**

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases and unutilised business loss and depreciation carry forward and tax credits.

iii. **Recognition and measurement of provisions and contingencies**

The recognition and measurement of other 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.

iv. **Discounting of long-term financial assets / liabilities**

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial assets / liabilities which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

v. **Employee Share based payment**

Share Based payment Employees of the Company receive remuneration in the form of share-based payments in form of employee stock options, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognized in employee benefits expense, together with a corresponding increase in Stock option outstanding reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. The dilutive effect of outstanding options is reflected as additional share dilution in the

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computation of diluted earnings per share. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

Fair valuation of employee share options

The fair valuation of the employee share options is based on the Black-Scholes option pricing model used for valuation of options. Key assumptions and inputs for fair value made with respect to expected volatility includes share price, expected dividends and discount rate, under the Black-Scholes option pricing model. These assumptions / inputs and models are disclosed in Note 31.

vi. Determining whether an arrangement contains a lease

Leases

Where the company is a lessee-

The Ministry of Corporate Affairs ('MCA') notified IND AS 116, the new leases accounting standard on 30th March 2019.IND AS 116 came into force on 1st April 2019.

IND AS 116 have replaced the previous guidance in IND AS 17, 'Leases'. Ind AS 116 defines a lease as a contract, or a part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange of consideration.

IND AS 116 requires lessees to recognize assets and liabilities arising from all leases (except for short term leases and leases of low value assets) in the statement of financial position.

The Company has capitalised all assets currently held under operating leases. Operating lease expenses have been replaced by a depreciation expense on Right to Use assets recognised and an interest expense as the incremental borrowing rate in the lease liability unwinds.

Subsequent measurement of lease liability

After initial measurement, Company measures lease liability by increasing the carrying amount to reflect interest on lease liability and reducing the carrying amount to reflect the lease payments made.

Subsequent measurement of Right-to-use assets:

After initial measurement, Company measures Right-to-use assets at cost less any accumulated depreciation and any adjustment for remeasurement of lease liability, if any.

vii. Impairment of financial assets

The Company recognises loss allowances for expected credit losses on its financial assets measured at amortised cost and FVOCI. At each reporting date, the Company assesses whether financial assets carried at amortised cost 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.

D. Presentation of financial statements

The financial statement of the Company are presented as per Schedule III of the Companies Act, 2013, as notified by the Ministry of Corporate Affairs ('MCA'). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7, Statement of Cash Flows. The disclosure requirements with respect to items in the Balance Sheet and Standalone Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

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Notes to the Financial Statements

E. Significant accounting policies and other explanatory information

a. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management has the overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair values of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets 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 (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

b. Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition.

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Notes to the Financial Statements

ii **Classification and subsequent measurement of financial assets:**

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. The Company classifies its financial assets in the following measurement categories:

Financial assets measured at amortised cost

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment), unless the asset is designated at FVTPL:

i. the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
ii. the Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at Fair value through other comprehensive Income ('FVOCI')

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

a. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
b. the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at Fair Value through Profit and Loss ('FVTPL')

A financial asset which is not classified in above category is subsequently measured at FVTPL. Where assets are measured at fair value, gains and losses are recognized entirely in the Standalone Statement of Profit and Loss.

The assets classified in the aforementioned categories are subsequently measured as follows:

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

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Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the EIR method, foreign gains and losses and impairment are recognised in Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.

Equity investments designated at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment when the right to receive the dividend is established. Other net gains and losses are recognised in OCI and are not reclassified to Statement of Profit and Loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

iii. Classification and subsequent measurement of financial liabilities

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as on initial recognition.

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable and incremental transaction cost.

Amortised 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 amortisation is included as finance costs profit and loss.

The Company's financial liabilities include trade payables and other financial liabilities.

iv. Derecognition

Financial assets

The Company derecognizes a financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) when the contractual rights to receive cash flows from the financial asset expires or it transfers the rights to receive to receive the contractual cash flows in a transaction in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised.

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Financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

When 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and Loss.

v. Offsetting of financial instruments

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

c. Share capital

Ordinary shares

Ordinary and preference shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

d. Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost and FVOCI, trade receivables, other contractual rights to receive cash or other financial asset, not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss 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 (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a

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reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.
Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

e. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at bank, on hand, fixed deposits with an original maturity of six months or less, which are subject to an insignificant risk of changes in value and wallet balances. Digital wallets are virtual wallets holding cash and software accounts. The company is currently engaged in using Happay wallet for employee expenses reimbursement and Cashfree wallet for cashback.

f. Leases

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

Lease payments

Payments made under operating leases are recognised in Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

g. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income ('OCI').

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Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and
b) intends to realise the asset or settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as on the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

h. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

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a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates,

b) any directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Standalone Statement of Profit and Loss.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

ii. Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

iii. Depreciation

Depreciation is provided on straight line basis as per the useful life given under Schedule II of the Companies Act, 2013, and is generally recognised in the Standalone Statement of Profit and Loss.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date which the asset is ready for use (disposed of).

The useful life as per Schedule II are as follows:

Asset	Useful life as per Schedule II
Office equipment	5 years
Computer and hardware	3 years

Leasehold improvements are depreciated every year on SLM basis over the lease term from the date it is put to use.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Management believes that its estimated useful life as given above best represent the period over which management expects to use these assets.

i. Impairment of non-financial assets

The carrying values of assets at each balance sheet date are reviewed to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of the asset is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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If the carrying amount of the assets exceed the estimated recoverable amount, an impairment loss is recognised in the Standalone Statement of Profit and Loss for such excess amount.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such reversal of impairment loss is recognised in the Standalone Statement of Profit and Loss, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

j. Revenue recognition

Revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled to in exchange of services. The company identifies the performance obligation in its contract with customers and recognises revenue as and when the performance obligations are satisfied.

The company collects Goods and Services Tax on behalf of the government and, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Nature of Services:
The main stream of revenue includes commission from sourcing and distribution of financial products and loans.

k. Foreign currency

Transaction and balances

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each closing date, foreign currency monetary items are reported using the closing exchange rate.

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was determined. Exchange differences are recognised in the Statement of Profit and Loss.

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Notes to the Financial Statements

l. Employee benefits

i. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Contribution to provident fund and ESIC

Company's contribution paid/payable during the year to provident fund and ESIC is recognised in the Statement of profit and loss.

iii. Gratuity

Gratuity liability is defined benefit obligation and the cost of providing this benefit is determined on the basis of an actuarial valuation at each year-end. The actuarial valuation is done as per projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit and loss in subsequent periods.

Past service costs are recognised in profit and loss on the earlier of-

- The date of the plan amendment or curtailment and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

m. Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

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

n. Statement of Cashflows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses

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associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

o. Provisions, contingent liabilities and contingent assets

i. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

ii. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

iii. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

iv. Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each reporting date.

p. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise started.

q. Standards issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 01, 2023.

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Notes to the Financial Statements

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments applies to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101.

The above amendments are applicable for annual periods beginning on or after April 01, 2023.The Company is currently assessing the impact of the amendments.

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Notes to the Financial Statements (continued)

2. Property, plant and equipment

For the year ended 31st March 2023

(Rs. in lakhs)

Particulars	Office equipment	Leasehold Improvements	Computers / Hardware	Right to Use Asset	Total
Year ended March 31, 2022					
At carrying cost at the beginning of the year	-	-	19.59	-	19.59
Additions during the year	-	-	-	-	-
Disposals	-	-	-	-	-
Gross carrying value as March 31, 2023 (A)	-	-	**19.59**	-	**19.59**
Accumulated depreciation as at the beginning of the year	-	-	16.63	-	16.63
Depreciation for the year	-	-	2.27	-	2.27
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2023 (B)	-	-	**18.91**	-	**18.91**
Net carrying value as at March 31, 2023 (A-B)	-	-	**0.69**	-	**0.69**

For the year ended 31st March 2022

(Rs. in lakhs)

Particulars	Office equipment	Leasehold Improvements	Computers / Hardware	Right to Use Asset	Total
Year ended March 31, 2022					
At carrying cost at the beginning of the period	5.93	67.17	22.41	113.04	208.55
Additions during the period	-	-	-	-	-
Deletions during the period	(5.93)	(67.17)	(2.81)	(113.04)	(188.95)
Gross carrying value as March 31, 2022 (A)	-	-	**19.60**	-	**19.60**
Accumulated depreciation as at the beginning of the period	2.39	29.53	11.07	51.96	94.95
Depreciation for the period	0.67	8.76	7.24	16.23	32.90
Disposals	(3.06)	(38.29)	(1.68)	(68.19)	(111.22)
Accumulated depreciation as at March 31, 2022 (B)	-	-	**16.63**	-	**16.63**
Net carrying value as at March 31, 2022 (A-B)	-	-	**2.97**	-	**2.97**

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Notes to the Financial Statements (continued)

Note 3
Trade Receivables

(Rs. In lakhs)

Particulars	As at 31st March 2023	As at 31st March, 2022
Less than 6 months Unsecured, considered good	-	1.93
Less: Allowance for impairment loss	-	-
Total	-	**1.93**

Note 4
Cash and cash equivalents

Particulars	As at 31st March 2023	As at 31st March, 2022
Cash on hand	-	-
Balances with banks	199.25	1,392.08
Cash in wallets	-	0.56
Total	**199.25**	**1,392.64**

Note 5
Other Bank Balances

Particulars	As at 31st March 2023	As at 31st March, 2022
Fixed Deposit with banks	-	12.19
Total	-	**12.19**

Note 6
Investments

Particulars	As at 31st March 2023	As at 31st March, 2022
Investment in Bonds at FVOCI	264.03	261.22
SBI Mutual Fund	941.00	-
Total	**1,205.03**	**261.22**

Note 7
Other Current Financial Assets

Particulars	As at 31st March 2023	As at 31st March, 2022
Security Deposit*	252.39	152.96
Allowance for impairment loss	(193.26)	(19.32)
Net	**59.13**	**133.64**
FLDG		
Receivables from Customers	-	105.13
Impairment under ECL	-	(105.13)
Net	-	-
Total	**59.13**	**133.64**

*The company had entered a co-branding arrangement with State Bank of Mauritius (SBM or the issuing Bank) and Happay (service Provider) with respect to issuance of credit cards by SBM. The company is required to maintain minimum security deposit with the service provider at all times as per the agreement. Under Ind AS, basis transfer of risk and rewards, the Company has classified the same as a financial asset and an ECL charge has been created on this security deposit.

Note 8
Current Tax Assets

Particulars	As at 31st March 2023	As at 31st March, 2022
TDS receivable	0.75	23.37
Total	**0.75**	**23.37**

Note 9
Other current assets

Particulars	As at 31st March 2023	As at 31st March, 2022
GST receivable	293.13	261.83
Prepaid expenses	-	3.52
Advance to Vendors	3.76	7.35
Total	**296.89**	**272.70**

S.R. BATLIBOI & ASSOCIATES LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

MVALU Technology Services Private Limited ★

mValu Technology Services Private Limited

Notes to the Financial Statements (continued)

10 (A) Equity share capital

Particulars	As at 31st March 2023		As at 31st March, 2022	
	Number	Rs in lakhs.	Number	Rs in lakhs.
Authorised Capital				
Equity share capital of Rs. 10 /- each	2,00,000	20.00	2,00,000	20.00
	2,00,000	20.00	2,00,000	20.00
Issued, subscribed and paid up capital				
Equity Shares of Rs. 10/- each fully paid up	1,58,250	15.83	27,450	2.75
Total	1,58,250	15.83	27,450	2.75

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Equity shares held by promoters of the company

Out of the equity shares issued by the company, shares held by its promoters:

Name of the shareholder	As at 31st March 2023			As at 31st March, 2022		
	No. of shares held	% Holding in class	% Holding in all classes	No. of shares held	% Holding	% Holding in all classes
Finexpressway Pte. Ltd.	29,967	18.94%	18.94%	9,989	36.39%	6.31%
Amit Bordia (Ceased to exist due to death w.e.f 1st March 2023)	30	0.02%	0.02%	10	0.04%	0.01%

Details of shareholder(s) holding more than 5% of equity shares in the company

Name of the shareholder	As at 31st March 2023			As at 31st March, 2022		
	No. of shares held	% Holding in class	% Holding in all classes	No. of shares held	% Holding	% Holding in all classes
Equity Shares						
Finexpressway Pte. Ltd.	29,967	18.94%	18.94%	9,989	36.39%	6.31%
Booth Fintech Private Limited	1,19,990	75.82%	75.82%	17,240	62.81%	10.89%

Equity Reconciliation

Particulars	As at 31st March 2023		As at 31st March, 2022	
	Number	Rs. in lakhs	Number	Rs. in lakhs
At the beginning of the year/period	27,450	2.75	10,200	1.02
Add: Issued during the year/period	1,30,800	13.08	17,250	1.73
Less: Bought during the year/period	-	-	-	-
At the end of the period	1,58,250	15.83	27,450	2.75

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MVALU Technology Services Private Limited

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Notes to the Financial Statements (continued)

10 (B) Preference share capital

Particulars	As at 31st March 2023		As at 31st March, 2022	
	Number	Rs in lakhs.	Number	Rs in lakhs.
Authorised Capital				
Compulsory Convertible Preference share of Rs 10/- each	11,47,000	114.70	11,47,000	114.70
	11,47,000	114.70	11,47,000.00	114.70
Issued, subscribed and paid up capital				
Compulsory Convertible Preference share of Rs 10/- each	-	-	11,04,265	110.43
Total	-	-	11,04,265	110.43

Terms/rights attached to Compulsory Convertible Preference Shares (CCPS)

Class A CCPS

During the year the Company did not issue any Non-cumulative, Non-participating compulsorily convertible preference shares of Rs. 10/- each. The CCPS carry a preferential right vis-à-vis Equity shares of the company with respect to payment of dividend and repayment in case of a winding up or repayment of capital.

The Class A CCPS shall carry a preferential right to be paid an aggregate non-cumulative annual dividend of 0.001%, payable when and if declared by the Board. Holder of Class A CCPS shall also be entitled to receive any dividends as may be declared by the Company on a pro-rata basis, at the same rate as the holders equity shares, on an "as converted basis".

Class B CCPS

During the year the Company did not issue any cumulative, participating compulsorily convertible preference shares of Rs. 10/- each. The CCPS carry a preferential right vis-à-vis Equity shares of the company with respect to payment of dividend and repayment in case of a winding up or repayment of capital.

The Class B CCPS shall carry a pre-determined cumulative dividend rate of 0.01% (zero point zero one per cent) per annum. In addition, if the Company declares dividend in excess of 0.01% (zero point zero one per cent) to the holders of Equity Shares, the Holders shall be entitled to dividend at such higher rate. The dividend shall be payable in the event the Board declares any dividend for the relevant year and shall be paid in priority to other classes of Shares but pari passu with the holders of other classes of Preference Shares (except the Class A CCPS) eligible for participation in dividend along with the holders of Equity Shares.

Class C CCPS

During the year the Company did not issue any non-cumulative, participating compulsorily convertible preference shares of Rs. 10/- each. The CCPS carry a preferential right vis-à-vis Equity shares of the company with respect to payment of dividend and repayment in case of a winding up or repayment of capital.

The Class C CCPS shall carry a preferential right to be paid an aggregate non-cumulative annual dividend of 0.001%, payable when and if declared by the Board. Holder of Class C CCPS shall also be entitled to receive any dividends as may be declared by the Company on a pro-rata basis, at the same rate as the holders equity shares, on an "as converted basis".

Class D CCPS

During the year the Company did not issue any non-cumulative, participating compulsorily convertible preference shares of Rs. 10/- each. The Class D CCPS carry a preferential right vis-à-vis Equity shares of the company with respect to payment of dividend and repayment in case of a winding up or repayment of capital.

The Class D CCPS shall carry a pre-determined cumulative dividend rate of 0.01% (zero point zero one per cent) per annum. In addition, if the Company declares dividend in excess of 0.01% (zero point zero one per cent) to the holders of Equity Shares, the Holders shall be entitled to dividend at such higher rate. The dividend shall be payable in the event the Board declares any dividend for the relevant year and shall be paid in priority to other classes of Shares but pari passu with the holders of other classes of Preference Shares (except the Class A CCPS) eligible for participation in dividend along with the holders of Equity Shares.

Compulsorily Convertible Preference shares held by promoters of the company

Out of the Compulsorily Convertible Preference shares issued by the company, shares held by its promoters:

Name of the shareholder	As at 31st March 2023			As at 31st March, 2022		
	No. of shares held	% Holding in class	% Holding in all classes	No. of shares held	% Holding	% Holding in all classes
Finexpressway Pte. Ltd.	-	0.00%	0.00%	19,978	1.81%	12.62%
Amit Bordia (Ceased to exist due to death w.e.f 1st March 2023)	-	0.00%	0.00%	20	0.00%	0.01%

Details of shareholder(s) holding more than 5% of Preference shares in the company

Name of the shareholder	As at 31st March 2023			As at 31st March, 2022		
	No. of shares held	% Holding in class	% Holding in all classes	No. of shares held	% Holding	% Holding in all classes
Elevar I-IV AIF	-	0.00%	0.00%	8,80,321	79.72%	28.44%
Booth Fintech Private Limited	-	0.00%	0.00%	1,95,694	17.72%	36.49%

Compulsorily Convertible Preference shares Reconciliation

Particulars	As at 31st March 2023		As at 31st March, 2022	
	Number	Rs. in lakhs	Number	Rs. in lakhs
At the beginning of the year/period	11,04,265	110.43	11,04,265	110.43
Add: Issued during the year/period	-	-	-	-
Less: Converted during the year/period	11,04,265	110.43	-	-
At the end of the period	-	-	11,04,265	110.43

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Notes to the Financial Statements (continued)

10 (C) Other equity

(Rs. In lakhs)

Particulars	Reserves & Surplus				
	Securities Premium	Retained earnings	Share based payment reserve	Debt Instruments through OCI	Total
Balance as at March 31, 2021	**3,687.38**	**(2,124.45)**	**652.88**	**-**	**2,215.81**
Profit for the year	-	(888.18)	-	-	(888.18)
Other comprehensive income for the year	-	14.74	-	4.08	18.82
Total comprehensive income for the year (net of tax)	**-**	**(873.44)**	**-**	**4.08**	**(869.36)**
Transfer / utilisations					
Additions during the year	998.26	-	(413.83)	-	584.43
Utilized during the year	-	-	-	-	-
Balance as at March 31,2022	**4,685.64**	**(2,997.89)**	**239.05**	**4.08**	**1,930.88**
Profit for the year	-	(308.08)	-	-	(308.08)
Other comprehensive income for the year	-	0.75	-	1.28	2.04
Total comprehensive income for the year (net of tax)	**-**	**(307.33)**	**-**	**1.28**	**(306.04)**
Transfer / utilisations					
Additions during the year	97.35	235.56	-	-	**332.91**
Utilized during the year	-	-	235.56	-	**235.56**
Balance as at March 31,2023	**4,782.98**	**(3,069.65)**	**3.49**	**5.36**	**1,722.19**

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Notes to the Financial Statements (continued)

Note 11
Long term provisions

(Rs. In lakhs)

Particulars	As at 31st March 2023	As at 31st March, 2022
Provision for gratuity	-	0.56
Total	**-**	**0.56**

Note 12
Trade payables

Particulars	As at 31st March 2023	As at 31st March, 2022
Total outstanding dues other than micro enterprises and small enterprises	13.23	25.59
Total	**13.23**	**25.59**

Note 13
Other current financial liabilities

Particulars	As at 31st March 2023	As at 31st March, 2022
Other payables	0.13	1.55
Employee Expenses Payable	-	0.28
Payable to related parties	2.36	2.36
Provision for expenses	7.45	18.00
Total	**9.95**	**22.19**

Note 14
Other current liabilities

Particulars	As at 31st March 2023	As at 31st March, 2022
Statutory dues payable	0.54	8.22
Total	**0.54**	**8.22**

Note 15
Short term provisions

Particulars	As at 31st March 2023	As at 31st March, 2022
Provision for Expected Credit Loss	-	0.04
Total	**-**	**0.04**

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Notes to the Financial Statements (continued)

Note 16
Revenue From Operations

(Rs. In lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Sale of services	2.99	3.79
Total	**2.99**	**3.79**

Note 17
Other Income

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Net gain on sale of investments	-	11.53
Gain on Lease Obligation	-	14.85
Interest Income earned on		
Interest income on fixed deposits	3.11	0.74
Interest income on ICD	2.42	71.29
Interest income - others	1.26	2.41
Unwinding of security deposit	-	0.43
Fair value gain on Mutual Fund units	41.04	-
On Financial Assets measured at fair value through Other Comprehensive Income:		
Interest Income on Bonds	20.88	21.17
Net gain on sale of Debt Instruments	-	1.48
Miscellaneous Income	0.93	
Total	**69.64**	**123.90**

Note 18
Finance Costs

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest on lease liability	-	3.78
Total	**-**	**3.78**

Note 19
Employee Benefit Expenses

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Salaries and wages	17.31	338.79
Staff welfare expenses	0.29	6.10
Contribution to provident and other funds	0.38	4.43
Equity settled share based expenses	-	(413.83)
Retirement Benefits	0.20	6.44
Total	**18.17**	**(58.06)**

Note 20
Other Expenses

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Advertisement, publicity and sales promotion expenses	14.06	14.73
Credit report expenses	4.56	12.53
Office Expenses	0.11	2.68
Legal, professional and consultancy charges	54.69	708.37
Auditors Remuneration	9.15	5.35
License Fees	-	56.00
Operation and Collection costs	17.11	39.80
Operational and other miscellaneous expenses	4.74	2.74
Rates and taxes	-	1.30
Recruitment Charges	0.33	1.90
Rent	0.65	6.09
Balances written off	105.13	-
Technology expenses	77.42	60.04
Travelling and reimbursements	0.01	1.31
Stamp Duty	3.48	-
Provision for Bad Debts	68.81	82.72
Loss on Discard of assets	-	41.69
Total	**360.26**	**1,037.25**

Payment to auditors:

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Auditor's remuneration		
- Audit Fees	9.15	5.35
Total	9.15	5.35

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

MVALU Technology Services Private Limited

mValu Technology Services Private Limited
Notes to the Financial Statements (continued)

21. Fair value measurements

A. Accounting classification

Carrying amounts of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below :

(Rs. in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial assets						
Cash and cash equivalents	-	-	199.25	-	-	1,392.64
Other Bank Balances	-	-	-	-	-	12.19
Investments	941.00	264.03	-	-	261.22	-
Receivables:						
(i) Trade receivables	-	-	-	-	-	1.93
Other current financial assets	-	-	59.13	-	-	133.64
Total financial assets	**941.00**	**264.03**	**258.38**	-	**261.22**	**1,540.40**
Financial liabilities						
Payables						
(i) Trade payables	-	-	13.23	-	-	25.59
Other current financial liabilities:						
(i) Other financial liabilities	-	-	9.95	-	-	22.19
Total financial liabilities	-	-	**23.18**	-	-	**47.78**

B. Fair Value

Fair values of financial assets and financial liabilities measured at fair value, including their levels in the fair value hierarchy, are presented below.

(Rs. in lakhs)

Particulars	Fair value							
	As at March 31, 2023				As at March 31, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment in Mutual Fund	941.00	-	-	941.00	-	-	-	-
Investment in debt securities	264.03	-	-	264.03	261.22	-	-	261.22
Total	**1,205.03**	-	-	**1,205.03**	**261.22**	-	-	**261.22**

This section explains the judgments and estimates made in determining the fair value of the financial instrument that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard.

(Rs. in lakhs)

Particulars	Fair value				Fair value			
	As at March 31, 2023				As at March 31, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	199.25	-	-	199.25	1,392.64	-	-	1,392.64
Bank balance other than cash and cash equivalents	-	-	-	-	12.19	-	-	12.19
Investments	1,205.03	-	-	1,205.03	261.22	-	-	261.22
Receivables								
(i) Trade receivables	-	-	-	-	-	-	1.93	1.93
Other current financial assets	-	-	59.13	59.13	-	-	133.64	133.64
Total	**1,404.27**	-	**59.13**	**1,463.41**	**1,666.05**	-	**135.57**	**1,801.62**
Financial Liabilities								
Payables								
(i) Trade payables	-	-	13.23	13.23	-	-	25.59	25.59
Other current financial liabilities:								
(i) Other financial liabilities	-	-	9.95	9.95	-	-	22.19	22.19
Total	-	-	**23.18**	**23.18**	-	-	**47.78**	**47.78**

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

MVALU Technology Services Private Limited

mValu Technology Services Private Limited
Notes to the Financial Statements (continued)

21. Fair value measurements *(continued)*

(Rs. in lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Cash and cash equivalents	199.25	199.25	1,392.64	1,392.64
Other Bank Balances	-	-	12.19	12.19
Receivables				
(i) Trade receivables	-	-	1.93	1.93
Other current financial assets				
(i) Investments	1,205.03	1,205.03	261.22	261.22
(ii) Other than Investments	59.13	59.13	133.64	133.64
Total	**1,463.40**	**1,463.40**	**1,801.62**	**1,801.62**
Financial liabilities				
Payables				
(i) Trade payables	13.23	13.23	25.59	25.59
Other current financial liabilities:				
(i) Other financial liabilities	9.95	9.95	22.19	22.19
Total	**23.18**	**23.18**	**47.78**	**47.78**

Except for those financial instruments for which the carrying amounts are mentioned in the above table, the Company considers that the carrying amounts recognised in the financial statements approximate their fair values. For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

C. Measurement of fair values

The following sets out the Company's basis of establishing fair values of amortised cost financial instruments and their classification between Levels 1, 2 and 3. As certain categories of financial instruments are not actively traded, there is a significant level of management judgement involved in calculating the fair values:

Financial instruments held at amortised cost

i. Cash and bank balance:
The fair value of cash and balances with bank is their carrying amounts

ii. Other financial assets:
Other financial assets comprise primarily of advances to related parties and other advances. The carrying amount of these financial instruments is considered to be a reasonable approximation of fair value as they are either short term in nature.

iii. Other financial liabilities:
Other financial liabilities comprise primarily of other payables. The carrying amount of these financial instruments is considered to be a reasonable approximation of fair value as they are short term in nature.

Financial instruments held at fair value

i. Investment in debt securities:
Fair value is based on market-observable data such as secondary market prices for its traded debt and where no data is available, it is estimated using market yield on the balance period to maturity on similar instruments using G-Sec rates adjusted for credit risk of the instruments.

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MVALU Technology Services Private Limited *

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Notes to the Financial Statements (continued)

22. Earnings per share

Basic and diluted EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

i. Profit attributable to Equity shareholders:

(Rs. in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit/(Loss) attributable to equity holders of the Company used in calculating basic earnings per share	(308.08)	(888.18)
Profit/(Loss) attributable to equity holders of the Company used in calculating diluted earnings per share	(308.08)	(888.18)

ii. Weighted average number of ordinary shares

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,42,124	19,227
Add: Adjustments for calculation of diluted earnings per share	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	1,42,124	19,227
Basic earnings per share	**(216.77)**	**(4,619.50)**
Diluted earnings per share	**(216.77)**	**(4,619.50)**

Note: Diluted Earnings per share does not have the impact of conversion of compulsorily convertible preference shares and Employee stock option plan as the same are anti-dilutive.

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MVALU Technology Services Private Limited

23. Financial risk management

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance. The financial risks are monitored by its Board of Directors.

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 i.e. receivables from customers.

i) Credit risk management

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the company through continuous monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

(in lakhs)

Particulars	Asset group	Gross carrying amount of financial assets	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	**Other current financial assets**			
	- Trade Receivable			
	March 31, 2023	-		-
	March 31, 2022	1.93	-	1.93
	- Investment in Debt Securities			
	March 31, 2023	253.21	(0.04)	253.25
	March 31, 2022	251.93	0.04	251.89
Lifetime Loss allowance measured at lifetime credit losses not credit impaired	**-Receivable from Customers**			
	March 31, 2023	-	-	-
	March 31, 2022	105.13	105.13	-
	-Security Deposit			
	March 31, 2023	252.39	193.26	59.13
	March 31, 2022	152.96	19.32	133.64

Maximum exposure to credit risk

The table below shows the maximum exposure to credit risk for recognised financial instruments. The extent to which collateral and other credit enhancements mitigate the maximum exposure to credit risk is described in the footnotes to the table. For financial assets recognised on the balance sheet, the maximum exposure to credit risk equals their carrying amount.

(Rs. in lakhs)

Particulars	Gross Exposure As at March 31, 2023	Gross Exposure As at March 31, 2022
Cash and cash equivalent	199.25	1,392.64
Other Bank Balances	-	12.19
Investments	1,205.03	261.22
Receivables		
(i) Trade receivables	-	1.93
Other current financial assets	59.13	133.64
Total credit risk exposure	**1,463.40**	**1,801.62**

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Reconciliation of Loss Allowance

For other financial assets

For the period ended March 31, 2023

(Rs. in lakhs)

Reconciliation of Loss Allowance	Loss allowance measured at 12 month expected losses	Financial assets for which risk has increased significantly and not credit impaired	Loss allowance measured at life-time expected losses
Loss allowance at the beginning of the year	0.04	-	101.93
Additions during the year	(0.07)	-	68.81
Loss allowance as on March 31, 2023	(0.03)	-	170.74

For the year ended March 31, 2022

(Rs. in lakhs)

Reconciliation of Loss Allowance	Loss allowance measured at 12 month expected losses	Financial assets for which risk has increased significantly and not credit impaired	Loss allowance measured at life-time expected losses
Loss allowance at the beginning of the period	0.10	-	19.20
Additions during the period	(0.06)	-	82.73
Loss allowance as on March 31, 2022	0.04	-	101.93

Offsetting financial assets and financial liabilities

There are no financial assets and financial liabilities which are subject to offsetting, enforceable master netting arrangements or similar agreements.

B. Liquidity risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no outstanding loans and bank borrowings. The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

C. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company has no outstanding loans and bank borrowings. Accordingly, no interest risk is perceived.

D. Price risk

Equity price risk is the risk that the fair value of equities decreases as the result of changes in the level of equity indices and individual stocks. Since, the company does not hold any equity investments, it is not exposed to price risk.

24. Capital management

For the purpose of Company's capital management, capital includes issued capital and other equity reserves attributable to equity shareholders of the Company. The primary objective of the Company while managing the capital is to safeguard its ability to continue as going concern and to maintain an optimal capital structure so as to maximise shareholder value.
As at March 31, 2023, the Company has one class of equity shares and no debt. Consequent to this capital structure there are no externally imposed capital requirements. In order to maintain and achieve and optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plan.

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mValu Technology Services Private Limited *

mValu Technology Services Private Limited
Notes to the Financial Statements (continued)

25. Related party disclosures

A. Names of related parties and nature of relationship:

Key Managerial Personnel (KMP)

Name of the Director	Designation	DIN
Mr. Amit Bordia (Ceased to Exist due to Death w.e.f 1st March 2023)	Director & CEO	06371418
Ms. Jyotsna Krishnan (upto 27th October 2021)	Director	06572288
Ms. Kripa Joy (upto 31st May 2022)	Director	09463194
Mr. Kamlesh Dangi (w.e.f. 23rd June 2022)	Director	05152439
Mr. Bhupinder Singh	Director	07342318

Holding Company:
Booth Fintech Private Limited (w.e.f May 21, 2022)

Ultimate holding Company:
Incred Prime Finance Limited (formerly known as InCred Financial Services Limited) (w.e.f May 21, 2022, upto July 26, 2022)
InCred Financial Services Limited (formerly known as KKR India Financial Services Limited) (w.e.f July 26, 2022)

Fellow Subsidiaries
InCred Management and Technology Service Private Limited
Incred.AI Limited

Associate Company:
Booth Fintech Private Limited (upto May 20, 2022)
Incred Prime Finance Limited (formerly known as InCred Financial Services Limited) (upto May 20, 2022)

Enterprises owned or significantly controlled by KMP
InCred Capital Financial Services Private Limited
InCred Wealth and Investment Services Private Limited

B. Transactions with related parties

Amount due to KMP

(Rs. in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Amount payable	2.36	2.36

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mValu Technology Services Private Limited

mValu Technology Services Private Limited
Notes to the Financial Statements (continued)

25. Related party disclosures *(continued)*

B. Transactions with related parties

Related party relationships, transactions and balances

The aforementioned Note provides information about the Company's structure including the details of the subsidiaries and the holding company.

The following table provides total amount of transactions that have been entered into with related parties for the relevant financial year:

(Rs. In lakhs)

Sr. No	Nature of transactions	Ultimate Holding Company	Associate Company	Enterprises owned or significantly controlled by KMP
1	**ICD given**			
	March 31, 2023	800.00	-	1,000.00
	March 31, 2022	-	1,700.00	-
2	**ICD repayment received**			
	March 31, 2023	800.00	-	1,000.00
	March 31, 2022	-	3,000.00	-
3	**FLDG paid**			
	March 31, 2023	-	-	-
	March 31, 2022	-	56.57	-
4	**Interest on ICD received**			
	March 31, 2023	1.02	-	1.40
	March 31, 2022	-	71.29	-
5	**Commission Income received**			
	March 31, 2023	-	-	-
	March 31, 2022	-	0.07	-
6	**License Fees expense**			
	March 31, 2023	-	-	-
	March 31, 2022	-	56.00	-
7	**Management Support Fees**			
	March 31, 2023	-	-	-
	March 31, 2022	-	300.00	-
8	**Professional Fees**			
	March 31, 2023	-	-	-
	March 31, 2022	-	-	250.00
9	**Rent expense**			
	March 31, 2023	0.55	0.10	-
	March 31, 2022	-	0.55	-

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MVALU Technology Services Private Limited

mValu Technology Services Private Limited
Notes to the Financial Statements (continued)

25. Related party disclosures *(continued)*
B. Transactions with related parties

Summary of balance payable to the aforementioned related are as follows:

(Rs. In lakhs)

Sr. No.	Nature of transactions	Ultimate Holding Company	Associate Company	Enterprises owned or significantly controlled by KMP
1	**Commission receivable**			
	March 31, 2023	-	-	-
	March 31, 2022	-	0.01	-
2	**License Fees payable**			
	March 31, 2023	-	-	-
	March 31, 2022	-	15.12	-

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MVALU Technology Services Private Limited *

26. Deferred Tax

The Company has not recognised deferred tax asset in absence of reasonable certainty that sufficient future taxable income will be available against which deferred tax asset can be realised.

The Company has opted for reduced tax rates for domestic companies as introducted under section 115BAA of the Income Tax Act, 1961.

27. Foreign Currency Transactions

(Rs. in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Expenditure in foreign currency		
Technology expenses	5.02	8.97
Total	**5.02**	**8.97**

28. Contingent liabilities and commitments

The Company does not have any contingent liabilities and commitments as at the balance sheet date.

29. Micro, Small and Medium Enterprises Development

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, as at March 31, 2023, no dues were outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act till March 31, 2023.

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

MVALU Technology Services Private Limited

mVaIu Technology Services Private Limited
Notes to the Financial Statements (continued)

30. Share-based payment arrangements

A. Description of share-based payment arrangements

i. Share option plans (equity-settled)

The Company has Employee Incentive Plan under which options have been granted to eligible employees to be vested from time to time.
The Company has established share option plans that entitle the employees of the Company to purchase the shares of the Company. Under these plans, holders of the vested options are entitled to purchase shares at the exercise price of the shares determined at the respective date of grant of options.

A. Measurement of fair values

Equity-settled share-based payment arrangements
The fair value of the employee share options has been measured using Black-Scholes Option pricing model.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment options granted during the year are as follows:

Date of Grant	Exercise price	Share Price on Grant Date	Volatility Assumption	Expected Term	Dividend Assumption	Discount Rate	Fair value (Cost) of ESOP
31-May-19	10.00	7,860.24	60%	3 Years	0%	6.71%	7,852.06
31-May-19	10.00	7,860.24	60%	4 Years	0%	6.87%	7,852.64

Date of Grant	Exercise price	Share Price on Grant Date	Volatility Assumption	Expected Term	Dividend Assumption	Discount Rate	Fair value (Cost) of ESOP
10-Jun-19	7,860.24	7,860.24	60%	3 Years	0%	6.64%	3,593.42
10-Jun-19	7,860.24	7,860.24	60%	4 Years	0%	6.85%	4,136.75
10-Jun-19	7,860.24	7,860.24	60%	5 Years	0%	7.03%	4,593.28
10-Jun-19	7,860.24	7,860.24	60%	6 Years	0%	7.16%	4,980.96

Expense to be recognised

Date of Grant	Total Cumulative Expense Till 31-03-2023	Expense Booked till 31-03-2022	Expenses in FY 22-23
31-May-19	-	2,35,56,180	(2,35,56,180)
10-Jun-19	3,49,735	3,49,735	-
Total	3,49,735	2,39,05,915	(2,35,56,180)

Movement of ESOP Reserve

Particulars	31 March 2023	31 March 2022
Outstanding reserve at the beginning of the year	2,39,05,915	6,52,88,565
Expense recognised / (reversed) during the year	-	(4,13,82,650)
Vested Options Lapse Transfer to General Reserve	(2,35,56,180)	-
Closing Reserve at the end of the year	3,49,735	2,39,05,915

Table Showing options movement during year:

Particulars	31 March 2023	31 March 2022
Outstanding at the beginning of the year	3,094	8,942
Forfeited during the year	3,000	5,848
Outstanding at the end of the year	94	3,094
Exercisable at the end of the year	94	3,094

Table showing Weighted-average exercise prices of options

Particulars	31 March 2023	31 March 2022
Outstanding at the beginning of the year	248.50	216.31
Granted during the year	0.00	0.00
Forfeited during the year	10.00	199.28
Expired during the year	0.00	0.00
Exercised during the year	0.00	0.00
Outstanding at the end of the year	7860.24	248.50
Exercisable at the end of the year	7860.24	248.50

Table Showing Stock Options outstanding at the end of period

Particulars	31 March 2023	31 March 2022
Exercise Price (INR)		
Grant Date: 31 May, 2019	0.00	10.00
Grant Date: 10 June, 2019	7,860.24	7,860.24
Weighted average remaining contractual life (Years)		
Grant Date: 31 May, 2019	0.00	9.82
Grant Date: 10 June, 2019	7.43	10.58

Table Showing Fair value and underlying assumptions for Stock Options Granted during year:

Particulars	31 May 2019	10 June 2019
Grant Date	31 May 2019	10 June 2019
Option Price Model	Black Scholes Method	Black Scholes Method
Exercise Price	10.00	7,860.24
Share Price on Grant Date	7,860.24	7,860.24
Expected Volatility	60.00%	60.00%
Expected time to exercise shares	3 to 4 years	3 to 6 years
Risk-free rate of return	6.71% - 6.87%	6.64% - 7.16%
Dividend Yield	0.00%	0.00%
Fair Value of ESOP at Grant Date	7,852.06-7,852.64	3,593.42-4,980.96

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mVALU Technology Services Private Limited

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Notes to the Financial Statements (continued)

31. Employee benefit

1) Provident Fund

The Company has recognised the following amounts in the Profit & Loss Account towards contributions to provident fund and other funds:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contribution to Provident Fund and other funds	0.38	4.43

2) Gratuity

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.
Salary escalation & attrition rate are considered as advised by the company; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.
Maturity Analysis of Benefit Payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above.
Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

(A) Qualitative Disclosures

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

(ii) 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 Government securities 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 Asset liability matching risk as to the matching cash flow. Company 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.

(iii) Characteristics of defined benefit plans
During the year, there were no plan amendments, curtailments and settlements. Gratuity plan is unfunded.

(B) Quantitative Disclosures

Every employee who will complete five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service, subject to ceiling of INR 20,00,000.

(i) Table showing change in the present value of projected benefit obligation

(Rs. in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Change in benefit obligations		
Present value of benefit obligation at the beginning of the year	0.56	8.85
Interest cost	0.01	0.49
Current Service cost	0.19	5.95
Liability Transferred In/Acquisition	-	-
Actuarial (Gains) on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains) on Obligations - Due to Change in Financial Assumptions	-	(0.02)
Actuarial Losses on Obligations - Due to Experience	(0.75)	(14.72)
Liability at the end of the year	-	0.56

(ii) Amount recognized in the Balance Sheet

(Rs. in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Present value of benefit obligation at the end of the year	-	(0.56)
Fair value of plan assets at the end of the year	-	-
Funded Status (Deficit)	-	(0.56)
Net (Liability)/Asset Recognized in the Balance Sheet	-	(0.56)

(iii) Expenses recognized in the Statement of Profit and Loss

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	0.19	5.95
Net Interest cost	0.01	0.49
Expenses recognised	0.20	6.44

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Notes to the Financial Statements (continued)

31. Employee benefit (continued)

2) Gratuity (continued)

(iv) Expenses recognized in the Other comprehensive income (OCI)

(Rs. in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial (Gains) on obligation for the year	(0.75)	(14.74)
Return on Plan Assets, Excluding Interest Income	-	-
Net (Income) for the year recognized in OCI	(0.75)	(14.74)

(C) The actuarial assumptions used to determine benefit obligations are as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
Discount Rate	-	6.09%
Salary escalation rate	-	10.00%
Expected Rate of return on Plan Assets	NA	NA
Rate of Employee Turnover	-	20%
Mortality Rate during employment	-	Indian Assured Lives Mortality (2012-14) Ultimate

(D) Other details

Particulars	As at 31st March 2023	As at 31st March 2022
No. of Active Members	-	5
Per Month Salary for Active Members	-	1,74,167
Weighted Average Duration of the Projected Benefit Obligation	-	9
Average Expected Future Service	-	4
Projected Benefit Obligation (PBO)	-	55,654

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

(E) Balance sheet reconciliation

(Rs. in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Opening net liability	0.56	8.85
Expenses recognized in Statement of Profit and Loss	0.20	6.44
Expenses recognized in OCI	(0.75)	(14.74)
Net (Asset) Transfer In	-	-
Net liability recognized in the Balance Sheet	-	0.56

(F) Cash Flow Projection
Maturity analysis of the benefit payments: from the employer

(Rs. in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Projected benefits payable in future years from the date of reporting		
1st following year	-	0.00
2nd following year	-	0.00
3rd following year	-	0.00
4th following year	-	0.00
5th following year	-	0.12
Sum of years 6 to 10	-	0.42
Sum of years 11 and above	-	0.44

Sensitivity analysis

(Rs. in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Projected benefit obligation on current assumptions		0.56
Delta effect of +1% change in rate of discounting	-	(0.04)
Delta effect of -1% change in rate of discounting	-	0.05
Delta effect of +1% change in rate of salary increase	-	0.05
Delta effect of -1% change in rate of salary increase	-	(0.04)
Delta effect of +1% change in rate of employee turnover	-	(0.03)
Delta effect of -1% change in rate of employee turnover	-	0.03

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mVALU Technology Services Private Limited

32 Lease Accounting

1 Lease disclosures under Ind-AS 116

A The Company has entered into leasing arrangements for premises. ROU has been included under 'Property, Plant and Equipment' and Lease Liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

i. Following are the changes in the carrying value of right of use assets (ROU):

(Rs. in lakhs)

Particulars	As at 31st March 2023	As at 31st March, 2022
Balance as at April 1, 2022	-	61.08
Addition during the year	-	-
Depreciation for the year	-	(16.23)
Deletion during the year	-	(44.85)
Balance as at March 31, 2023	-	-

ii. The following is the movement in lease liabilities:

(Rs. in lakhs)

Particulars	As at 31st March 2023	As at 31st March, 2022
Balance as at April 1, 2022	-	73.82
Addition during the year		
Finance cost accrued during the year	-	3.78
Payment of Lease liabilities made during the year		(19.17)
Deletion during the year	-	(58.43)
Balance as at March 31, 2023	-	-

iii. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31st March 2023	As at 31st March, 2022
Less than one year	-	-
Between one and five years	-	-
More than five years	-	-
Total	-	-

iv. Expenses recognised in the statement of Profit and Loss

(Rs. in lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Depreciation expense on right-of-use assets (Refer Note 2)	-	16.23
Interest expense on lease liabilities (Refer Note Ind AS Adjustment)	-	3.78

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

v. Amount recognised in the statement of Cash flow

(Rs. in lakhs)

Particulars	As at 31st March 2023	As at 31st March, 2022
Total cash outflow for leases	-	19.17

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MVALU Technology Services Private Limited *

mValu Technology Services Private Limited

Notes to the Financial Statements (continued)

33. Ageing Schedule

Particulars	Curent but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at March 31,2023							
(A) Trade receivables							
Unsecured, considered good	-	-	-	-	-	-	-
Unsecured, considered doubtful	-	-	-	-	-	-	-
(B) Payables							
(I)Trade payables							
(i) total outstanding dues of micro enterprises and small enterprises ("MSME")	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than MSME	-	13.23	-	-	-	-	13.23
As at March 31, 2022							
(A) Trade receivables							
Unsecured, considered good	-	1.93	-	-	-	-	1.93
Unsecured, considered doubtful	-	-	-	-	-	-	-
(B) Payables							
(I)Trade payables							
(i) total outstanding dues of micro enterprises and small enterprises ("MSME")	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than MSME	-	25.59	-	-	-	-	25.59

34. Ratio Analysis and its elements

Ratio	Numerator	Denominator	As at March 31,2023	As at March 31, 2022	% change	Remarks
Current ratio	Current Assets	Current Liabilities	74.26	37.43	98.39%	Increase due to reduction in current liabilities
Debt- Equity Ratio*	NA	NA	NA	NA	NA	
Debt Service Coverage ratio*	NA	NA	NA	NA	NA	
Return on Equity ratio	Net Profits after taxes	Shareholder's Equity	(0.18)	(0.43)	-59.21%	Reduction in Total turnover
Inventory Turnover ratio	NA	NA	NA	NA	NA	
Trade Receivable Turnover Ratio	Net credit sales	Average Trade Receivable	3.09	2.00	54.10%	Increase in ratio due to realisation of trade receivables
Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payables	14.84	23.70	-37.41%	Decrease in expenses during the year
Net Capital Turnover Ratio	Total sales	Working capital = Current assets – Current liabilities	0.04	0.06	-33.17%	Reduction in Total turnover
Net Profit ratio	Net Profit	Total sales	(4.24)	(6.96)	-39.01%	Reduction in Total turnover
Return on Capital Employed	Earnings before interest and taxes	Closing Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	(0.18)	(0.43)	-59.03%	Increase in expenses during the year
Return on Investment	Income on Investments	Investment	0.06	0.42	-86%	Decrease in income on investments and redemption of investments

* No debt during the year

S.R. BATLIBOI & ASSOCIATES LLP ★ CHARTERED ACCOUNTANTS MUMBAI

MVALU Technology Services Private Limited ★

mValu Technology Services Private Limited

Notes to the Financial Statements (continued)

36. Other Statutory Information

During the current year and previous year:

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency.

(v) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(vi) Funding Transactions:

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall :

(I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(II) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(II) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(viii) The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

(ix) The Company has not revalued any property plant and equipment and intangible assets.

(x) The Company has not enteres into any scheme of arrangements during the year.

(xi) The Company has not made any investments in subsidiaries hence, the provisions of sec 2(87) read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable

37. Segment Reporting

The company is engaged in the business of offering web-based solutions to lending institutions for sourcing and distribution of their financial products including loans and accordingly, there are no separate reporting segments as per Ind AS 108 dealing with operating segment.

38. Previous year figures are regrouped/reclassified, wherever necessary, to correspond with the current year's classification / disclosure.

39. Previous year figures have been audited by Same firm of chartered accountants.

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

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership No: 121411

Place: Mumbai
Date: April 27, 2023

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
mValu Technology Services Private Limited
CIN: U74999MH2018PTC313289

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai

Prithviraj

Prithviraj Chandrasekhar
Director
DIN: 07869747

Place: Mumbai

MVALU Technology Services Private Limited

InCred.AI Limited

Financial Statements

For the financial year ended 31st March 2023

InCred.AI Limited
CIN: U74999MH2021PLC358271

Balance Sheet as at March 31, 2023

(Rs. In lakhs)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Non-Current Assets		-	-
		-	-
(2) Current Assets			
(a) Financial Assets			
(i) Trade receivables	2	0.14	9.67
(ii) Cash and cash equivalents	3	1.57	10.33
(b) Other current assets	4	3.03	-
		4.74	20.00
Total assets		**4.74**	**20.00**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	5	1.00	1.00
(b) Other equity	6	(0.20)	0.88
		0.80	1.88
LIABILITIES			
(1) Current Liabilities			
(a) Financial liabilities			
(i) Trade Payables	7		
(A) total outstanding dues of micro enterprises and small enterprise		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		3.94	16.02
(b) Other current liabilities	8	-	1.78
(c) Current tax liabilities		-	0.32
		3.94	18.12
Total equity and liabilities		**4.74**	**20.00**

Significant accounting policies and key accounting estimates and judgements 1
The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For **PNAM & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395
LLPIN: ABA-8514

For and on behalf of the Board of Directors of
InCred.AI Limited

Parv Bansal
Partner
Membership No.: 515167

Place: Mumbai
Date: 27 April, 2023

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai
Date: 27 April, 2023

Prithviraj Chandrasekhar
Director
DIN: 07869747

Place: Mumbai
Date: 27 April, 2023

InCred.AI Limited
CIN: U74999MH2021PLC358271

Statement of Profit and Loss for the year ended March 31, 2023

(Rs. In lakhs)

	Particulars	Note No	Year ended March 31, 2023	Period ended March 31, 2022
(I)	Revenue From operations	9	-	19.04
(III)	**Total income (I + II)**		**-**	**19.04**
(IV)	**Expenses**			
(i)	Others expenses	10	1.08	17.84
(IV)	**Total expenses**		**1.08**	**17.84**
(V)	**Profit before tax (III - IV)**		**(1.08)**	**1.20**
(VI)	**Tax Expense:**			
	(1) Current Tax	11	-	0.32
	(2) Deferred Tax		-	-
(VII)	**Profit/(Loss) for the year (V-VI)**		**(1.08)**	**0.88**
(VIII)	**Other comprehensive income**		**-**	**-**
(IX)	**Total comprehensive income for the year (VII + VIII)**		**(1.08)**	**0.88**
(X)	**Earnings per equity share**			
	Basic (Rs.)		(1.08)	0.88
	Diluted (Rs.)		(1.08)	0.88

Significant accounting policies and key accounting estimates and judgements 1
The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For **PNAM & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395
LLPIN: ABA-8514

For and on behalf of the Board of Directors of
InCred.AI Limited

Parv Bansal
Partner
Membership No.: 515167

Place: Mumbai
Date: 27 April, 2023

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai
Date: 27 April, 2023

Prithviraj Chandrasekhar
Director
DIN: 07869747

Place: Mumbai
Date: 27 April, 2023

InCred.AI Limited
CIN: U74999MH2021PLC358271

Cash Flow Statement for the year ended March 31, 2023

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash flow from operating activities		
Profit before tax	(1.08)	1.20
Adjustments to reconcile net profit to net cash generated from / (used in) operating activities	-	-
Operating profit before working capital changes	**(1.08)**	**1.20**
Working capital adjustments		
(Increase) / Decrease in trade receivables	9.53	(9.67)
(Increase) / Decrease in other current assets	(3.03)	-
(Increase) / Decrease in trade payables	(12.08)	16.02
Increase in other current liabilities	(1.78)	1.78
Cash generated from operating activities	**(8.44)**	**9.33**
Income tax refund / (paid)	(0.32)	
Net cash generated from operating activities	**(8.76)**	**9.33**
Cash flow from investing activities		-
Net cash (used in) / generated from investing activities	**-**	**-**
Cash flow from financing activities		
Issue of equity shares (including securities premium)	-	1.00
Net cash generated from financing activities	**-**	**1.00**
Net increase / (decrease) in cash and cash equivalents	**(8.76)**	**10.33**
Cash and cash equivalents at the beginning of the year	10.33	-
Cash and cash equivalents at the end of the year	**1.57**	**10.33**

Significant accounting policies and key accounting estimates and judgements 1
The accompanying notes form an integral part of the standalone financial statements

Notes:

(a) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow

For **PNAM & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395
LLPIN: ABA-8514

For and on behalf of the Board of Directors of
InCred.AI Limited

Parv Bansal
Partner
Membership No.: 515167

Place: Mumbai
Date: 27 April, 2023

Bhupinder Singh
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DIN: 07342318

Place: Mumbai
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Prithviraj Chandrasekhar
Director
DIN: 07869747

Place: Mumbai
Date: 27 April, 2023

InCred.AI Limited
CIN: U74999MH2021PLC358271

Statement of Changes in Equity for the year ended March 31, 2023

A. Equity share capital

(Rs. in lakhs)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Balance as at the beginning of the year	1.00	-
Changes in equity share capital during the year	-	1.00
Balance as at the end of the year	1.00	1.00

B. Other equity

(Rs. in lakhs)

Particulars	**Reserves and Surplus**	
	Retained earnings	**Total**
Balance at March 31, 2021	-	-
Profit for the year	0.88	0.88
Other comprehensive income for the year	-	-
Total comprehensive income for the year (net of tax)	**0.88**	**0.88**
Transfer / utilisations		
Additions during the period	-	-
Utilized during the year	-	-
Balance at March 31, 2022	**0.88**	**0.88**
Profit for the year	(1.08)	(1.08)
Other comprehensive income for the year	-	-
Total comprehensive income for the year (net of tax)	**(0.20)**	**(0.20)**
Transfer / utilisations		
Additions during the period	-	-
Utilized during the year	-	-
Balance at March 31, 2023	**(0.20)**	**(0.20)**

Significant accounting policies and key accounting estimates and judgments 1
The accompanying notes form an integral part of the standalone financial statements

For **PNAM & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395
LLPIN: ABA-8514

For and on behalf of the Board of Directors of
InCred.AI Limited

Parv Bansal
Partner
Membership No.: 515167

Place: Mumbai
Date: 27 April, 2023

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai
Date: 27 April, 2023

Prithviraj Chandrasekhar
Director
DIN: 07869747

Place: Mumbai
Date: 27 April, 2023

Notes to Standalone financial statements

1. Significant Accounting Policies

A. Corporate Information

InCred.AI Limited (the 'Company') was incorporated in India, under the provisions of the Companies Act, 2013.

The Company was incorporated to offer training, consultancy, advisory and all related services in all areas of information technology including computer hardware and software, artificial intelligence, data communication and other related service.

B. Basis of preparation

i. Statement of compliance

The Standalone financial statement of the Company has been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Company's financial statements were authorized for issue by the Company's Board of Directors on April 27, 2023.

ii. Functional and presentation currency

The Standalone financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency. All the amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

iii. Basis of measurement

The Standalone financial statement has been prepared under the historical cost convention except for the following items:

a. Financial assets and liabilities that are measured at amortised cost; and
b. Net defined benefit asset / liability – plan assets are measured at fair value less present value of defined benefit obligation.

iv. Use of estimates and judgements

The preparation of Standalone financial statement in conformity with Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements, reported amounts of revenues and expenses during the period. Actual results may defer from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions in the accounting estimates are recognised prospectively.

Significant judgements

i. Recognition of deferred tax assets / liabilities

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases and unutilised business loss and depreciation carry forward 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, unused tax losses, depreciation carry forward and unused tax credits could be utilised.

ii. Recognition and measurement of provisions and contingencies

The recognition and measurement of other 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.

iii. Discounting of long-term financial assets / liabilities

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial assets / liabilities which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

iv. Impairment of financial assets

The Company recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost 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.

C. Presentation of financial statements

The Standalone financial statement of the Company are presented as per Schedule III of the Companies Act, 2013, as notified by the Ministry of Corporate Affairs ('MCA'). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7, Statement of Cash Flows. The disclosure requirements with respect to items in the Balance Sheet and Standalone Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

D. Significant accounting policies and other explanatory information

a) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management has the overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Group Chief Financial Officer.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair values of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets 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 (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

b) Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition.

ii Classification and subsequent measurement of financial assets:

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. The Company classifies its financial assets in the following measurement categories:

Financial assets measured at amortised cost

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment), unless the asset is designated at FVTPL:

i. the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
ii. the Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at Fair value through other comprehensive Income ('FVOCI')

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

a. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
b. the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at Fair Value through Profit and Loss ('FVTPL')

A financial asset which is not classified in above category is subsequently measured at FVTPL. Where assets are measured at fair value, gains and losses are recognized entirely in the Standalone Statement of Profit and Loss.

The assets classified in the aforementioned categories are subsequently measured as follows:

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Standalone Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Standalone Statement of Profit and Loss.

Debt investments at FVOCI
These assets are subsequently measured at fair value. interest income under the EIR method, foreign gains and losses and impairment! are recognised in Statement of Profit and Loss. Other net gains and losses are recognised in OCl. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of profit and Loss.

Equity investments designated at FVOCI
These assets are subsequently measured at fair value. Dividends are recognised as dividend clearly represents a recovery of part of the cost of the investment. other net reclassified to Statement of Profit and Loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Standalone Statement of Profit and Loss.

iii. Classification and subsequent measurement of financial liabilities

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as on initial recognition.

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable and incremental transaction cost.

Amortised 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 amortisation is included as finance costs profit and loss.

The Company's financial liabilities include trade payables and other financial liabilities.

iv. Derecognition

Financial assets

The Company derecognizes a financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) when the contractual rights to receive cash flows from the financial asset expires or it transfers the rights to receive to receive

the contractual cash flows in a transaction in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and Loss.

v. Offsetting of financial instruments

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

c) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

d) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

e) Income Tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income ('OCI').

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and
b) intends to realise the asset or settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

ii temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and loss; and

iii Temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as on the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

f) Impairment of non-financial assets

The carrying values of assets at each balance sheet date are reviewed to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of the asset is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment loss is recognised in the Standalone Statement of Profit and Loss for such excess amount.

In respect of assets (except goodwill) for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such reversal of impairment loss is recognised in the Standalone Statement of Profit and Loss, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

g) Revenue from operations

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations.

Revenue is recognised when it is probable that economic benefits associated with a transaction flow to the Company in the ordinary course of its activities and amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable.

Revenue includes only the gross inflows of economic benefits, including taxes, received or receivable by the company, on its own account. Amounts collected on behalf of third parties such as goods and service tax are excluded from revenue.

h) Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

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

i) Provisions, contingent liabilities and contingent assets

a. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Standalone Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

b. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

c. Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each reporting date.

j) Standards issued but not yet effective upto the date of issuance of the financial statements

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 01, 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101.

The above amendments are applicable for annual periods beginning on or after April 01, 2023. The Company is currently assessing the impact of the amendments.

Notes to the financial statements for the year ended March 31, 2023

2. Trade Receivables

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured, considered good	-	-
Unsecured, considered good	0.14	9.67
Significant increase in credit risk	-	-
less: Allowance for impairment loss	-	-
Total	**0.14**	**9.67**

Ageing schedule of balance outstanding as on 31st March 2023 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months - 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
i) Undisputed Trade Receivabes - Consider good	0.14	-	-	-	-	0.14
ii) Undisputed Trade Receivabes - which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivalbes - Considered goods	-	-	-	-	-	-
v) Disputed Trade Receivalbes - which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivalbes - Credit Impaired	-	-	-	-	-	-
Total	**0.14**	**-**	**-**	**-**	**-**	**0.14**

Ageing schedule of balance outstanding as on 31st March 2022 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months - 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
i) Undisputed Trade Receivabes - Consider good	9.67	-	-	-	-	9.67
ii) Undisputed Trade Receivabes - which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivalbes - Considered goods	-	-	-	-	-	-
v) Disputed Trade Receivalbes - which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivalbes - Credit Impaired	-	-	-	-	-	-
Total	**9.67**	**-**	**-**	**-**	**-**	**9.67**

3. Cash and Cash Equivalent

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks (of the nature of cash and cash equivalent)	1.57	10.33
Total	**1.57**	**10.33**

4. Other Current Assets

(Rs. in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
GST Receivable	2.62	-
Other	0.41	
Total	**3.03**	**-**

InCred.AI Limited
CIN: U74999MH2021PLC358271

Notes to the financial statements for the year ended March 31, 2023

5. Equity Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Rs. in lakhs	Number	Rs. in lakhs
Authorised Capital				
Equity shares of Rs.10/- each	10,000	1.00	10,000	1.00
Issued, subscribed and paid up capital				
Equity Shares of Rs. 10/- each fully paid up	10,000	1.00	10,000	1.00
Total	**10,000.00**	**1.00**	**10,000.00**	**1.00**

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares held by holding company

Out of the equity shares issued by the company, shares held by its holding company:

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	Rs. in lakhs	No. of shares held	Rs. in lakhs
Equity shares of Rs. 10/- each Fully Paid Up				
InCred Financial Services Limited	10,000.00	1.00	10,000.00	1.00

Details of shareholder(s) holding more than 5% of equity shares in the company:

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	Rs. in lakhs	No. of shares held	Rs. in lakhs
InCred Financial Services Limited	10,000.00	1.00	10,000.00	1.00

Equity shares held by promoters of the company

The Company's holding Company, mentioned above, itself is the promoter of the Company.

Aggregate number of shares issued for consideration other than cash during the period for a period of five years immediately preceding

Nil

Equity Reconciliation

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	Rs. in lakhs	No. of shares held	Rs. in lakhs
At the beginning of the year	10,000	1.00	-	-
Add: Issued during the year	-	-	10,000	1.00
Less: Bought during the year	-	-	-	-
At the end of the year	10,000	1.00	10,000	1.00

Notes to the financial statements for the year ended March 31, 2023

6. Other Equity

(Rs. in lakhs)

Particulars	Reserves and Surplus	
	Retained earnings	Total
Balance at March 31, 2021	**-**	**-**
Profit for the year	0.88	0.88
Other comprehensive income for the year	-	-
Total comprehensive income for the year (net of tax)	**0.88**	**0.88**
Transfer / utilisations		
Additions during the year	-	-
Utilisation during the year	-	-
Balance at March 31, 2022	**0.88**	**0.88**
Profit for the year	(1.08)	(1.08)
Other comprehensive income for the year	-	-
Total comprehensive income for the year (net of tax)	**(1.08)**	**(1.08)**
Transfer / utilisations		
Additions during the year	-	-
Utilisation during the year	-	-
Balance at March 31, 2023	**(0.20)**	**(1.08)**

Description of nature and purpose of each reserve

Retained earnings - Retained earnings represents deficit of the Company and are available for distribution to shareholders.

7. Trade Payables

(Rs. in lakhs)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Trade Payables		
(i) total outstanding dues to micro enterprises and small enterprises		
- Principal	-	-
- Interest due	-	-
(ii) total outstanding dues other than micro enterprises and small enterprises		
- Principal	3.94	16.02
- Interest due	-	-
Total	**3.94**	**16.02**

Ageing schedule of balance outstanding as on 31st March 2023 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
- Principal	-	-	-	-	-
- Interest due	-	-	-	-	-
(ii) Other					
- Principal	3.94	-	-	-	3.94
- Interest due	-	-	-	-	-
Total	**3.94**	**-**	**-**	**-**	**3.94**

Ageing schedule of balance outstanding as on 31st March 2023 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
- Principal	-	-	-	-	-
- Interest due	-	-	-	-	-
(ii) Other					
- Principal	16.02	-	-	-	16.02
- Interest due	-	-	-	-	-
Total	**16.02**	**-**	**-**	**-**	**16.02**

8. Other current liabilities

(Rs. in lakhs)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Statutory dues payable	-	1.78
Total	**-**	**1.78**

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Notes to the financial statements for the year ended March 31, 2023

9. Revenue From operations

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Period ended March 31, 2022
Consultancy Services	-	19.04
Total	**-**	**19.04**

10. Other expenses

Particulars	Year ended March 31, 2023	Period ended March 31, 2022
Legal, professional and consultancy charges	0.57	0.34
Payment to auditors	0.50	0.50
Deputation cost	-	17.00
Miscellaneous expense	0.01	0.00
Total	**1.08**	**17.84**

Payment to the auditors:

Particulars	Year ended March 31, 2023	Period ended March 31, 2022
Auditor's remuneration		
- Audit fees	0.50	0.50

11. Tax expense
(a) Amounts recognised in profit and loss

Particulars	Year ended March 31, 2023	Period ended March 31, 2022
Tax expense		
Current year	-	0.32
Deferred tax	-	-

(b) Reconciliation of effective tax rate

Particulars	Year ended March 31, 2023	Period ended March 31, 2022
Profit before tax as per Statement of profit and loss (A)	-	1.20
Statutory tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate (B)	-	0.30
Tax effect of:		
Interest on late payment	-	0.02
Total income tax expense	-	0.32

Notes to the financial statements for the year ended March 31, 2023

12. Earnings per share

Basic and diluted EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

i. Profit / (Loss) attributable to Equity shareholders:

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Period ended March 31, 2022
Profit / (Loss) attributable to equity holders of the Company used in calculating basic earnings per share	(1.08)	0.88
Profit / (Loss) attributable to equity holders of the Company used in calculating diluted earnings per share	(1.08)	0.88

ii. Weighted average number of ordinary shares

Particulars	As at March 31, 2023	As at March 31, 2022
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	10,000	9,863
Add: Adjustments for calculation of diluted earnings per share	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	10,000	9,863
Basic earnings per share	**(10.82)**	**8.97**
Diluted earnings per share	**(10.82)**	**8.97**

Notes to the financial statements for the year ended March 31, 2023

13. Fair value measurements

A. Accounting classification

Carrying amounts of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below :

(Rs. in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial assets						
Cash and cash equivalents	-	-	1.57	-	-	10.33
Trade recivables	-	-	0.14	-	-	9.67
Total financial assets	**-**	**-**	**1.71**	**-**	**-**	**20.00**
Financial liabilities						
Trade payables	-	-	3.94	-	-	16.02
Other financial liabilities	-	-	-	-	-	-
Total financial liabilities	**-**	**-**	**3.94**	**-**	**-**	**16.02**

B. Fair Value

There are no financial assets and financial liabilities which are measured at their fair values.

This section explains the judgments and estimates made in determining the fair value of the financial instrument that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard.

Particulars	Fair value				Fair value			
	As at March 31, 2023				As at March 31, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	1.57	-	-	1.57	10.33	-	-	10.33
Trade receivables	0.14	-	-		9.67	-	-	
Total	**1.71**	**-**	**-**	**1.57**	**20.00**	**-**	**-**	**10.33**
Financial Liabilities			-				-	
Trade payables	3.94	-	-	3.94	16.02	-	-	16.02
Other financial liabilities	-	-	-	-	-	-	-	-
Total	**3.94**	**-**	**-**	**3.94**	**16.02**	**-**	**-**	**16.02**

(Rs. in lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Cash and cash equivalents	1.57	1.57	10.33	10.33
Trade receivables	0.14	0.14	9.67	9.67
Total	**1.71**	**1.71**	**20.00**	**20.00**
Financial liabilities				
Trade payables	3.94	3.94	16.02	16.02
Other financial liabilities	-	-	-	-
Total	**3.94**	**3.94**	**16.02**	**16.02**

The company measures all the financial assets and financial liabilities at amortised cost. The carrying amounts of all financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Notes to the financial statements for the year ended March 31, 2023

14. Financial risk management

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance. The financial risks are monitored by its Board of Directors.

A. Credit risk

i) Credit risk management
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 i.e. receivables from customers. The company does not have any trade receivables or any loans given. The investments made by the company is held at cost and hence is not covered under Ind AS 109. Accordingly, no credit risk is perceived.

Offsetting financial assets and financial liabilities

There are no financial assets and Financial liabilities which are subject to offsetting, enforceable master netting arrangements and similar agreements.

B. Liquidity risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no borrowings outstanding from banks or other parties. Accordingly, no liquidity risk is perceived.

C. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company has borrowings from the holding company at fixed rate and no other outstanding loans. Accordingly, no interest risk is perceived.

D. Price risk

Equity price risk is the risk that the fair value of equities decreases as the result of changes in the level of equity indices and individual stocks. Since, the company does not hold any equity investments held at fair value through other comprehensive income, it is not exposed to price risk.

15. Contingent liabilities and commitments

There are no litigations and proceedings against the Company which requires any provision or disclosure as contingent liability.

16. Foreign Currency Exposures

During the current year, the Company has NIL foreign currency exposure (March 31, 2022: NIL)

17. Micro, Small and Medium Enterprises Development

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, as at 31 March 2023, no dues were outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act till March 31, 2023.

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Notes to the financial statements for the year ended March 31, 2023

18. Other Statutory Information

During the current year and previous year:

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency.

(v) The Company is not required to file quarterly statement of current assets submitted to banks / financial institutions which are provided as security against the borrowings.

(vi The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall :

(I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(II) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(II) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(viii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(ix) There are no scheme of arrangements which have been filed by the Company under the Act and which have been approved by the competent authority u/s 232 to 237 of the Act.

(x) The Company, is in compliance with the provisions of sec 2(87) read with Companies (Restriction on number of Layers) Rules, 2017.

(xi) The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

(xii) The Company has not revalued any property plant and equipment and intangible assets.

19. Ratio analysis

Particulars (Ratio*)	**As at March 31, 2023**	**As at March 31, 2022**
Current Ratio	1.20	1.10
Debt-Equity Ratio	NA	NA
Debt Service Coverage Ratio	NA	NA
Return on Equity ratio[1]	(1.35)	0.47
Inventory Turnover ratio	NA	NA
Trade Receivable Turnover Ratio[1]	-	1.97
Trade Payable Turnover Ratio[1]	0.27	1.11
Net Capital Turnover Ratio[1]	-	10.16
Net Profit Ratio[1]	-	4.65%
Return on Capital Employed[1]	(1.35)	0.64
Return on Investments	NA	NA

**** Ratio elements***

Current Ratio = Current assets/Current liabilities
Return on Equity ratio = Total comprehensive incomne/Total equity
Trade Receivable Turnover Ratio = Credit sales/Trade receivebles
Trade Payable Turnover Ratio = Credit purchases and expenses/Trade payables
Net Capital Turnover Ratio = Total income/Working Capital (Current assets-Current liabilities)
Net Profit Ratio = Total Comprehensive income/Total income
Return on Capital Employed = Profit before interest & tax/Capital employed (Total assets - current liabilities)

Notes

1. Ratio changes because of nil turnover during the financial year.

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Notes to the financial statements for the year ended March 31, 2023

20. Related party disclosures

A. Names of related parties and nature of relationship:

Key Managerial Personnel ("KMP")

Name of the KMP	Designation
Mr. Bhupinder Singh	Director
Mr. Prithviraj Chandrasekhar	Director
Mr. Venkatesh Vishwanathan	Director
Mr. Amit Bordia	Director
Mr. Philipp Anton Orgler	Director

Ultimate Holding Company:
Bee Finance Limited (Mauritius) (uptill March 31, 2022)
InCred Holdings Limited (formerly known as KKR Capital Markets Private Limited) (w.e.f. April 1, 2022)

Holding Company:
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited) (uptill March 31, 2022)
InCred Financial Services Limited (formerly known as KKR Financial Services Limited) (w.e.f April 1, 2022)

Fellow Subsidiaries
InCred Management and Technology Services Private Limited
Booth Fintech Private Limited

Associate of Fellow subsidiary:
mValu Technology Services Private Limited (uptill May 17, 2022)

Subsidiary of Fellow subsidiary:
mValu Technology Services Private Limited (w.e.f. May 18, 2022)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(Rs. in lakhs)

Nature of transactions	Holding Company	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<u>**Balance Sheet transactions**</u>		
Issue of equity shares	-	1.00
Expense transactions		
Expense from recharge of expenses	-	17.00

Summary of balance receivable from / payable to the above related are as follows:

Balance outstanding	Holding Company	Holding Company
	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance payable	-	15.30

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

For **PNAM & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395
LLPIN: ABA-8514

For and on behalf of the Board of Directors of
InCred.AI Limited

Parv Bansal
Partner
Membership No.: 515167

Place: Mumbai
Date: 27 April, 2023

Bhupinder Singh
Director
DIN: 07342318

Place: Mumbai
Date: 27 April, 2023

Prithviraj Chandrasekhar
Director
DIN: 07869747

Place: Mumbai
Date: 27 April, 2023