

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**Edgytal Fintech Investment Services Private Limited**

**Report on the Standalone Ind AS Financial**

**Statements**

### Opinion

We have audited the accompanying the Standalone Ind AS financial statements of **Edgytal Fintech Investment Services Private Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ( hereinafter referred to as "the Standalone Ind AS financial statement")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by The Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian AS specified under section 133 of the Act read with the companies (India Accounting Standard) Rules, 2015 as amended, ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its Loss, Total Comprehensive Income (comprising of Profit and other Comprehensive Income ) the changes in Equity and its Cash Flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the *Board's Report including Annexures to Board's Report* but does not include the consolidated Ind AS financial statements, standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is no material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS Financial Statements.





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

- Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements whether due to fraud or error design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the company has adequate internal 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 in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management 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 (including its joint operations) 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 Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.





- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other comprehensive income, the statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian accounting standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- 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 Control with reference to standalone Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone Ind AS financial statements.
- g) In our opinion and to the best of our information and according to the explanations given to us, the company has neither paid nor provided for any remuneration to its directors during the year in accordance with the provisions of section 197(16) of the Act.
- 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 the financial position of the Ind AS Financial Statements
  - ii) The Company does 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.
- i)
- a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 33 and 34(vii) to the Standalone Ind AS 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

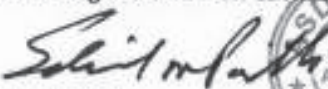




- b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 33 and 34(vii) to the Standalone Ind AS financial statements, no funds have been received by the Company from any persons or entities including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries
- c) Based on such audit procedures as 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- j) The Company has neither declared nor paid any dividend during the year.
- k) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For A S D T & CO**  
**Chartered Accountants**

**Firm Registration No.: 130450W**



**Sahil Parikh**  
Partner  
M. No.134489



Place: Mumbai  
Date: May 22, 2023  
UDIN: 23134489BGXPYI8839



**Annexure A to the Independent Auditor's Report for the year ended March 31, 2023**

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of **Edgytal Fintech Investment Services Private Limited of even date**)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment right-of-use assets and Intangible assets:
  - a)
    - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
    - B. The Company has maintained proper records showing full particulars of intangible assets.
  - b) The Company has a process of physical verification of property, plant and equipment and right-of-use assets to cover all the assets once periodically. The Company has not conducted the same in current financial year and has planned for the same in the coming financial year. The physical / non intangible assets in the Company are negligible as compared to the total Fixed assets and hence, in our opinion, it is reasonable that the Company has planned to the fixed asset physical verification having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) As per the information and explanation provided to us, the Company does not have immovable properties and accordingly Clause 3(i)(c) of the Order is not applicable to the Company.
  - d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - e) As per the information and explanation given to us the Company does not hold any benami property under the Benami Transaction (Prohibition) Act, 1988 as amended in 2016) and rules made thereunder.
- ii.
  - a) The Company is a service company, primarily rendering information technology and related services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
  - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. According to the information and explanation given to us, the Company has not provided and granted an unsecured loan during the year. Hence the said clause 3(iii) of the Order is not applicable to the Company.
- iv. According to the information and explanation given to us, in respect of loans and investments, the Company has complied with section 185 and 186 of the Act as applicable. The Company





has not given any guarantees or provided any security, which attracts the provisions of section 185 and 186 of the Act, therefore question of our comment does not arise.

- v. In our opinion and according to the explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits. Therefore, question of reporting compliance with directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder does not arise. We are informed that no order relating to the Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. As per the information and explanation given to us and as per Rule 3 of Companies (Cost Records and Audit) Rule 2014, the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013.
- vii.
  - a) According to the information and explanations given to us and on the basis of our examination of the records of the Company in respect of amounts deducted / accrued in the books of account, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and services tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues, as applicable to the Company, during the year with the appropriate authorities. There are no arrears of outstanding statutory dues as at March 31, 2023 for a period of more than six months from the date they became payable.
  - b) According to the records of the Company and information and explanations given to us, there are no dues in respect of income tax, service tax, goods and services tax, duty of customs, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix.
  - a) Based on our audit and information provided to us, the Company has loans and borrowings during the year from parties mentioned in note 13 of the audited financial statements, but company has not defaulted in repayment of loan or other borrowings or in the payment of interest thereon to the parties mentioned in note no. 13 of the audited financial statements.
  - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
  - c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, clause 3(ix)(c) of the Order is not applicable.
  - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has borrowed funds from parties mentioned in note 13 of the audited financial statements. These funds raised for short terms basis and are payable on demand and are not utilized for long-term purpose as per the information and explanations given to us and on basis of our examination of the records of the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.





- e) The company has no subsidiaries, associates or joint ventures. The Company has borrowed funds from parties mentioned in note no. 13 of the audited financial statements but not used for on account or to meet the obligations of subsidiaries, associates or joint ventures as defined under Companies Act, 2013.
- f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture as defined under Companies Act, 2013.
- x. Public Offering and Share Allotment:
- a) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised any Money by way of Initial Public offer or further public offer during the year. (Including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi.
- a) During the course of our examination of the books of account and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither noticed nor have been informed by the management, any incidence of fraud by the Company or on the Company.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) Establishment of vigil mechanism is not mandated for the Company. We have been informed that, the Company has not received any whistle-blower complaint during the year. Accordingly, reporting under Clause 3(xi)(c) of the Order does not arise.
- xii. The Company is not a Nidhi Company and therefore, clause (xii) (a) (b) and (c) of para 3 of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanation given to us, the Company has no formal internal audit system. However, as explained, the management personally supervises the important functions, which in our opinion, commensurate with the size and nature of its business. Accordingly, reporting on clause 3xiv(b) is not applicable to the Company for the year.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
- a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.



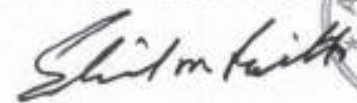


- b) The Company has not conducted any activities of Non-Banking Financial or Housing Finance during the year. Accordingly, reporting on clause 3(xvi)(b) of the Order is not applicable.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting on clause 3(xvi)(c) of the Order is not applicable.
- d) According to the information and explanation given to us by the management, the Group has no CICs which are registered with the Reserve Bank of India.
- xvii. During our examination of the books of account and records of the Company and according to the information given to us by the management, the Company has incurred cash losses of Rs. 95,88,334/- in the financial year and cash loss of Rs. 22,25,366/- in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting on clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and 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. As per the information and explanation given to us, the section 135 of the Companies Act, 2013 is not applicable to the Company and hence clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company for the financial year.
- xxi. In our opinion, this Report, being on the standalone Ind AS Financial Statements of the Company, reporting on Clause 3(xxi) of the Order is not applicable.

**For A S D T & CO**

Chartered Accountants

Firm Registration No.: 130450W



**Sahil Parikh**

**Partner**

Membership No.134489

Place: Mumbai

Dated: May 22, 2023

UDIN: 23134489BGXPY18839



**Annexure B to the Independent Auditor's Report for the year ended March 31, 2023  
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section  
of our report to the Members of Edgytal Fintech Investment Services Private Limited  
of even date)**

**Report on the Internal Financial Controls with reference to standalone Ind AS financial statements  
under section 143(3)(i) of the Companies Act, 2013 ("the Act")**

**Opinion**

We have audited the internal financial controls with reference to standalone Ind AS financial statements of **Edgytal Fintech Investment Services Private Limited** ("the Company"), as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls with reference to Standalone Ind AS financial statements 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 (the 'Guidance Note'), issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone Ind AS 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, with reference to standalone Ind AS financial statements. 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 standalone Ind AS 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 standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone Ind AS financial statements.



### **Meaning of Internal Financial Controls with reference to standalone Ind AS Financial Statements**

A Company's internal financial control with reference to the standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone Ind AS 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 those receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 standalone Ind AS 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 standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to standalone Ind AS 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, an adequate internal financial controls system with reference to standalone Ind AS financial statements and such internal financial controls were operating effectively as at 31st March 2023, based on the internal control with reference to standalone Ind AS financial statements reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For A S D T & CO**  
Chartered Accountants  
Firm Registration No.: 130450W



**Sahil Parikh**  
Partner  
Membership No. 134489



Place: Mumbai  
Dated: May 22, 2023  
UDIN:23134489BGXPY18839



Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	3A	34	38
(b) Other Intangible Assets	3B	655	85
(c) Goodwill	3C	766	766
(d) Software Under Development	3D	1,13,768	1,00,000
(e) Non- Current tax assets	4	1,200	241
(f) Other Financial Assets		-	-
(g) Deferred Tax assets (net)	5	177	236
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,16,600</b>	<b>1,01,366</b>
<b>CURRENT ASSETS</b>			
(a) Financial Assets			
(i) Trade receivables	6	926	738
(ii) Cash and cash equivalents	7	259	147
(iii) Loans		-	-
(iv) Others Financial Assets	8	155	-
(b) Other Current Assets	9	981	-
<b>TOTAL CURRENT ASSETS</b>		<b>2,321</b>	<b>885</b>
<b>TOTAL ASSETS</b>		<b>1,18,922</b>	<b>1,02,251</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Share capital	10	38,518	38,518
(b) Other Equity	11	8,028	17,830
<b>TOTAL EQUITY</b>		<b>46,546</b>	<b>56,348</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Other Non-Current Provision	12	903	-
(b) Deferred Tax Liability (Net)		-	-
<b>TOTAL NON- CURRENT LIABILITIES</b>		<b>903</b>	<b>-</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	13	69,204	28,035
(ii) Trade payables		-	-
- Dues of Micro, Small and Medium enterprises		-	-
- Dues of Others	14	1,032	16,634
(iii) Other financial liabilities		-	-
(b) Other Current Liabilities	15	1,105	672
(c) Provisions	16	133	562
<b>TOTAL CURRENT LIABILITIES</b>		<b>71,473</b>	<b>45,903</b>
<b>TOTAL LIABILITIES</b>		<b>72,376</b>	<b>45,903</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,18,922</b>	<b>1,02,251</b>

Significant Accounting Policies and Notes to Accounts  
As per our report attached hereto

1-36

For M/s. A S D T & CO.  
Chartered Accountants

  
Sahil Parikh  
Partner  
Membership No.: 134489  
Date : 22/05/2023  
Place : Mumbai



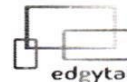
For and on behalf of the Board  
Edgytal Fintech Investment Services Private Limited

  
Disha Doshi  
Director  
[DIN: 09364742]

  
Bijal Tandel  
Director  
[DIN: 09834416]



Edgytal Fintech Investment Services Private Limited  
Statement of Profit and Loss for the Year Ended March 31, 2023



(₹ in '000)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
<b>INCOME</b>			
Revenue from Operations	17	12,000	1,519
Other Income	18	77	297
<b>Total Income</b>		<b>12,077</b>	<b>1,816</b>
<b>EXPENSES</b>			
Employee benefits expense	19	8,693	-
Finance costs	20	4,733	2,569
Depreciation and amortisation expense	3A to 3B	82	163
Other expenses	21	8,240	1,472
<b>Total expenses</b>		<b>21,747</b>	<b>4,204</b>
Profit / (Loss) before exceptional items and tax		<b>(9,670)</b>	<b>(2,389)</b>
Exceptional items		-	-
<b>Profit / (Loss) before tax</b>		<b>(9,670)</b>	<b>(2,389)</b>
<b>Tax expense</b>			
Current Tax		-	-
Deferred Tax		59	42
MAT Credit Entitlement Written off / Utilised		65	-
Tax Adjustment of Earlier Years		8	-
<b>Total Tax Expense</b>		<b>132</b>	<b>42</b>
<b>Profit/(loss) for the period</b>		<b>(9,802)</b>	<b>(2,346)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified subsequently to profit or loss :</b>			
(a) Remeasurements of Defined Benefit Plans		-	-
(b) Effect of measuring Equity Instruments on Fair Value		-	-
(c) Income Tax on (a) and (b)		-	-
<b>Total Other Comprehensive Income(net of tax)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>(9,802)</b>	<b>(2,346)</b>
Earnings per equity share (Face Value ₹.10 Per Share)	24		
Basic (in ₹ )		(2.54)	(0.61)
Diluted (in ₹ )		(2.54)	(0.61)

Significant Accounting Policies and Notes to Accounts

1-36

As per our report attached hereto

For M/s. A S D T & CO.

Chartered Accountants

For and on behalf of the Board

Edgytal Fintech Investment Services Private Limited

  
Sahil Parikh  
Partner  
Membership No.: 134489  
Date : 22/05/2023  
Place : Mumbai

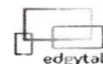


  
Disha Doshi  
Director  
[DIN: 09364742]

  
Bijal Tandel  
Director  
[DIN: 09834416]







(₹ in '000)

Particulars	Period ended March 31, 2023	Period ended March 31, 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Loss before tax	(9,670)	(2,389)
Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:		
Deferred Tax Asset	(59)	42
Prior Year Tax Adjustment	(73)	-
Depreciation and amortisation	82	163
Finance Costs	4,728	2,564
Interest Income	-	(250)
<b>Operating Profit Before Changes in Working Capital</b>	<b>(4,993)</b>	<b>132</b>
<b>Adjustment for Changes in Working Capital</b>		
(Increase) / Decrease in Trade Receivables	(188)	(575)
(Increase) / Decrease in Loans/Advances	-	-
(Increase) / Decrease in Other Financial Assets	(155)	-
(Increase) / Decrease in Other Current Assets	(981)	188
(Increase) / Decrease in Other Non Current Tax Assets	(959)	396
(Increase) / Decrease in Deferred Tax Assets/(Liability)	59	(42)
Increase / (Decrease) in Borrowings	41,168	27,349
Increase / (Decrease) in Trade Payables	(15,602)	15,997
Increase / (Decrease) in Other Current Liabilities	906	1,229
<b>Cash Generated from Operations</b>	<b>19,255</b>	<b>44,673</b>
Less: Taxes Paid	-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITY (A)</b>	<b>19,255</b>	<b>44,673</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Received	-	250
Software Under Development	(13,768)	(1,00,000)
Purchase of Property, Plant and Equipment	(648)	(766)
Sale of Investments during the year	-	-
<b>NET CASH FLOW FROM INVESTING ACTIVITY (B)</b>	<b>(14,416)</b>	<b>(1,00,517)</b>
<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
Finance Costs	(4,728)	(2,564)
Issue of Shares	-	33,950
Issue of Shares Warrant	-	7,500
Security Premium	-	16,975
<b>NET CASH FLOW FROM FINANCING ACTIVITY (C)</b>	<b>(4,728)</b>	<b>55,861</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>111</b>	<b>17</b>
Opening Balance of Cash and Cash Equivalents	147	130
<b>CLOSING BALANCE OF CASH and CASH EQUIVALENTS</b>	<b>259</b>	<b>147</b>
<b>NOTES TO CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023</b>		
1 Cash & Cash Equivalents Include :		
Cash on Hand	24	-
Balance with Banks In Current and Cash Credit Accounts	235	147
	<b>259</b>	<b>147</b>

2 Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

Significant Accounting Policies and Notes to Accounts  
As per our report attached hereto

1-36

For M/s. A S D T & CO.  
Chartered Accountants  
Firm Registration No.: 130450W

For and on behalf of the Board  
Edgytal Fintech Investment Services Private Limited

Sahil Parikh  
Partner  
Membership No.: 134489  
Date : 22/05/2023  
Place : Mumbai



Disha Doshi  
Director  
[DIN: 09364742]

Bijal Tandel  
Director  
[DIN: 09834416]



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

## A. Equity Share Capital

(₹ in '000)

Particulars	Amount
Balance as at April 1, 2021	4,568
Add: Changes in Equity Share Capital due to prior period error	-
Add: Restated Balance at the beginning of the Current Reporting Period	-
Add: Changes in Equity Share Capital during the year	33,950
Balance as at March 31, 2022	38,518
Add: Changes in Equity Share Capital due to prior period error	-
Add: Restated Balance at the beginning of the Current Reporting Period	-
Add: Changes in Equity Share Capital during the year	-
Balance as at March 31, 2023	38,518

## B. Other Equity

(₹ in '000)

Particulars	Retained Earnings	Security Premium	Money received against share warrants	Total
Balance as at April 01, 2021	(4,331)	32	-	(4,298)
Add: Changes in accounting policy or prior period errors				
Add: Restated Balance at the beginning of the Current Reporting Period				
Profit/(loss) for the period	(2,346)	16,975	-	14,629
Other Comprehensive Income (OCI) for the year				
- Remeasurement gain/(loss) on Defined Benefit Plans (Net of tax)	-	-	-	-
Fair Valuation of Investment	-	-	-	-
Any other Changed - Issued during the Year	-	-	7,500	7,500
Balances as at March 31, 2022	(6,677)	17,007	7,500	17,831
Add: Changes in accounting policy or prior period errors				
Add: Restated Balance at the beginning of the Current Reporting Period				
Profit/(loss) for the period	(9,802)	-	-	(9,802)
Other Comprehensive Income for the year				
- Remeasurement gain/(loss) on Defined Benefit Plans (Net of tax)	-	-	-	-
Fair Valuation of Investment	-	-	-	-
Any other Changed - Issued during the Year	-	-	-	-
Balances as at March 31, 2023	(16,479)	17,007	7,500	8,028

The accompanying notes are an integral part of these financial statements.

As per our report attached hereto

For M/s. A S D T & CO.  
Chartered AccountantsFor and on behalf of the Board  
Edgytal Fintech Investment Services Private Limited


Sahil Parikh  
Partner  
Membership No.: 134489  
Date: 22/05/2023  
Place: Mumbai




Disha Doshi  
Director  
[DIN: 09364742]



Bijal Tandel  
Director  
[DIN: 09834416]





**Significant Accounting Policies And Notes Forming Part of the Accounts For The Year Ended 31st March 2023**

**1 Corporate Information**

Edgytal Fintech Investment Service Private Limited is a Private Limited Company (Formerly known as Edgytal Digital Marketing Private Limited) incorporated on June 11, 2015 with new name under the provisions of the Companies Act, 2013. The company is in the business of search engine optimisation, social media marketing and online identity management.

The financial statements for the year ended March 31, 2023 are approved for issue by the Company's Board of Directors on May 22, 2023.

**2 Significant Accounting Policies**

**Basis of Preparation**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

These Financial Statements are prepared on an accrual basis under the historical cost convention or amortised cost, except for the following assets and liabilities, which have been measured at fair value:

- i. Certain financial assets and liabilities
- ii. Defined Benefits Plans- Plan assets

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency and all amounts are rounded off to the nearest hundred (INR) upto two decimals, except when otherwise indicated.

**2.1 Property, Plant and Equipment (PPE)**

- a. Tangible Assets:  
PPE are stated as cost less accumulated depreciation / amortisation.

- b. Intangible Assets:  
Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

**2.2 Depreciation**

Depreciation on Property, Plant and Equipment (other than Capital Work-in-progress) is commenced when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Management. Depreciation is provided on the Written-down value Method as per the useful lives specified in Part C of Schedule II to the Companies Act, 2013 or as per technical assessment.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

**2.3 Intangible Assets and Amortisation**

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis as per Schedule II of Companies Act, 2013. Software is being amortised over a period of five years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

**Purchase of Online Business**

The Company has purchased an Online Business undertaking on "Slump purchase" basis for the consideration of Rs. 10 Crores and a goodwill of Rs. 766 (Amount in '000) from Asit C Mehta Investment Intermediates Limited, a related party, w.e.f. 31.03.2022.

**2.4 Impairment of non-financial assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

In assessing the value in use, the estimated future cash flows are 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 for which the estimates of future cash flows have not been adjusted.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognised for that asset or cash-generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.



## 2.5 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value, as reduced by bank overdrafts.

## 2.6 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised net of income earned on temporary investments from such borrowings. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.7 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised when the Company has 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 obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Provisions, Contingent liabilities and Contingent assets are reviewed at each reporting date and are adjusted to reflect the current best estimate.

## 2.8 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits of a transaction will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. All expenses are accounted on accrual basis.

### Professional Fees

Income from services rendered is recognized on completion of services. Fees are accounted on its completion and acceptance by the customers.

### Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

## 2.9 Employee Benefits

### (i) Short term employee benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

### (ii) Long-term benefits:

#### Defined Contribution Plan:

#### Provident Fund, Employees State Insurance

The Company's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

#### Defined Benefit Plan:

#### Gratuity:

The Company has an obligation towards gratuity, a defined benefits retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to profit or Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited taking into account the present value of available refunds and reductions in future contributions to the schemes.



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**Compensated absences:**

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is recognized based on number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and loss in the period in which they arise.

**2.10 Taxes on Income**

**Income tax expense represents the sum of the tax currently payable and deferred tax.**

**Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income-tax Act, 1961 and other tax laws, as applicable.

**Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

**Current and Deferred Tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**2.11 Earnings Per Share**

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares, if any, outstanding during the year, except where the results would be anti-dilutive.

**2.12 Foreign Currency Transactions**

Transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial transaction. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

**2.13 Financial Instruments**

Financial assets and Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

**Initial Recognition:**

Financial assets and Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the Statement of Profit and Loss.

**Classification and Subsequent Measurement: Financial Assets**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

**Amortised Cost:**

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Fair Value through OCI:**

A financial asset shall be classified and measured at FVOCI, if both of the following conditions are met:

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



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**Fair Value through Profit or Loss:**

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Classification and Subsequent Measurement: Financial liabilities:**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

**Financial Liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

**Other Financial Liabilities:**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

**Impairment of financial assets:**

The Company recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value through Profit or Loss. Expected credit losses are 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, discounted at original effective rate of interest.

**Derecognition of financial assets:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

**Financial liabilities and equity instruments:**

Classification as debt or equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by a Company are recognised at the proceeds received.

**Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18

When guarantee in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognized as cost of investment.

**Derecognition of financial liabilities:**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

**Offsetting:**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**2.14 Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

The preparation of the financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**Key estimates, assumptions and judgements**

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:





## Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. Also, Refer Note 27.

## Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

## Employee Benefit Plans

The cost of the defined benefit gratuity plan and other-post employment benefits and the present value of gratuity obligations and compensated absences are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

## Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

## Fair Value measurements of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets (Net Assets Value in case of units of Mutual Funds), their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

## Impairment of Assets

The Company has used certain judgements and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to assess impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

## Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

## 2.15 Revenue From Contracts with Customers

The company has apply Ind As 115 Revenue from Contract with customers

### Ind AS 115: Revenue from Contracts with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS18 on "Revenue" and Ind AS 11 on "Construction Contracts".

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

Further, Ind AS 115, requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Ind AS 115 permits two possible methods of transition:

- Retrospective approach - Under this approach the standard is applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognised at the date of initial application (Cumulative catch - up approach) only to contracts that are not completed contracts on that date. Under this method, cumulative effect is recognised as an adjustment to the opening balance of retained earnings of the annual reporting period.

## 2.16 Investments

Investments are classified into Long term and are carried at cost, less provision for diminution other than temporary in their value, determined separately for each individual investment basis and current investments which are carried at the lower of cost and fair value.

## 2.17 Standards (including amendments) issued but not yet effective

The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standard) Amendment Rules, 2023 dated March 31, 2023 to amend certain Ind ASs which are effective from 01 April 2023:

Below is a summary of such amendments:



i **Disclosure of Accounting Policies - Amendment to Ind AS 1 Presentation of financial statements**

The MCA issued amendments to Ind AS 1, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

The amendments are effective for annual reporting periods beginning on or after 01 April 2023. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

ii **Definition of Accounting Estimates – Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors**

The amendment to Ind AS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The amendments are effective for annual reporting periods beginning on or after 01 April 2023. The amendments are not expected to have a material impact on the Company's financial statements.

iii **Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12 Income taxes**

The amendment to Ind AS 12, requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Company is currently assessing the impact of the amendments.

iv **The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.**





Note 3A  
Property, Plant and Equipment

(₹ in '000)

Particulars	Computers	Office and Other Equipments	Total
(I) Gross Carrying Value			
Balance as at April 1, 2021	671	8	679
Additions during the year	-	-	-
Deductions/Adjustments during the year	-	-	-
Balance as at March 31, 2022	671	8	679
Balance as at April 1, 2022	671	8	679
Additions during the year	-	-	-
Deductions/Adjustments during the year	-	-	-
Balance as at March 31, 2023	671	8	679
(II) Accumulated Depreciation			
Balance as at April 1, 2021	623	7	631
Depreciation expense for the year	10	-	10
Deductions/Adjustments during the year	-	-	-
Balance as at March 31, 2022	634	7	641
Balance as at April 1, 2022	634	7	641
Depreciation expense for the year	4	-	4
Deductions/Adjustments during the year	-	-	-
Balance as at March 31, 2023	638	7	645
Net Carrying Value (I-II)			
Balance as at March 31, 2022	37	0	38
Balance as at March 31, 2023	34	0	34

Note 3B  
Other Intangible Asset

(₹ in '000)

Particulars	Trade Mark	Software	Website	Total
(I) Gross Carrying Value				
Balance as at April 1, 2021	8	530	70	607
Additions during the year	-	-	-	-
Deductions/Adjustments during the year	-	-	-	-
Balance as at March 31, 2022	8	530	70	607
Balance as at April 1, 2022	8	530	70	607
Additions during the year (See note below)	-	648	-	648
Deductions/Adjustments during the year	-	-	-	-
Balance as at March 31, 2023	8	1,178	70	1,255
(II) Accumulated Depreciation				
Balance as at April 1, 2021	8	304	58	369
Depreciation expense for the year	-	147	6	153
Deductions/Adjustments during the year	-	-	-	-
Balance as at March 31, 2022	8	451	64	522
Balance as at April 1, 2022	8	451	64	522
Depreciation expense for the year	-	72	6	78
Deductions/Adjustments during the year	-	-	-	-
Balance as at March 31, 2023	8	523	70	600
Balance as at March 31, 2022	-	79	6	85
Balance as at March 31, 2023	-	655	-0	655



Note 3C  
Goodwill

	(₹ in '000)	
Particulars	Goodwill	Total
(I) Gross Carrying Value		
Balance as at April 1, 2021	-	-
Additions during the year	766	766
Deductions/Adjustments during the year	-	-
Other Adjustments during the year	-	-
Balance as at March 31, 2022	766	766
Balance as at April 1, 2022	766	766
Additions during the year (See note below)	-	-
Deductions/Adjustments during the year	-	-
Other Adjustments during the year	-	-
Balance as at March 31, 2023	766	766
(II) Accumulated Depreciation		
Balance as at April 1, 2021	-	-
Depreciation expense for the year	-	-
Deductions/Adjustments during the year	-	-
Balance as at March 31, 2022	-	-
Balance as at April 1, 2022	-	-
Depreciation expense for the year	-	-
Deductions/Adjustments during the year	-	-
Balance as at March 31, 2023	-	-
Balance as at March 31, 2022	766	766
Balance as at March 31, 2023	766	766

Note - a) The Company has purchased an Online Business Undertaking on "Slump purchase" basis for the consideration of Rs. 10 Crores from Asit C Mehta Investment Intermediates Limited, a related party, w.e.f. 31.03.2022

Note - b) Goodwill of Rs. 766.12 (₹ in '000) is residual value (after allocating to various intangible assets) relating to the above business purchase.

Note 3D  
Capital Work in Progress (CWIP)

	(₹ in '000)					
	As at 1 April 2022	Expenditure during the year	Capitalized during the year	Impairment	Written off	Closing as at 31 March 2023
Amount	1,00,000	13,768	13,768	-	-	1,13,768
	(₹ in '000)					
	As at 1 April 2021	Expenditure during the year	Capitalized during the year	Impairment	Written off	Closing as at 31 March 2022
Amount	-	1,00,000	1,00,000	-	-	1,00,000

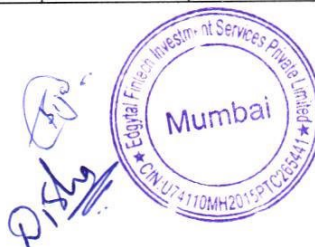
Capital work in progress as at 31 March 2023 comprises expenditure for the new applications under progress. Total amount of CWIP is Rs. 13,768.27 (31 March 2022: Rs. 0.00) (₹ in '000).

(a) Ageing schedule  
31-Mar-23

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	13,768	1,00,000	-	-	1,13,768
Projects temporarily suspended	-	-	-	-	-
Total	13,768	1,00,000	-	-	1,13,768

31-Mar-22

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,00,000.00	-	-	-	1,00,000.00
Projects temporarily suspended	-	-	-	-	-
Total	1,00,000.00	-	-	-	1,00,000.00







Note 4  
Non-Current tax asset:

Particulars	(₹ in '000)	
	As at March 31, 2023	As at March 31, 2022
TDS Receivable	1,200	176
MAT Tax credit	-	65
<b>Total</b>	<b>1,200</b>	<b>241</b>

Note 5  
Deferred Tax assets

Particulars	(₹ in '000)	
	As at March 31, 2023	As at March 31, 2022
Deferred Tax Asset	177	236
<b>Total</b>	<b>177</b>	<b>236</b>

Note 6  
Trade Receivables

Particulars	(₹ in '000)	
	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
Unsecured, considered good		
Other receivables	926	738
<b>Total</b>	<b>926</b>	<b>738</b>

Trade Receivables ageing schedule as on March 31, 2023

Particulars	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	
(i) Undisputed Trade receivables - considered good	926	-	-	-	-	926
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - Credit impaired	-	-	-	-	-	-

Trade Receivables ageing schedule as on March 31, 2022

Particulars	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	
(i) Undisputed Trade receivables - considered good	738	-	-	-	-	738
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - Credit impaired	-	-	-	-	-	-

Note 7  
Cash and Cash Equivalents

Particulars	(₹ in '000)	
	As at March 31, 2023	As at March 31, 2022
Balances with Banks		
Current Accounts	259	147
<b>Total</b>	<b>259</b>	<b>147</b>

Note 8  
Other Current Financial Assets

Particulars	(₹ in '000)	
	As at March 31, 2023	As at March 31, 2022
Security Deposit	155	-
<b>Total</b>	<b>155</b>	<b>-</b>

Note 9  
Other Current Assets

Particulars	(₹ in '000)	
	As at March 31, 2023	As at March 31, 2022
ICD Asit C Mehta Inv Int Ltd. Loan	-	-
Balance with Government Authorities	981	-
<b>Total</b>	<b>981</b>	<b>-</b>



*[Signature]*





Note 10  
Equity Share Capital

(₹ in '000)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
<b>Authorised</b> Equity shares of par value Rs. 10/-	1,00,00,000	1,00,000	1,00,00,000	1,00,000
<b>Total Authorised share Capital</b>	<b>1,00,00,000</b>	<b>1,00,000</b>	<b>1,00,00,000</b>	<b>1,00,000</b>
<b>Issued, Subscribed &amp; Paid Up</b> Equity shares of par value Rs. 10/-*	38,51,847	38,518	38,51,847	38,518
<b>Total Issued, Subscribed and Paid up Share Capital</b>	<b>38,51,847</b>	<b>38,518</b>	<b>38,51,847</b>	<b>38,518</b>

Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

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

a. Reconciliation of the number of shares outstanding

(₹ in '000)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Equity Shares Outstanding at the beginning of the year	38,51,847	38,518	4,56,847	4,568
Equity Shares issued during the year	-	-	3,95,000	3,950
Shares issued during the period (Private Placement)	-	-	30,00,000	30,000
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	38,51,847	38,518	38,51,847	38,518

**Shares held by promoters at March 31, 2023**

Promoter Name	No. of Shares	% of total shares	% Change during the year
1) Aditya Asit C Mehta	1,39,500	4%	-
2) Deena Asit Mehta	38,750	1%	-
3) Prachi A Mehta	22,506	1%	-
4) Asit C Mehta	87,885	2%	-
5) Aakash Asit Mehta	1,62,006	4%	-
<b>Total</b>	<b>4,50,647</b>	<b>12%</b>	<b>-</b>

**Shares held by promoters at March 31, 2022**

Promoter Name	No. of Shares	% of total shares	% Change during the year
1) Aditya Asit C Mehta	1,39,500	4%	-
2) Deena Asit Mehta	38,750	1%	-
3) Prachi A Mehta	22,506	1%	-
4) Asit C Mehta	87,885	2%	-
5) Aakash Asit Mehta	1,62,006	4%	-
<b>Total</b>	<b>4,50,647</b>	<b>12%</b>	<b>-</b>

b. Shareholders having more than 5% holding

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of shares	% Holding	No. of shares	% Holding	
1 Asit C. Mehta Financial Services Ltd	30,00,000	78%	30,00,000	78%	-
<b>TOTAL</b>	<b>30,00,000</b>	<b>-</b>	<b>30,00,000</b>	<b>-</b>	<b>-</b>

Note 11  
Other Equity

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Retained Earnings</b>		
Balance as at the beginning of the year	(6,676)	(4,331)
Add: Net Profit after Tax transferred from the Statement of Profit and Loss	(9,802)	(2,346)
Other Comprehensive Income for the year	-	-
- Remeasurement gain/(loss) on Defined Benefit Plans (Net of tax)	-	-
	<b>(16,479)</b>	<b>(6,677)</b>
<b>Security Premium</b>		
Balance as at the beginning of the year	17,007	32
Add/(Less) : Movement during the year	-	16,975
	<b>17,007</b>	<b>17,007</b>
<b>Share Warrant*</b>		
Warrant issued 50,00,000 @ 1.5 per unit and will be converted into Equity within 18 Months on the option of exercise price payable @13.50 by the buyer.	7,500	7,500
	<b>7,500</b>	<b>7,500</b>
<b>Total</b>	<b>8,028</b>	<b>17,830</b>

Description of the nature and purpose of Other Equity

**Retained Earnings:** Retained Earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves etc., amount distributed as dividends and adjustments on account of transition to Ind AS.

**Equity Instruments through Other Comprehensive Income:** This represents cumulative gains / (losses) arising on the measurement of equity shares (other than subsidiaries and associate) at fair value through other comprehensive income.





Note 12  
Non-Current Provision

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits :		
Provision for Gratuity	703	-
Provision for Leave Encashment	200	-
<b>Total</b>	<b>903</b>	<b>-</b>

Note 13  
Current Borrowings

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>From Related Parties- Unsecured</b>		
Deena Mehta Loan Account	1,594	1,464
Asit C Mehta Financial Services Ltd	64,108	26,571
<b>From Other- Unsecured</b>		
Algoiq Software Solutions	3,501	-
<b>Total</b>	<b>69,204</b>	<b>28,035</b>

Note 14  
Trade Payables

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Financial Liabilities</b>		
Due to Micro, Small and Medium enterprises	-	-
Due to Others	1,032	16,634
<b>Total</b>	<b>1,032</b>	<b>16,634</b>

Trade payables ageing schdule as on March 31, 2023

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment #				Total
	Less than 1 Year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1,032	-	-	-	1,032
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-

Trade payables ageing schdule as on March 31, 2022

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment #				Total
	Less than 1 Year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	16,634	-	-	-	16,634
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-

The Company has not received any intimation from the suppliers regarding

Amounts payable to Micro and Small Enterprises	As at March 31, 2023	As at March 31, 2022
(i) the principal amount and the interest due thereon	Nil	Nil
(ii) interest Paid during the year	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid	Nil	Nil
(v) the amount of further interest remaining due and payable	Nil	Nil

Note 15  
Other Current Liabilities

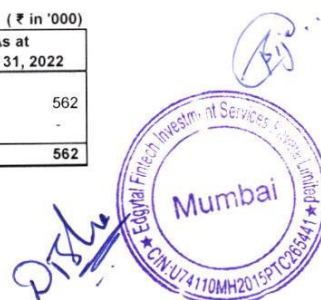
(₹ in '000)

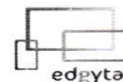
Particulars	As at March 31, 2023	As at March 31, 2022
<b>Other Payables</b>		
Statutory dues	575	467
Outstanding Expenses	326	-
Other Payables	0	-
Leave Salary Payable	204	204
<b>Total</b>	<b>1,105</b>	<b>672</b>

Note 16  
Current Provisions

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>A. Provision for employee benefits :</b>		
Provision for Gratuity	67	562
Current Provision for Leave Encashment	66	-
<b>Total</b>	<b>133</b>	<b>562</b>





**Note 17**  
**Revenue From Operations**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Sale of Service</b>		
Professional Fees Received	12,000	1,519
<b>Total Revenue From Operations</b>	<b>12,000</b>	<b>1,519</b>

**Note 18**  
**Other Income**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Received	-	250
Interest Received on IT Refund	26	47
Commission Income	2	-
Misc Income	49	-
<b>Total</b>	<b>77</b>	<b>297</b>

**Note 19**  
**Employee Benefits Expense**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries ,Wages & Bonus	7,177	-
PF Payable Employer Contribution	862	-
Leave Encashment	446	-
Gratuity	208	-
<b>Total</b>	<b>8,693</b>	<b>-</b>

**Note 20**  
**Finance Costs**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Expense	4,728	2,564
Other borrowing cost- Bank Charges	5	5
<b>Total</b>	<b>4,733</b>	<b>2,569</b>

**Note 21**  
**Other Expenses**

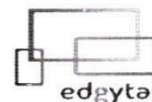
(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Advertisement and Sales Promotion	3,465	-
Leave & Licence Fees	3,624	-
Administration Expenses-PF	36	-
Legal & Professional Fees	-	145
Membership & Subscription	7	-
Audit fees	100	40
Electricity Expenses	268	-
Repairs & Maintenance / Office Maintenance Exp	-	-
GST Expenses	-	182
Rates & Taxes	2	5
Marketing Expenses	-	188
Stamp Duty	12	856
Staff Recruitment Expenses	260	-
Repair & Maintenance Software	66	15
Misc Expenses	399	42
<b>Total</b>	<b>8,240</b>	<b>1,472</b>





**Edgytal Fintech Investment Services Private Limited**  
**Notes to the Financial Statements for the Year ended 31st March 2023**



**Note 22**

Disclosure pursuant to Ind AS 12 on "Income Taxes"

**A. Components of Tax Expenses/(Income)**

( ₹ in '000)

Profit or Loss Section	Year ended March 31, 2023	Year ended March 31, 2022
Current Tax	-	-
Deferred Tax	59	42
Tax Adjustment of Earlier Years	8	-
<b>Income Tax Expense reported in the statement of Profit or Loss</b>	<b>67</b>	<b>42</b>

**B. Reconciliation of Income Tax Expense/(Income) and Accounting Profit multiplied by domestic tax rate applicable in India**

( ₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit (loss) before Tax	(9,670)	(2,389)
Corporate Tax rate as per Income Tax Act, 1961	25.17%	25.17%
Tax on Accounting Profit	-	-
<b>Tax effect of :</b>		
Income Exempt from Tax	-	-
Income considered separately	-	-
Expenses Allowed separately	-	-
<b>Current Tax Provision (A)</b>	<b>-</b>	<b>-</b>
Deferred Tax Liability recognised	-	-
Deferred Tax Asset recognised	59	42
<b>Explanation for change in applicable tax rate</b>		
<b>Deferred Tax (B)</b>	<b>59</b>	<b>42</b>
<b>Adjustments in respect of current income tax of previous years (C )</b>		
	8	-
<b>Tax expenses recognised during the year (A+B+C)</b>	<b>67</b>	<b>42</b>
<b>Effective tax rate</b>	<b>-0.69%</b>	<b>-1.78%</b>



**Note 23:**

Disclosures of transactions with related parties required under Ind AS 24 on "Related Party Disclosures"

**A. List of Related Parties with whom transactions have taken place during the year**

(I) **Holding Company :**

Asit C Mehta Financial Services Limited (w.e.f. 24.03.2022)

(II) **Key Management Personnel (KMP):**

Darshan Bhatt (Till 12.12.2022)

Disha Doshi (From 19.10.2021)

Arpit Trivedi (Till 31.12.2022)

Bijal Tandel (From 28.12.2022)

- Director

- Director

- Director

- Director

(III) **Group Company**

Nucleus IT Enabled Service Limited (now Merged with ACMFSL)

Asit C Mehta Investment Intermediates Limited

**B. Transactions With Related Parties**

(₹ in '000)

	Particulars	For the Quarter ended March 31, 2023	For the year ended March 31, 2022
	<b>Share Capital Money Paid</b>		
i.	Akash Asit Mehta (Non Relative)	-	1,620
ii	Aditya Asit Mehta (Non Relative)	-	1,395
iii	Asit C. Mehta (Non Relative)	-	879
iv	Deena Asit Mehta (Non Relative)	-	388
v	Kirit Vora (Non Relative)	-	62
vi	Prachi Mehta (Non Relative)	-	225
	<b>Share Capital Money Received (Including Share Premium)</b>		
i.	Jayesh Desai (Non Relative)	-	1,500
	<b>Investment made in Equity Shares by -</b>		
i.	Asit C. Mehta Financial Services Limited	-	45,000
	<b>Investment made in Share Warrants by -</b>		
i.	Asit C. Mehta Financial Services Limited	-	7,500
	<b>Inter Company Loan Taken</b>		
i.	Asit C. Mehta Financial Services Limited	55,100	75,200
ii	Asit C Mehta Investment Intermediates Limited	65,100	1,50,800
iii	Deena Asit Mehta	-	650
	<b>Inter Company Loan Repaid</b>		
i.	Asit C. Mehta Financial Services Limited	20,000	50,700
ii	Asit C Mehta Investment Intermediates Limited	65,100	1,34,300
	<b>Professional Fees Received</b>		
i.	Akash Asit Mehta	-	1,450
ii	Asit C Mehta Investment Intermediates Limited	12,000	-
	<b>Online Business Undertaking on "Slump purchase" basis</b>		
i.	Asit C Mehta Investment Intermediates Limited	-	1,00,000
	<b>Goodwill for Online Business Undertaking on "Slump purchase" basis</b>		
i.	Asit C Mehta Investment Intermediates Limited	-	766
	<b>Interest paid</b>		
i.	Asit C. Mehta Financial Services Limited	2,708	2,421
ii	Asit C Mehta Investment Intermediates Limited	1,685	-
iii	Deena Asit Mehta	144	143
	<b>Interest Received</b>		
i.	Asit C. Mehta Financial Services Limited	-	120
ii	Asit C Mehta Investment Intermediates Limited	-	129
	<b>Reimbursement of Expenses</b>		
i.	Asit C. Mehta Financial Services Limited	-	1
ii	Asit C Mehta Investment Intermediates Limited	178	1,010
	<b>Reimbursement of Expenses - Received</b>		
i.	Asit C. Mehta Financial Services Limited	-	1
ii	Asit C Mehta Investment Intermediates Limited	-	17
	<b>Rent Paid</b>		
i.	Asit C. Mehta Financial Services Limited	5,404	-





### C. Outstanding Balances

(₹ in '000)

	PARTICULARS	For the Quarter ended March 31, 2023	For the year ended March 31, 2022
	<b>Closing balance payable</b>		
i.	Asit C. Mehta Investment Intermediates Limited (Including Interest)	-	16,500
ii	Asit C. Mehta Financial Services Limited (Including Interest)	64,108	26,571
iii	Deena Asit Mehta	1,594	1,464
iv	Akash Asit Mehta	-	67
	<b>Closing balance receivable</b>		
i.	Asit C. Mehta Financial Services Limited (Rent Deposit)	155	-

#### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances on account of trade receivable, trade payable, other receivable, other payable and interest receivable on loan at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received in respect of outstanding receivables or payables from/to any related party. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

#### Note 24:

#### Earnings Per Share (EPS)

(₹ in '000)

Particulars	For the Quarter ended March 31, 2023	For the year ended March 31, 2022
Net loss after tax as per Statement of profit and loss available for equity shareholders	(9,802)	(2,346)
Number of Equity Shares at the beginning of the year	38,51,847	4,56,847
Add:- Shares allotted during the year	-	33,95,000
Number of Equity Shares at the end of the year	38,51,847	38,51,847
Weighted average number of equity shares used as denominator for calculating Basic and Diluted Earnings per shares	-	4,56,847
Add:- Shares allotted during the year	-	18,603
Weighted average number of equity shares used as denominator for calculating Basic and Diluted Earnings per shares	-	4,75,450
Face Value per Equity Share	10.00	10.00
Basic and Diluted earnings per Share	(2.54)	(0.61)



**Edgital Fintech Investment Services Private Limited**  
**Notes to the Financial Statements for the Year ended 31st March 2023**



**Note 25:**

**Financial Instruments**

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

**Valuation**

- i. The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**Fair Value measurement hierarchy**

The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are :

**Level 1** - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.

The carrying amounts and fair values of financial instruments by class are as follows:

Particulars	As at March 31, 2023				As at March 31, 2022			
	Carrying Amounts	Fair Value			Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial Assets</b>								
Measured at Cost								
Loans	-	-	-	-	-	-	-	-
Trade Receivable	926	-	-	-	738	-	-	-
Cash and Bank Balance	259	-	-	-	147	-	-	-
Others	155	-	-	-	-	-	-	-
	1,340	-	-	-	885	-	-	-
Measured at Fair Value through Other Comprehensive Income								
Investment in equity instruments	-	-	-	-	-	-	-	-
<b>Total Financial Assets</b>	<b>1,340</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>885</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>								
Measured at Cost								
Borrowing	69,204	-	-	-	28,035	-	-	-
Trade Payables	1,032	-	-	-	16,634	-	-	-
Others	-	-	-	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>70,235</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,670</b>	<b>-</b>	<b>-</b>	<b>-</b>



*[Signature]*

*[Signature]*







**Note 26:**

**Capital Management and Financial Risk Management Policy**

**A. Capital Management**

For the purpose of the Company's Capital Management, Capital includes issued Equity Capital and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholders' value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value. The Company monitors capital using debt-equity ratio as its base, which is total debt divided by total equity.

**1. Debt Equity Ratio - Total Debt divided by Total Equity**

Particulars	( ₹ in '000)	
	As at March 31, 2023	As at March 31, 2022
Total Debt	69,204	28,035
Total Equity	46,546	56,348
Debt Equity Ratio	1.49	0.50

**B. Financial Risk Management and Policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations in select instances. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and investments. The company is exposed to market risk, credit risk, liquidity risk etc. The objective of the Company's financing policy are to secure solvency, limit financial risks and optimise the cost of capital.

Company has exposure to following risk arising from financial instruments:

Credit risk  
Market risk  
Liquidity risk

**i) Credit Risk**

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments in units of mutual funds, other balances with banks, deposits and other receivables.

**a) Trade Receivable**

Customer credit risk is managed by Company's established policy, procedure and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

**ii) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. The Company has designed risk management framework to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar.

The carrying amount of the Company's foreign currency denominated monetary assets as at the end of the reporting period is as follows :

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount in Foreign currency	Amount	Amount in Foreign currency	Amount
Receivable USD	-	-	-	-

Particulars of un-hedged foreign currency asset / liability as at the end of the reporting period is as follows :

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount in Foreign currency	Amount	Amount in Foreign currency	Amount
Payable USD	-	-	-	-

**Foreign currency sensitivity:**

The following table demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant.

5% increase or decrease in foreign exchange rate will have the following impact on before profit before tax and impact on equity.

Particulars	As at March 31, 2023		As at March 31, 2022	
	5% increase	5% decrease	5% increase	5% decrease
Impact on Profit and Loss	-	-	-	-
USD	-	-	-	-

**iii. Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company manage its liquidity risk by maintaining positive Cash and Bank balance and availability of funds through adequate cash credit facility. Management monitors the company's liquidity positions through rolling forecast on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The table below provides details regarding the remaining contractual maturities of Company's financial liabilities.

Particulars	( ₹ in '000)			
	Less than 1 Year / On Demand	1-5 years	More than 5 years	Total
<b>As at March 31, 2023</b>				
Non-derivative financial liabilities				
Borrowings	69,204	-	-	69,204
Trade Payables	-	-	-	-
Other payables	-	-	-	-
	<b>69,204</b>	<b>-</b>	<b>-</b>	<b>69,204</b>
<b>As at March 31, 2022</b>				
Non-derivative financial liabilities				
Borrowings	28,035	-	-	28,035
Trade Payables	-	-	-	-
Other payables	-	-	-	-
	<b>28,035</b>	<b>-</b>	<b>-</b>	<b>28,035</b>



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Note : 27 Ratios

(₹ in '000)

S No.	Ratio	Formula	31 March 2023		31 March 2022		Ratio as on		Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	31 March 2023	31 March 2022		
(a)	Current Ratio	Current Assets / Current Liabilities <sup>(i)</sup>	2,321	71,473	885	45,903	0.03	0.02	68%	Compared to Previous year, The Company has borrowed more funds.
(b)	Debt-Equity Ratio	Total Debt <sup>(iii)</sup> / Shareholder's Equity	69,204	46,546	28,035	56,348	1.49	0.50	199%	The Variance is caused due to higher Investments made by Company through its Borrowings.
(c)	Debt Service Coverage Ratio	Earning available for debt Service <sup>(iv)</sup> / Debt Service <sup>(v)</sup>	-4,993	4,728	381	2,564	-1.06	0.15	-810%	Company has gained Profits from the Operations as compared to previous year but due to higher Finance Cost the Company has incurred loss in the Current Year.
(d)	Return on Equity Ratio	Profit after tax x 100 / Average Shareholder's Equity	-9,802	51,447	-2,346	28,309	-0.19	-0.08	130%	Due to operating loss in the Current Financial Year.
(e)	Inventory Turnover Ratio	Cost of Goods Sold OR Sales / Average Inventory	NA	NA	NA	NA				
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	12,000	832	1,519	450	14.43	3.38	327%	Due to Higher sale of services rendered during the year
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	NA	NA	NA	NA				
(h)	Net Capital Turnover Ratio	Net Sales / Working Capital	12,000	-69,152	1,519	-45,018	-0.17	-0.03	414%	Due to Higher current liabilities than current assets
(i)	Net Profit Ratio	Net Profit / Net Sales	-9,802	12,000	-2,346	1,519	-0.82	-1.54	-47%	Due to increase in Finance cost, the Profit earned from operations is Negative.
(j)	Return on Capital Employed	EBIT / Capital Employed <sup>(vi)</sup>	-4,942	1,15,749	175	84,383	-0.04	0.00	-2153%	Due to Higher Borrowing as compared to last year and due to higher operational cost, as the Company is in gestation period and taking various operational, financial and administrative steps for business growth as per their business objectives.
(k)	Return on Investment	PBT+Finance Cost / Total Assets	-4,937	1,18,922	181	1,02,251	-0.04	0.00	-2449%	Due to Higher Borrowing as compared to last year and due to higher operational cost, as the Company is in gestation period and taking various operational, financial and administrative steps for business growth as per their business objectives.

Footnote:

- (i) Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets
- (ii) Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract
- (iii) Debt= long term borrowing and current maturities of long-term borrowings and Current Borrowing
- (iv) Earning for Debt Service =Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
- (v) Debt Service = Interest Loans + Principal Repayments
- (vi) Capital Employed= Share Capital + Reserve and Surplus + Borrowing ( Current + Non current)








**28 Information on Segment Reporting as per Ind AS 108 on "Operating Segments"**

Operating Segments are those components of business whose operating results are regularly reviewed by the Chief Operating Decision making body in the Company to make decisions for performance assessment and resource allocation.

During the year, the Company was engaged in the business of Information Technology Enabled Services (ITES), which is the only operating segment as well as Geographical Segment as per Ind AS 108.

**29 Employee Benefits**

The Company has classified various Employee Benefits as under :

**A. Defined Contribution Plans**

i. Provident Fund

ii. Employees' State Insurance Scheme

The Provident Fund and Employees' State Insurance Scheme are operated by the Regional Provident Fund Commissioner. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

The Company has recognised the following amounts in the Statement of Profit and Loss :

Particulars	(₹ in '000)	
	Year ended March 31, 2023	Year ended March 31, 2022
Contribution to Provident Fund	862	-
Contribution to Employees' State Insurance Scheme	-	-
<b>TOTAL</b>	<b>862</b>	<b>-</b>

**B. Defined Benefit Plans**

**Gratuity**

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

Particulars	Valuation as at	
	31-Mar-23	31-Mar-22
i. Mortality	IALM(2012-14)Ult.	IALM(2012-14)Ult.
ii. Discount Rate (per annum)	7.35%	N.A.
iii. Rate of increase in Compensation levels (per annum)	6.50%	N.A.
iv. Attrition Rate	30.00% p.a. at younger ages reducing to 5.00% p.a. at older ages	30.00% p.a. at younger ages reducing to 5.00% p.a. at older ages
v. Retirement Age	58 years	58 years

vi. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

vii. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

**Note on other risks:**

**Investment risk** - The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Interest Risk** - A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary risk** - The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Asset Liability Matching Risk**: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk**: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Particulars	Year ended	
	March 31, 2023	March 31, 2022
	<b>Gratuity unfunded</b>	
i. <b>Changes in Present value of Obligation</b>		
Present value of defined benefit obligation at the beginning of the year	-	-
Transfer IN/ Out obligation	-	-
Interest Cost	-	-
Current Service cost	769	-
Actuarial (Gains)/Loss on obligation		
Actuarial (gains)/ losses arising from changes in financial assumption	-	-
Actuarial (gains)/ losses arising from changes in experience adjustment	-	-
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
Past Service cost - Vested Benefits	-	-
Benefits Paid	-	-
<b>Present value of defined benefit obligation at the end of the year (PVO)</b>	<b>769</b>	<b>-</b>






ii. <b>Fair value of Plan Assets</b>		
Fair value of plan assets at the beginning of the year	-	-
Interest Income	-	-
Return on plan assets excluding amounts included in interest income	-	-
Contributions by Employer	-	-
Benefit paid	-	-
<b>Fair value of plan assets at the end of the year</b>	-	-
iii. <b>Amount to be recognised in the Balance Sheet and Statement of Profit and Loss</b>		
PVO at end of period	769	-
Fair Value of Plan Assets at end of period	-	-
Funded Status	(769)	-
<b>Net Assets/(Liability) recognised in the Balance Sheet</b>	<b>769</b>	-
iv. <b>Expenses recognised in the Statement of Profit and Loss</b>		
Interest cost on benefit obligation (net)	-	-
Current Service Cost	769	-
<b>Total Expenses recognised in the Statement of Profit and Loss</b>	<b>769</b>	-
v. <b>Remeasurement Effects Recognised in Other Comprehensive Income for the year</b>		
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
Actuarial (gains)/ losses arising from changes in financial assumption	-	-
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
Actuarial (gains)/ losses arising from changes in experience adjustment	-	-
Return on plan asset excluding net interest	-	-
Recognised in Other Comprehensive Income	-	-
vi. <b>Movements in the Liability recognised in Balance Sheet</b>		
Opening Net Liability	-	-
Adjustment to opening balance Transfer in/(out) obligation	-	-
Expenses as above	769	-
Contribution paid	-	-
Other Comprehensive Income (OCI)	-	-
<b>Closing Net Liability</b>	<b>769</b>	-
vii. <b>Cash flow Projection: From the Fund (Undiscounted)</b>		
Within the next 12 months (next annual reporting period)	67	-
2nd following year	131	-
3rd following year	101	-
4th following year	96	-
5th following year	89	-
Sum of Years 6 To 10	430	-
viii. <b>Sensitivity Analysis</b>		
<b>Discount rate Sensitivity</b>		
Increase by 0.5%	749	-
(% change)	-2.66%	0%
Decrease by 0.5%	791	-
(% change)	2.81%	0%
<b>Salary growth rate Sensitivity</b>		
Increase by 0.5%	790	-
(% change)	2.62%	0%
Decrease by 0.5%	750	-
(% change)	-2.53%	0%
<b>Withdrawal rate (W.R.) Sensitivity</b>		
W.R. x 110%	756	-
(% change)	-1.69%	0%
W.R. x 90%	782	-
(% change)	1.62%	0%

**Note on Sensitivity Analysis**

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the inter relationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

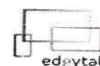
The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.








**Edgytal Fintech Investment Services Private Limited**  
**Notes to the Financial Statements for the Year ended 31st March 2023**



**30 Title deeds of Immovable Properties not held in name of the Company**  
The title deeds of all the immovable properties in financial statements, are held in the name of the company.

**31 Details of Benami Property held**  
The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

**32 Wilful Defaulter**  
The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

**33 UTILISATION OF BORROWED FUND AND SHARE PREMIUM DURING THE PERIOD 1.4.2022 TO 31.03.2023**

**Loans and advances Given during the year**

(₹ in '000)

Intermediaries			Ultimate Beneficiaries		
Date / Month	Name of the Entity	Amount	Date / Month	Name of the Entity	Amount
25.07.2022	Asit C Mehta Financial Services Limited	1,000	28.07.2022	Deena A Mehta	500
10.08.2022	Asit C Mehta Financial Services Limited	1,000	10.08.2022	Deena A Mehta	1,000
29.08.2022	Asit C Mehta Financial Services Limited	1,000	29.08.2022	Deena A Mehta	500
			29.08.2022	Asit C Mehta	500
05.09.2022	Asit C Mehta Financial Services Limited	500	07.09.2022	Asit C Mehta	500
21.03.2023	Asit C Mehta Financial Services Limited	500	21.03.2023	Asit C Mehta	500
22.03.2023	Asit C Mehta Financial Services Limited	300	22.03.2023	Asit C Mehta	300

**34 Additional regulatory information required by Schedule III**

**i Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,**

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act,

**ii Registration of charges or satisfaction with Registrar of Companies**

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

**iii Compliance with number of layers of companies**

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

**iv Undisclosed income**

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (and previous year) in the tax assessments under the Income Tax Act, 1961.

**v Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year. (and previous year)

**vi The Code on Social Security 2020**

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

**vii Utilisation of borrowed funds and share premium**

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of 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:

- 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 to or on behalf of the Ultimate Beneficiaries : The Company has 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:
- 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.

**35 The company is registered as a startup by the department for Promotion of Industry and Internal Trade for Promotion of Industry and Internal Trade, under the Ministry of Commerce & Industry and the company is developing software solutions for the Broking entities which is at advance stage. The Company is in gestation period and taking various operational, financial and administrative steps for business growth as per their business objectives. The Board of Directors has approved the cash flows for the next twelve month and business plan of the Company in their meeting dated May 22, 2023 and accordingly financials statements are prepared on going concern assumption basis.**

**36 Previous year's figures have been regrouped and reclassified wherever necessary.**

As per our report attached hereto

For M/s. ASDT & CO.  
Chartered Accountants  
Firm Registration No.: 130450W



Sahil Parikh  
Partner  
Membership No.: 134489  
Date : 22/05/2023  
Place : Mumbai

For and on behalf of the Board of Directors  
Edgytal Fintech Investment Services Private Limited

Disha Doshi  
Director  
[DIN: 09364742]

Bijal Tandel  
Director  
[DIN: 09834416]

