THAKUR, VAIDYANATH AIYAR & CO.
Chartered Accountants
New Delhi, Mumbai, Kolkata, Chennai.
Patna and Chandigarh

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INDEPENDENT AUDITOR'S REPORT

To,
The Members of
MyLoanCare Venture Private Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2023

1. Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **MyLoanCare Venture Private Limited** (hereinafter referred to as "the Company" or "the holding company") and its wholly owned subsidiary, MLC Finotech Private Limited (together referred to as "the group"), which comprise of the Consolidated Balance Sheet as at March 31,2023, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Change in Equity and the Consolidated Cash Flow Statement for the year then ended and notes to the Consolidated Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) In the case of Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at March 31, 2023;
(b) In the case of Consolidated Statement of Profit and Loss (including other comprehensive income), of the consolidated loss for the year ended on March 31, 2023;
(c) In the case of the Consolidated Cash Flow Statement and Consolidated statement of change in equity, its consolidated cash flows and the consolidated change in equity for the year ended on March 31, 2023.

2. Basis for Opinion

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

3. Other Information

The Holding Company's Board of Directors is responsible for the other information. We have been provided with the other information included in the Director's Report and Annexure thereto, which did not include the Consolidated Ind AS Financial Statements and our auditor's report thereon.

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Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information referred to above and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated 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 consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Based on the audit work we have performed; we have nothing to report in this regard.

4. Responsibility of Management for the Consolidated Ind AS Financial Statements

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

The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group are also responsible for overseeing the group's financial reporting process.

5. Auditor's Responsibility for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated 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 Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and

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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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Consolidated Ind AS Financial Statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of the holding company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

6. Other Matters

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We have nothing to report in the "Other Matters" section of this independent audit report except for:

a) The holding company did not have any subsidiary, associate or joint venture during the previous year and accordingly there was no requirement for preparation of consolidated Ind AS financial statements. Hence, comparative previous year figures are not disclosed in the consolidated Ind AS financial statements for the year ended as on March 31, 2023.

b) The subsidiary has been incorporated on October 11, 2022 and has commenced its business w.e.f. November 10, 2022. Therefore, the statement of Profit and Loss and the Cash Flow Statement of the subsidiary has been prepared by their management for the period commencing from October 11, 2022 till March 31, 2023. The Ind AS financial statements of the subsidiary for the said period have been used for preparation of the consolidated Ind AS financial statements.

Our audit was conducted in accordance with applicable auditing standards, and our opinion on the consolidated Ind AS financial statements is not modified.

7. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 ("the order") issued by the Central Government of India in terms of Section 143(11) of the Act, we report thereunder the matters specified in paragraph 3and 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 of the aforesaid consolidated Ind AS financial statements

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

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated statement of change in equity and the Consolidated Cash Flow Statement for the year ended on 31st March, 2023, dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act to the extent applicable, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

   f) As Section 143(3)(i) of the Companies Act, 2013 is not applicable to the company vide notification no- 464 (E) of Ministry of Corporate Affairs dated 05.06.2015 (as amended on 13.06.2017), we are not reporting in respect of the adequacy of the internal financial controls over financial reporting of the entities in the group and operating effectiveness of such controls.

   g) As the entities included in the group are Private Limited Companies, the provisions of Section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the group.

T.V.A. & Co. Chartered Accountants

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 group does not have any pending litigation which would have impact on its consolidated financial position.

ii) The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

iv) a) The respective managements of the Holding company and its subsidiary have represented that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the holding company or its subsidiary 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:

I. 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
II. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b) The respective managements of the Holding company and its subsidiary have represented that, to the best of its knowledge and belief, no funds have been received by the holding company or its subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

I. directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
II. provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

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 subclause (iv) (a) and (iv) (b) contain any material mis-statement.

v) There was no dividend declared or paid during the year by the holding company and its subsidiary. Therefore, the compliance with the provisions of section 123 of the companies Act, 2013 is not applicable to them .

3. 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 **Thakur, Vaidyanath Aiyar & Co.**
Chartered Accountants
Firm's Registration No.: 000038N

Shankar kumar Jha.

Shankar Kumar Jha

(Partner)

Membership No.: 060042

UDIN: 23060042BGQEVL[illegible]

Place: New Delhi

Date: 19/05/2023

MyLoanCare Ventures Private Limited

CIN : U65100DL2013PTC258637

Consolidated IndAS Balance Sheet as at 31st March, 2023

(₹ in Lakhs)

Particulars	Note No	As At 31st March, 2023
A ASSETS		
1 Non-Current Assets		
(a) Property, Plant & Equipment	3	43.29
(b) Right of Use Assets	4(a)	185.55
(c) Intangible Assets	3	24.76
(d) Intangible Assets under Development	3	-
(e) Financial Assets		
(i) Investments	5	108.64
(ii) Loans	6	722.77
(iii) Other Financial Assets	7	35.44
(f) Deferred Tax Assets (Net)	8	1.00
		1,121.45
2 Current Assets		
(a) Financial Assets		
(i) Current Investments	9	1,200.81
(ii) Trade Receivables	10	161.07
(iii) Loans	6	480.43
(iv) Cash and Cash equivalents	11	709.43
(v) Other Financial Assets	12	418.03
(b) Current tax assets	13	28.02
(c) Other Current Assets	14	7.65
		3,005.44
TOTAL ASSETS		4,126.89
B EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	15	5.68
(b) Instruments entirely Equity in nature	16	17.38
(c) Other equity	17	3,595.47
		3,618.53
LIABILITIES		
1 Non-Current liabilities		
(a) Financial Liabilities		
(i) Long Term Lease Liability	4(b)	155.35
(b) Long Term Provisions	18	51.00
		206.35
2 Current liabilities		
(a) Financial Liabilities		
(i) Short Term Lease Liability	4(b)	31.34
(ii) Trade Payable		
- Total outstanding dues of micro enterprises and small enterprises	19(a)	3.37
- Total outstanding dues of creditors other than micro enterprises and small enterprises	19(b)	16.87
(iii) Other Financial Liabilities	20	66.93
(b) Short Term Provisions	21	131.30
(c) Other Current liabilities	22	52.20
		302.01
TOTAL EQUITY AND LIABILITIES		4,126.89

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN: 000038N

Shankar Kumar Jha

Shankar Kumar Jha
(Partner)

Membership No: 060042
UDIN: 23060042BGQEVL5331
Place: Gurugram
Date: 19/05/2023.

T.V.A. & CO. New Delhi Chartered Accountants

For and on behalf of the Board of Directors
of MyLoanCare Ventures Private Limited

For MYLOANCARE VENTURES PRIVATE LIMITED

Gaurav Gupta

Gaurav Gupta
(Wholetime Director & CEO)
DIN: 06663417

Director

For MYLOANCARE VENTURES PRIVATE LIMITED

Manoj Sharma

Manoj Sharma
(Director)
DIN: 02745526

Director

MyLoanCare Ventures Private Limited

Consolidated IndAS Statement of Profit & Loss for the Year Ended 31st March, 2023

CIN : U65100DL2013PTC258637

	Particulars	Note No	Year Ended 31st March, 2023
	INCOME		
I	Revenue from Operations	23	745.83
II	Other Income	24	12.45
III	Total Income (I+II)		758.28
IV	EXPENSES		
	Employee Benefits Expenses	25	753.14
	Finance Cost	26	9.74
	Depreciation and amortization expenses	3&4(a)	43.41
	Advertising & Promotion Expenses	27	16.64
	Network & Internet Expenses	28	73.57
	Other expenses	29	432.54
	Total Expenses (IV)		1,329.04
V	Profit/(loss) before exceptional items and tax (I-IV)		(570.76)
VI	Exceptional Items		-
VII	Profit/ (loss) before exceptions items and tax(V-VI)		(570.76)
VIII	Tax Expense:		
	(1) Current Tax		-
	(2) Deferred Tax Liability / (Assets) including Reversals	8	10.37
			10.37
IX	Profit (Loss) for the year (VII-VIII)		(581.13)
X	Other Comprehensive Income		
	A. Items that will not be reclassified to profit or loss		
	- Gain / (Loss) on defined benefit plans		(14.03)
	- Income tax on above items		0.06
	B. Items that will be reclassified to profit or loss		
	- Gain / (Loss) on fair valuation of investments		(1.91)
	- Income tax on above items		-
	Total Other Comprehensive Income		(15.88)
XI	Total Comprehensive Profit / (Loss) for the year		(597.01)
	Earnings Per Share (Face Value of ₹ 10 per share):		
	- Basic	30	(1,022.76)
	- Diluted	30	(263.00)

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN: 000038N

Shankar Kumar Jha

Shankar Kumar Jha
(Partner)

T.V.A. & CO. New Delhi Chartered Accountants

Membership No: 060042
UDIN: 23060042BGQEVL2351
Place: Gurugram
Date: 19/05/2023.

For and on behalf of the Board of Directors
of MyLoanCare Ventures Private Limited

For MYLOANCARE VENTURES PRIVATE LIMITED

Gaurav Gupta

Director

Gaurav Gupta
(Wholetime Director & CEO)
DIN: 06663417

For MYLOANCARE VENTURES PRIVATE LIMITED

Manoj Sharma

Director

Manoj Sharma
(Director)
DIN: 02745526

MyLoanCare Ventures Private Limited

Consolidated Statement of Cash Flows for the Year Ended 31st March, 2023

CIN : U65100DL2013PTC258637

Particulars	Year Ended 31st March, 2023
(A) CASH FLOW FROM OPERATING ACTIVITIES:	
Profit Before Taxation	(570.76)
Adjustments for :	
Depreciation and Amortization	43.42
Reversal of Intangible Assets under Development	1.13
Interest on Refund of Income Tax	(5.06)
Reversal of Depreciation due to change in accounting policy	(6.17)
Profit on sale of Fixed Assets	(0.67)
Change in Fair Vale of Investments	(47.73)
Realised Gain on Sale of Mutual Fund	(2.04)
Share based Payment Expenses	47.98
Interest on Lease Liability	9.74
Change in Long Term Provisions	23.71
Change in Short Term Provisions	120.57
Actuarial Gain	(14.03)
Operating Loss Before Working Capital Changes	(399.91)
Changes in Working Capital :	
Change in Trade Receivables	(83.17)
Change in Loans (Current & Non-Current)	(1,179.89)
Change in Other Financial Assets (Current & Non-Current)	(56.47)
Change in Other Current Assets	(1.28)
Change in Current Tax Assets	39.61
Change in Trade Payable	12.08
Change in Other Financial Liabilities	16.68
Change in Other Current Liabilities	44.22
Cash Generated from/(used in) Operating Activities	
Add: Interest Received on Income Tax Refund	5.06
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	(1,603.07)
(B) CASH FLOW FROM INVESTING ACTIVITIES:	
Purchase of Tangible and Intangible Assets	(75.98)
Sale of Tangible and Intangible Assets	1.95
Investment made in FDR	(5,496.99)
Investment in FDR Redeemed	5,109.99
Investment made in Corporate Bonds Redeemed	117.71
Investment made in Mutual Fund	(1,201.04)
Investment in Mutual Fund Redeemed	47.96
Realised Gain on Sale of Mutual Fund	2.04
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES	(1,494.36)

For MYLOANCARE VENTURES PRIVATE LIMITED

Gaurav Gupta

Director

T.V.A. & CO. New Delhi Chartered Accountants

(C) CASH FLOW FROM FINANCING ACTIVITIES:	
Proceeds from Issue of Preference Shares	3,657.61
Principal elements of Lease payments	(13.88)
Interest on Lease Liability	(9.74)
Security Deposit Paid	(5.81)
NET CASH INFLOW / (OUFLOW) FROM FINANCING ACTIVITIES	3,628.18
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	530.75
Cash and Cash Equivalents at the beginning of the Year	178.68
Cash and Cash Equivalents at the end of the Year	709.43

Components of Cash & Cash Equivalents at the end of the Year:	
Cash in Hand	0.03
Balances with Banks	
- In Current Account with Banks	29.19
- In Fixed Deposits with maturity of less than 3 Months	680.00
Stamps in Hand	0.21

Non-Cash financing and investing activity	
- Acquistion of Right of Use Assets	206.39
- Recognition of Lease Liability (Current & Non-Current)	186.69

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN: 000038N

Shankar Kumar Jha

Shankar Kumar Jha
(Partner)

T.V.A. & CO. New Delhi Chartered Accountants

Membership No: 060042
UDIN: 23060042BGQEYL1331.
Place: Gurugram
Date: 19/05/2023

For and on behalf of the Board of Directors
of MyLoanCare Ventures Private Limited

For MYLOANCARE VENTURES PRIVATE LIMITED

Gaurav Gupta

Gaurav Gupta
(Wholetime Director
& CEO)
DIN: 06663417

Director

For MYLOANCARE VENTURES PRIVATE LIMITED

Manoj Sharma
(Director)
DIN: 02745526

Director

MyLoanCare Ventures Private Limited

CIN : U65100DL2013PTC258637

Consolidated Statement of Changes in Equity for the Year Ended 31st March, 2023

I) EQUITY SHARE CAPITAL

Particulars	As At 31st March, 2023	
	No. of Shares	₹ in Lakhs
Balance at the Beginning of the Year	56,820	5.68
Add: Issued during the Year	25,338	2.53
Less: Equity Shares issued to ESOP Trust (Refer Note 15.2)	(25,338)	(2.53)
Shares Outstanding at the End of the Year	56,820	5.68

II) INSTRUMENTS ENTIRELY EQUITY IN NATURE (Compulsory Convertible Preference Shares)

Particulars	As At 31st March, 2023	
	No. of Shares	₹ in Lakhs
Balance at the Beginning of the Year	11,367	1.14
Add: Issued during the Year	1,62,416	16.24
Shares Outstanding at the End of the Year	1,73,783	17.38

III) OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserves and Surplus				Other Comprehensive Income	Total Other Equity
	Securities Premium	Retained Earnings	Share Based Payment Reserve	Reserve Fund as per RBI Act*		
Balance as at 1st April, 2022	897.71	(410.66)	-	4.49	11.59	503.13
Profit / (Loss) for the Year	-	(581.13)	-	-	-	(581.13)
Other Comprehensive Income	-	(13.97)	-	-	(1.91)	(15.88)
Total Comprehensive Income		(595.10)	-		(1.91)	(597.01)
Premium on issue of Equity Shares	397.16	-	-	-	-	397.16
Premium on issue of C.C.P.S. Shares	3,641.37	-	-	-	-	3,641.37
Amount recoverable from ESOP Trust	(397.16)	-	-	-	-	(397.16)
Share based payment to employees for the year	-	-	47.98	-	-	47.98
Balance as at 31st March 2023	4,539.08	(1,005.76)	47.98	4.49	9.68	3,595.47

* Reserve fund created under Section 45 IC of the Reserve Bank of India Act

For MYLOANCARE VENTURES PRIVATE LIMITED

Gaurav Gupta

Director

T.V.A. & CO. New Delhi Chartered Accountants

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

1. GROUP OVERVIEW

MyLoanCare Ventures Private Limited, formerly known as My Finance Care Advisors Private Limited, ("the Company" or the "holding company ") was incorporated in India on 3rd October, 2013. The corporate office of the Company is situated at Plot No: 131, Ground Floor, Sector 44, Gurugram – 122003 and registered office of the Company is located at 405, Starlite Apartment, Sector 14 Extension, Rohini, New Delhi -110085. The Company is a RBI-registered non-banking finance company (NBFC) bearing CoR No: N-14.03560 and classified as a Types-II base layer NBFC under the category Investment and Credit Company (NBFC-ICC).

MLC Finotech Private Limited ("the subsidiary") was incorporated in India on 11th of October, 2022 under the provisions of Companies Act, 2013 having its registered office at Plot No: 131, Ground Floor, Sector – 44, Gurugram – 122003.

These consolidated Ind AS financial statements comprise the company and its wholly owned subsidiary, MLC Finotech Private Limited (together referred to as the "group"). The wholly owned subsidiary was incorporated on October 11,2022 and being the first year of the consolidation, previous year figures have not been disclosed in the consolidated Ind AS financial statements.

The group is primarily engaged in providing 100% digital, paperless instant personal and business loans. The group is also engaged in the business of providing consultancy, advisory, technology and marketing solutions and services in relation to loans and cards, intermediation, developing software and providing services in relation to data processing, financial data analysis, information systems and data communications systems and acts as consultant and/or intermediary for matters relating directly or indirectly to loans, borrowings.

2. Significant Accounting policies

2.1. Disclosure of Accounting policies

a) Basis of preparation and Statement of Compliance with Ind AS

These consolidated Ind AS financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the "Ind AS") notified by the Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ("Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) along with other relevant provisions of the Act, the Master Direction-Non Banking Financial Company- Non Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions,2016 as amended and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13,2020 (RBI's notification for Implementation of Indian Accounting Standards) issued by RBI. The consolidated Ind AS financial statement has been prepared on a going concern basis.

These consolidated Ind AS financial statements have been prepared on the historical cost basis, except for financial instruments which have been measured at fair value. Further, the carrying values of recognized assets and liabilities that are hedged items in fair value hedges, and otherwise carried at amortized cost, are adjusted to record changes in fair value attributable to the risks that are being hedged.

These consolidated Ind AS financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakh, except when otherwise indicated.

b) Presentation of financial statements

The Group presents its consolidated Ind AS financial statements in accordance with presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). Financial assets and financial liabilities are generally reported gross in the consolidated balance sheet. They are only offset and reported when Ind AS specifically permits the same or it has an unconditionally legally enforceable right to offset the recognized amounts without being contingent on a future event. Similarly, the group offsets income and expenses and reports the same on net basis when permitted by Ind AS specifically.

For MYLOANCARE VENTURES PRIVATE LIMITED For MYLOANCARE VENTURES PRIVATE LIMITED

Gaurav Gupta

Director Director

T.V.A. & CO. New Delhi Chartered Accountants

c) **Recent Accounting Developments**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023 as below:

Ind AS 107- Financial Instruments: Disclosures

The amendment relating to Ind AS 107 requires entities to disclose their material accounting policy information with regard to financial instruments rather than their significant accounting policies.

Ind AS 1- Presentation of Financial Statements

The amendment includes:

- Companies should disclose their material accounting information rather than their significant accounting policies, and
- Accounting policies related to immaterial transactions, other events or conditions which are themselves immaterial are not required to be disclosed;
- Companies need to clarify that not all accounting policies that relate to material transactions, other events or conditions are material to a company's financial statements.

Ind AS 12- Income Taxes

The amendment clarifies how companies should account for deferred tax on certain transactions- e.g., leases and decommissioning provisions. The amendment narrows the scope of the initial recognition exemption, so that it does not apply to transactions that give rise to equal and offsetting temporary differences, such as leases and decommissioning provisions. Thus, companies should recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition in such transactions.

Ind AS 34- Interim Financial Reporting

The amendment states that entities should disclose their material accounting policy information in their interim financial statements, rather than their significant accounting policies.

d) **Current and Non-current classification**

All assets and liabilities have been classified as current or non- current as per group's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013 as amended from time to time. The group has ascertained its operating cycle as 12 months for the purpose of current or non- current classification of assets and liabilities.

2.2. Use of Estimates, judgements and assumptions

The preparation of consolidated Ind AS financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the accompanying disclosure and the disclosure of contingent liabilities at the end of the reporting period. Estimates and underlying assumptions are reviewed on a going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the consolidated Ind AS financial statements in the period in which changes are made and if material, their effects are disclosed in consolidated notes to accounts.

Critical estimates and Judgments

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated Ind AS financial statements.

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Director

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The areas involving critical estimates or judgments are:

- Estimation of defined benefit obligation- Refer Note no. 32 & 33
- Recognition of deferred tax assets for carried forward tax losses- Refer Note no. 8
- Leases- Refer Note- Refer Note no.4
- Share based payments- Refer Note no. 34

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

2.3. Principle of Consolidation

Subsidiary is an entity over which the holding company has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its investment with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group. The group combines the financials statements of the holding company and its subsidiaries line by line basis by adding together like items of assets, liabilities, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of the subsidiary have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling Interest (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the noncontrolling interests having a deficit balance.

Non- controlling interest will be presented in the consolidated balance sheet within equity, separately from the equity of the owners of the parent. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary are equity transactions (i.e., transactions with owners in their capacity as owners).

2.4. Cash flow statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, operating, investing and financing activities of the group is segregated.
For the purpose of presentation in the consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.5. Property, plant and equipment (PPE) and Intangible assets

Property, Plant and equipment (PPE)

Property, Plant and Equipment are stated at Cost of Acquisition less Accumulated Depreciation and impairment (if any). Cost of acquisition includes all taxes, duties, freight and other direct attributable costs of bringing the assets to working condition for intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits

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associated with these will flow to the group and cost of item can be reliably measured. Other repairs and maintenance costs are expensed off as and when incurred.

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between net disposal proceeds and the carrying amount of assets) is included in the consolidated statement of profit and loss when the asset is derecognized.

Intangible Assets

Software's which are not integral part of the hardware are classified as intangibles and are stated at cost less accumulated amortization and any accumulated impairment. Intangible Assets are amortised on straight line method over the useful life of the asset.

Intangible Assets under Development:

Assets which are not ready for intended use or in development are classified as Intangible Assets under Development. These are carried at cost comprising direct cost, related incidental expenses and attributing borrowings costs. As at March 31,2023, the group does not own any intangible assets under development.

Depreciation and Amortisation

Depreciation on Property, Plant and Equipment is provided on Straight Line Method on the basis of useful lives prescribed in Part "C" of Schedule II to Companies Act, 2013 read with Section 123 of the said act.

'Depreciation' is the systematic allocation of the depreciable amount over its useful lives. The depreciable amount is arrived at after deducting the 'residual value' from its cost. The group assumes the 'residual value' to be NIL. Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, the depreciation on such asset is calculated on a pro rata basis from the date of such addition or, as the case may be, up to the date on which such asset has been sold, discarded, demolished or destroyed.

The group has used following useful lives to provide depreciation on its Property, Plant and Equipment:

Asset Category	Useful Lives (in years)
Computer and Laptops including Computer Peripherals	3
Computer Software	3
Furniture and Fittings*	7
Office and Telephone Equipment*	3

**For these class of assets, based on internal assessment the management believes that the useful lives as given above best represents the period over which the management expects to use these assets. Hence, useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.*

2.6. Impairment

i) Overview of principles for measuring expected credit loss ('ECL') on financial assets.

In accordance with Ind AS 109, the Company is required to measure expected credit losses on its financial instruments designated at amortized cost and fair value through other comprehensive income. Accordingly, the Company is required to determine lifetime losses on financial instruments where credit risk has increased significantly since its origination. For other instruments, the Company is required to recognize credit losses over next 12 months period. The Company has an option to determine such losses on individual basis or collectively depending upon the nature of underlying portfolio. The Company has a process to assess credit risk of all exposures at each year end as follows:

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Stage 1

These represent exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date. The Company has assessed that all standard exposures (i.e., exposures with no overdues) and exposure up to 90 days overdue fall under this category. In accordance with Ind AS 109, the Company measures ECL on such assets over next 12 months.

Stage 2

These represent exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date. The Company has assessed that all substandard exposures (i.e., exposures with overdues) and exposure up to 18 months overdue fall under this category. Accordingly, the Company classifies all exposures with overdue exceeding 90 days but not more than 18 months at each reporting date under this Stage. The Company measures ECL on stage 2 loans over next 12 months.

Stage 3

All exposures having overdue balances for a period exceeding 18 months are considered to be defaults and are classified under this stage. Accordingly, the Company measures lifetime losses on such exposure. Interest revenue on such contracts which is calculated by applying the effective interest rate to the amortized cost (net of impairment allowance) instead of the gross carrying amount.

When estimating ECL on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Methodology for calculating ECL

The mechanics of the ECL calculation involve the use of following key elements:

Probability of default (PD) - The probability of default is an estimate of the likelihood of default over a given time horizon (12-month or lifetime, depending upon the stage of the asset). PD estimation is done based on historical internal data available with the Company. For credit impaired assets, a PD of 100% has been applied.

Exposure at default (EAD) - It represents an estimate of exposure of the Company at a future date after considering repayments by the counterparty before the default event occurs. The outstanding balance as at reporting date is considered as EAD by the Company. Considering the PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

Loss given default (LGD) - It represents an estimate of the loss expected to be incurred when the event of default occurs. The Company uses historical loss data/external agency GD for identified pools for the purpose of calculating LGD.

Definition of default and cure

The Company considers a financial instrument as defaulted and classes it as Stage 3 (credit-impaired) for ECL calculations typically when the borrower becomes 18 months past due on contractual payments. The Company may also classify a loan in Stage 3 if there is significant deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment. Thus, as a part of the qualitative assessment of whether an instrument is in default, the Company also considers a variety of instances that may indicate delay in or non-repayment of the loan. When such events occur, the Company carefully considers whether the event should result in treating the borrower as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

Write-offs

Loans are written off (either partially or in fully) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient

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cash flows to repay the amounts subjected to write-offs. All such write-offs are charged to the statement of profit and loss. Any subsequent recoveries against such loans are credited to the consolidated statement of profit and loss.

ii) Non- financial assets

The carrying amount of non-financial assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing 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 risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.7. Revenue Recognition

Revenue is the gross inflow of cash, receivables or other consideration arising in the course of the ordinary activities of an enterprise from the rendering of services, and from the use by others of enterprise resources yielding interest, royalties and dividends. Revenue is measured by the charges made to customers or clients for services rendered to them and by the charges and rewards arising from the use of resources by them. In an agency relationship, the revenue is the amount of commission and not the gross inflow of cash, receivables or other consideration.

Revenue is recognised to the extent that is probable that the economic benefit will flow to the company and revenue can be reliably measured. The group recognises revenue as follows:

I. Income from Financing Business:

- **Interest Income:** Interest Income is recognised on an accrual basis using effective interest rate method (EIR). The effective interest method calculates the amortised cost of a financial instrument and allocates the interest income over the relevant period. When a financial asset becomes credit-impaired or when the principal is outstanding for more than 90 days, and is, therefore, regarded as 'Stage 3' & 'Stage 2' respectively, the company calculates interest income to the extent recoverable. If the financial assets cures and is no longer credit impaired, the company reverts to calculating interest income on a gross basis.
- **Processing Fees Income:** The Company recognizes processing fees charged on loans on the basis of the effective interest rate of the loan. Processing fees are charged at the time of disbursement of the loan. The processing fees impact the effective interest rate of the loan over its term and are recognized as income over the term of the loan. The unamortised amount of processing fees will be shown as "Revenue Received in Advance" under the Other current liabilities in the financial statements. (Refer Note No. 22)
- **Fees Income, Service and Administration Charges-** These includes fees collected for services rendered such as fees income, bounce charges, foreclosure fees, part payment charges, instrument swap charges, bounce charges etc. These income are recognised on collection or accrual basis, whichever is earlier. The excess of revenue over the billed amount is carried under the head "Trade Receivables" as Unbilled Revenue (Refer Note No: 10) in the financial statements.
- **Income from Bonds-** Income from bonds of corporate bodies and from government bonds are recognised on accrual basis using the Effective interest rate method (EIR). Revenue is recognised to the extent that is probable that the economic benefit will flow to the company and revenue can be reliably measured.
- **Interest Income on Fixed Deposit-** Interest income is recognized on accrual basis as done by bank on account of deposits standing at the end of the financial year considering the time period of maturity and rate of interest. However, for deposits that have been matured during the year, interest has been recognised on receipt basis.

ii. Revenue from Commission & Brokerage / sale of advertising space:

Revenue from commission/brokerage/sale of advertising space is computed based on the commission percentage calculated on the amount of the loan disbursed from such lender to the customers. Revenue is to be recognized at a point in time when the related services are rendered as per the terms of agreement along with its addendum with the customer. Revenue is

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recognised within 30 days from the end of calendar month in which it has accrued or at the time of actual billing, whichever is earlier.

While recognizing revenue of the subsidiary, revenue from operations is calculated after netting-off the Deficiency Claim. Deficiency Claim is paid by the subsidiary to its customers and has been recorded as a liability in the financial statements of the subsidiary and the corresponding revenue recognized in the current period has been reversed. The amount of deficiency claim paid, including any interest or penalties associated with the claim, is ₹ 15.57 Lakhs.

Revenue also includes unbilled revenue in respect of services rendered to various clients up to the end of the financial year for which the invoices are raised and realised in the subsequent financial year(s). Unbilled revenue is shown under "Trade receivables" as Unbilled Revenue (Refer Note No: 10) in the consolidated balance sheet.

2.8. Foreign currency transaction

Functional and Presentation Currency

Items included in the consolidated Ind AS financial statements of the group are measured using the currency of the primary economic environment in which the group operates ('the functional currency') i.e., Indian rupee (₹), which is group's functional and presentation currency.

Initial Recognition-Transactions denominated in foreign currencies are normally recorded in the reporting currency at the exchange rate prevailing on the date of the transactions.

Subsequent Recognition- Monetary items denominated in foreign currency and outstanding at the balance sheet date are translated at the exchange rate prevailing on the balance sheet date. Resultant exchange differences arising on the receipt/payment or restatement of assets and liabilities are recognized as income/expense in the Consolidated Profit and Loss Account.

2.9. Leases

The group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where the group is a lessee

The group applies a single recognition and measurement approach for all its leases. Leases are recognised as a right-of-use asset representing a right to use the underlying assets and a corresponding lease liability to make lease payments at the date at which the leased asset is available for use by the group.

i. Lease liability

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the future lease payments.

The lease payments include fixed payments (including in substance fixed payments, if any) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the group and payments of penalties for terminating the lease, if the lease term reflects the group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate re-recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

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The lease payments are discounted using the lessee's incremental borrowing rate. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

II. Right-of-use assets

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made at or before the commencement date less any lease incentives received.

2.10. Employee Benefit

The group classifies post employment benefits as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all the liabilities. The expense under these plans is recognized as expense during the period when the employee provided service. Under a defined benefit plan, it is the group's obligation to provide agreed benefits to the employees. The present value of the defined benefit obligations is calculated using the projected unit credit method.

1. Defined benefit plan

For defined benefit plans in the form of gratuity and compensated absences, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date, Re- measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan asset, is reflected immediately in the consolidated balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in consolidated profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined liability or asset. (Refer Note 32 & Note 33)

2. Defined contribution plan

Under defined contribution plan, the group contributes to the Employee's Provident Fund / Employees State Insurance/ Labour Welfare Fund maintained under the relevant schemes of the Central Government and the State Government and the same is charged to the Consolidated Statement of Profit and Loss. The contributions are made to registered fund administered by government. The obligation of the group is limited to amount contributed and it has neither further contractual nor any constructive obligation.

A. **Provident Fund**

The group has a defined contribution plan in respect of provident fund. Contributions are made to Regional Provident Fund Commissioner for employees at the rate of 12% of basic salary as per regulations. The expense recognised during the year ended 31st March 2023 towards defined contribution plan is ₹ 23.61 Lakhs (Refer Note no. 25)

B. **Employee State Insurance**

The group has a defined contribution plan in respect of Employee state Insurance. The expense recognised during the year ended 31st March 2023 towards defined contribution plan is ₹ 0.58 Lakhs (Refer Note no. 25)

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C. Haryana Labour Welfare Fund

The group has contributed in respect of Haryana Labour Welfare Fund. The expense recognised during the year ended 31st March 2023 towards defined contribution plan is ₹ 0.48 Lakhs (Refer Note no. 25)

3. Standard Share based Payment

Equity-settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transactions are set out in Note no. 34.

The cost of equity-settled transactions is measured using the fair value method and recognized, together with a corresponding increase in the "Share based payment reserve" in reserves. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the consolidated statement of profit and loss for the year represents the movement in cumulative expense recognized as at the beginning and end of that year and is recognized in employee benefits expense.

2.11. Earning per shar (EPS)

The group reports Basic and Diluted Earnings per Shares in accordance with Ind AS 33 "Earnings per Share."

Basic earnings per equity share are computed by dividing Net Profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average numbers of shares outstanding during the period are adjusted for events including a bonus issue, bonus element in a right issue to existing shareholders, share split, and reverse share split.

Diluted Earnings per equity share are computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of shares outstanding during the year after adjusting for the effects of all dilutive potential equity shares. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.12. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the entity when the entity becomes a party to the contractual provisions of the instruments.

➢ **Financial Assets**

Classification:

The group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss) and
- Those measured at amortized cost.

The classification depends on the group's business model for managing the financial assets and the contractual terms of the cash flows.

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Initial Measurement

Financial assets are initially recognized on the trade date, i.e., the date that the group becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVOCI)
- Equity instruments and mutual funds

Financial assets at amortized cost:

Loan Portfolio is subsequently measured at amortized cost where:
Contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest (SPPI) on the principal amount outstanding; and are held within a business model whose objective is achieved by holding to collect contractual cash flows.
After initial measurement, these financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the consolidated profit or loss. The losses arising from impairment are recognized in the consolidated statement of profit and loss. The measurement of credit impairment is based on the three stage expected credit loss model described in Impairment of financial assets {refer note 2.6 (i)}.

Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets at fair value through other comprehensive income are carried at fair value at each reporting date. Fair value changes are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the consolidated statement of profit and loss. On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to consolidated statement of profit and loss.

Equity instruments and mutual funds

Equity instruments and mutual funds included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

➢ **Financial liabilities and equity instruments**

Initial recognition and measurement

Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities. Financial liabilities are classified as subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated Statement of Profit and Loss over the period of the borrowings using the effective rate of interest.

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Subsequent Measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in consolidated Statement of Profit or Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

De-recognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

Offsetting Financial Instruments

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 realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency.

➢ **Fair value measurement**

The Company measures financial instruments, such as, investment in mutual funds at fair value at each balance sheet date.

Fair value is 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.

The company's accounting policies require, measurement of certain financial instruments at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said consolidated Ind AS financial statements.

Accordingly, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated Ind AS financial statements are categorized within the fair value hierarchy, described as follows:

- **Level 1 financial instruments** - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- **Level 2 financial instruments** - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.
- **Level 3 financial instruments** - include one or more unobservable input where there is little market activity for the asset/liability at the measurement date that is significant to the measurement as a whole.

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2.13. Related Party Disclosure

Disclosure of Related Party transactions as required by the accounting standard is furnished in the Notes to Accounts. Refer Note 31

2.14. Segment Reporting

The Company's reporting segments are identified based on activities/products, risk and reward structure, organization structure and internal reporting system. Segment revenue and expenses include amounts, which can be directly attributable to the segment and allocable on a reasonable basis. Segment assets and liabilities are operating assets/liabilities employed/incurred by the segment which are directly attributable to the segment or can be allocated on a reasonable basis.

The company primarily has two segments of business - Financing Business and Marketplace Business. The company has disclosed the segment reporting as per Ind AS 108 "Operating Segment" in Note no. 39.

2.15. Provisions, Contingent Assets and Contingent Liabilities

Depending upon the facts of each case and after due evaluation of legal aspects, claims against the Company are accounted for as either provisions or disclosed as contingent liabilities.

i. Recognition of Provision :

A provision is recognized when the group has a present obligation (legal or constructive) as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. Provisions (excluding Gratuity and Leave Encashment) are not discounted to their present value and are determined based on management estimates required to settle the obligation at the balance sheet date.

ii. Recognition of Contingent Liabilities :

A contingent liability is recognised where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or where the same cannot be reliably estimated. In respect of statutory dues disputed and contested by the group, contingent liabilities are provided for and disclosed as per original demand without taking into account any interest or penalty that may accrue thereafter. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated Ind AS financial statements.

iii. Recognition of Contingent Assets:

Contingent Assets are not recognised in consolidated Ind AS financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed, where an inflow of economic benefits is probable. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.16. Accounting for Taxes on Income

i. Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with The Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

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ii. Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it becomes probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred taxes are recognized as income tax benefits or expenses in the consolidated income statement except for tax related to the FVOCI instruments. The group also recognizes the tax consequences of payments and issuing costs, related to financial instruments that are classified as equity, directly in equity.

The group only off-sets its deferred tax assets against liabilities when there is both a legal right to offset and it is the group's intention to settle on a net basis.

iii. Minimum Alternate Tax (MAT)

MAT paid in a year is charged to the consolidated Statement of Profit and Loss as current tax for the year. The deferred tax asset is recognized for MAT credit available only to the extent that it is probable that the group will pay normal income tax and thereby utilizing MAT credit during the specified period, i.e., the period for which MAT credit is allowed to be carried forward and utilized. In the year in which the group recognizes MAT credit as an asset, it is created by way of credit to the consolidated Statement of Profit and Loss and shown as part of deferred tax asset. The group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

2.17. Accounting for transfer and acquisition of Loan exposures

The company had placed a comprehensive board approved policy for transfer and acquisition of loan exposure under the Reserve bank of India (Transfer of Loan Exposures) Directions, 2021 as amended.

➢ **Accounting for Transfer of loans which are not in default**

As a transferor

Any loss or profit arising because of transfer of loans, which is realised, will be accounted for accordingly and recognised in the Consolidated Statement of Profit & loss of the transferor for the accounting period during which the transfer is completed. However, unrealised profits, if any, arising out of such transfers, will be deducted from CET 1 capital or net owned funds for meeting regulatory capital adequacy requirements till the maturity of such loans.

As a transferee

For transferees, the acquired loans will be carried at acquisition cost unless it is more than the outstanding principal at the time of the transfer, in which case the premium paid, should be amortised based on straight line method or effective interest rate method, as appropriate. However, the outstanding/ unamortised premium need not be deducted from capital.

➢ **Accounting for Transfer of loans which are in default**

As a transferor

The valuation exercise for transfer may be carried out internally. However, when the Company is acting as a transferor and the credit exposure being transferred (without netting for provisions), singly, jointly or severally, is ₹ 100 crore or more, it shall obtain two external valuation reports.

The discount rate used by the transferor in the internal valuation exercise shall not be less than:

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- Weighted average cost of external capital
- Contracted interest rate charged

Any loss or profit arising because of transfer of loans, which is realised, will be accounted for accordingly and recognised in the Consolidated Statement of Profit & loss of the transferor for the accounting period during which the transfer is completed. However, unrealised profits, if any, arising out of such transfers, will be deducted from CET 1 capital or net owned funds for meeting regulatory capital adequacy requirements till the maturity of such loans.

As a transferee

Classification and provisioning for acquired loan which are in default

If the company has no existing exposure to the borrower whose stressed loan account is acquired, the acquired stressed loan shall be classified as "Standard" by the transferee(s). Thereafter, the asset classification status of the loans acquired, will be determined by the record of recovery in the books of the transferee(s) with reference to cash flows estimated at the time of transfer of the loan.

In case the Company has existing exposure to the borrower whose stressed loan account is acquired; the asset classification of the acquired exposure will be the same as the existing asset classification of the borrower with the transferee.

The Company shall make provisions for such loans as per the asset classification status in its books upon acquisition. Regardless of the asset classification, if the net present value of the cash flows estimated while acquiring the loan is less than the consideration paid for acquiring the loan, provisions will be maintained to the extent of the difference. For this purpose, the discount factor shall be the actual interest rate charged to the borrower as per the original loan contract plus a risk premium to be determined as per the transferee's Board approved policy considering the asset classification of the loan on the books of the transferor. The risk premium may vary basis the classification of the asset but will be subject to a floor of 3 per cent.

2.18. Financial risk management objectives and policies

The group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The group continues to focus on a system-based approach to business risk management. The group's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

A.) 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 prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The group has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The group ensures optimization of cash through fund planning and robust cash management practices.

I. Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As of March 31, 2023, the group has no debt, so it is not exposed to the risk of market interest rate movements.

II. Price Risk

The group invests its surplus funds in various debt instruments, fixed deposits and debt mutual funds. These comprise of primarily debt based mutual funds (liquid investments), Corporate bonds and fixed deposits. As on March 31,2023, all mutual fund investments were in liquid scheme only.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.

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Set out below is the impact of a 0.25% movement in the NAV of mutual funds and corporate bonds on the group's loss before tax:

(₹ in Lakhs)

Particulars	Change in NAV	Effect on loss before tax
March 31, 2023		
Corporate bonds	0.25%	(0.27)
	-0.25%	0.27
Mutual funds	0.25%	(2.88)
	-0.25%	2.88

III. Foreign currency risk

The Indian Rupee is the group's most significant currency. As a consequence, the group's results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The group's exposure to the risk of changes in foreign exchange rates relates primarily to the group's operating activities. As there is no outstanding balance under the financial assets and financial liabilities which have to be settled in foreign currency. Hence, exposure to the risk of changes in foreign exchange rates will not affect the financials.

B.) Credit Risk

Credit risk is the risk of loss that may occur from defaults by Borrowers under loan agreements. In order to address credit risk, the group have stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk. Further, customers due diligence procedures encompass various layers of checks, designed to assess the quality of the proposed group and to confirm that they meet our criteria.

The group 's borrowers typically have limited sources of income, savings and credit histories and the loans are typically provided free of collateral. The borrowers generally do not have a high level of financial resilience, and, as a result, they can be adversely affected by declining economic conditions and natural calamities. In addition, the group relies on non-traditional guarantee mechanisms rather than tangible assets as collateral, which may not be effective in recovering the value of loans.

In order to mitigate the impact of credit risk in the future profitability, the Company creates impairment loss allowance basis the Expected Credit Loss (ECL) model for the outstanding loans as at balance sheet date. Refer Note 2.6(i) for details.

C.) Liquidity Risk

Liquidity risk refers to the risk that the group may not meet its financial obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The group consistently generates sufficient cash flows from operating, investing and financing activities to meet its financial obligations as and when they fall due.

Further, the maturity schedule for all financial liabilities and assets are regularly reviewed and monitored. The maturity profile of the group's financial liabilities and financial assets based on contractual undiscounted payments is given in the table below:

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(₹ in lakhs)

Particulars	0-180 Days	181-365 Days	1-2 Year	More than 2 Year	Total
As at March 31, 2023					
Trade payables	20.24	-	-	-	20.24
Lease liabilities	14.79	16.55	37.17	118.19	186.70
Other financial liabilities	66.93	-	-	-	66.93
TOTAL	101.96	16.55	37.17	118.19	273.87
Loan portfolio	274.52	258.77	438.37	243.02	1214.68
Investments	-	1200.81	-	133.64	1334.45
Financial assets (other) #	870.50	418.03	-	10.44	1298.97
TOTAL	1145.02	1877.61	438.37	387.10	3848.10

#It includes trade receivables, balance with banks/Financials institutions and other financial assets

2.19. Additional regulatory information required by Schedule III

1. **Title deeds of Immovable Property not held in name of the Company**

As of the date of these consolidated Ind AS financial statements and during the financial year, group does not hold / did not hold any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), neither individually nor jointly with others and hence the disclosure in respect of this is not applicable.

2. **Revaluation of Investment Property**

The group has neither hold nor purchased any investment property during the financial year and hence the disclosure in respect of this is not applicable.

3. **Revaluation of Property, Plant and Equipment**

During the financial year, the group has not revalued any of its Property, Plant and Equipment including (Right-of-use assets) since the same is not vital with the size and nature of its business as estimated by the management. Hence the revaluation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not required.

4. **Revaluation of Intangible Assets**

During the financial year, the group has not revalued its intangible assets as it is not vital with the size and nature of its business as estimated by the management. Hence the revaluation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not required.

5. **Loans or Advances granted to Promoters, Directors, KMPs and related parties**

During the financial year, the group has not granted any loans and advances to any of its Promoters, Directors, KMPs and its related parties (as defined in the companies Act,2013) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment and hence the said disclosure is not required.

6. **Capital Work-in-progress ageing Schedule**

During the financial year, group has neither undertaken any major capital expenditure for its expansion which require substantial time to complete the required project nor has any project been suspended as on the balance sheet date and hence the disclosure is not required.

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7. **Intangible Assets under Development ageing Schedule**

During the financial year, the group has not incurred any expenditure on account of Intangible assets under development. Hence, the disclosure is not required to be made.

8. **Details of Benami Property Held**

During the year, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the Rules made thereunder and hence the required disclosure under Companies Act'2013 and rules there under is not required.

9. **Security of current assets against borrowings**

During the year, group has not obtained any borrowings including the Credit limit/ Overdraft facility from banks or financial institutions on the basis of security of current assets and hence the required disclosure under the Companies Act, 2013 and rules there under is not required.

10. **Disclosure relating to Wilful Defaulter**

During the year, group has neither obtained any borrowings including the credit limit/ overdraft facility from banks or financial institutions or other lender, nor has been categorized as a wilful defaulter by any bank or financial institution (as defined under the Act) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. Accordingly required disclosure under the Companies Act,2013 and rules there under is not required.

11. **Relationship with Struck off Companies**

During the year, group has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 and hence the following disclosure is not required to be reported.

12. **Registration of charges or satisfaction with Registrar of Companies**

During the year, group has not obtained any borrowings including the credit limit/ overdraft facility from banks or financial institutions or other lender on which charge needs to be created on any of its assets and hence the requirement for creating the charge is not applicable. As on the date of balance sheet date the company do not have any charges or satisfaction which are yet to be registered with Registrar of Companies beyond statutory period.

13. **Compliance with number of layers of companies**

During the financial year, the company has formed its wholly owned subsidiary i.e. "MLC Finotech Private Limited". The Company is also a subsidiary of PB Fintech Limited (referred as "Ultimate Holding company") as on the date of balance sheet. The rule as per clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules,2017 is applicable. The company has formed its subsidiary in compliance of the said rules and the disclosure is appropriately provided.

14. **Compliance with approved Scheme(s) of Arrangements**

During the year, the group has not made any application to the competent authority for any Scheme of Arrangements in terms of section 230 to 237 of the Companies Act,2013. Therefore, the requirement of disclosures regarding the same is not applicable.

15. **Utilisation of Borrowed funds and share premium**

During the year, group has not obtained any borrowings from any bank or financial Institution and following is the required details of the disclosures:

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S.No.	Particulars	
A	Where company has 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	No
	(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or	
	(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries the company shall disclose the following:-	
	(A) Date and amount of fund advanced or loaned or invested in Intermediaries with complete details of each Intermediary.	
	(B) Date and amount of fund further advanced or loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries along with complete details of the ultimate beneficiaries.	
	(C) Date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries	
	(D) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violate of the Prevention of Money-Laundering act, 2002 (15 of 2003)	
B	Where a company has 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	No
	(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or	No
	(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, the company shall disclose the following:-	No
	(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, the company shall disclose the following:-	No
	(A) Date and amount of fund received from Funding parties with complete details of each Funding party.	N.A.
	B) Date and amount of fund further advanced or loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries along with complete details of the ultimate beneficiaries.	N.A.
	(C) Date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries	N.A.

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	(D) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violate of the Prevention of Money-Laundering act, 2002 (15 of 2003)	N.A.

16. Undisclosed Income

During the year, no proceeding has been initiated or pending against the group under Income Tax Act, 1961 and rules there under nor any transaction is unrecorded in the books of accounts that has been surrendered or undisclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

17. Corporate Social Responsibility

As per section 135 of Companies Act, 2013, the provisions related to CSR activities apply on a company if, the company is having in the preceding financial year:

(I) Net Worth > 500 crores, or

(ii) Turnover > 1000 crores, or

(iii) Net Profit > 5 crores

However, the entities in the group do not qualify under any of the above-mentioned conditions. Therefore, the entities in the group have not undertaken any CSR activities as required under section 135 read with Schedule VII of the Companies Act, 2013.

18. Details of Crypto Currency or Virtual Currency

During the year, the group has not undertaken any trade/ investments in Crypto/ Virtual currency, accordingly required disclosure under the Companies Act,2013 and rules there under is not required.

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Note No. 3 – Property, Plant & Equipment

Details of the group Property, Plant and Equipment and their carrying amounts are as follows:

(₹ in Lakhs)

Particulars	Property, Pant and Equipments			Intangible Assets	Intangible Assets under Development	
	Computers	Office Equipments	Furniture & Fixtures	Computer Software	Trademark & Copyright	Computer Software
For the Financial Year 2022-23						
(a) Gross Block						
Opening Balance as on 1st April 2022	11.08	9.02	1.93	1.68	1.13	1.28
Additions made during the Year	31.98	12.63	3.39	27.98	-	-
Disposals / Reversals made during the Year	(2.35)	(1.02)	-	-	(1.13)	(1.28)
Closing Balance as on 31st March 2023	40.71	20.63	5.32	29.66	-	-
(b) Accumulated Depreciation & Amortisation						
Opening Balance as on 1st April 2022	7.67	5.59	0.87	1.11	-	-
Charge for the Year	9.15	7.49	1.57	4.36	-	-
On Deletions made during the Year	(2.35)	(1.02)	-	-	-	-
Adjustments for the Year (Refer Note 3.1 below)	(1.35)	(3.06)	(1.19)	(0.57)	-	-
Closing Balance as on 31st March 2023	13.12	9.00	1.25	4.90	-	-
(c) Net Block						
As at 31st March 2023	27.59	11.63	4.07	24.76	-	-

Note No. 3.1 – Change in Estimates for Depreciation

During the FY 2022-2023, the group has changed its estimates due to the change in the method of calculating depreciation from the written down value method to the straight line method for all of its assets. The group has adopted this new method on a retrospective basis. Accordingly, the financial statements for the current year have been prepared using the new method. Similarly, the group has also changed their estimate of residual value from 5% to NIL value and the useful life as mentioned in Note No. 2.5

Note No. 4 – Leases

This note provides information for the leases where the Company is a lessee. The Company has taken office premises on lease. Rental contracts are typically made for a period of 1 year to 5 years.

(i) Amounts recognised in the Balance Sheet

The Balance Sheet shows the following amount relating to leases:

(a) Right of use Assets

Details of the Company's Right of Use Assets and their carrying amounts are as follows:

(₹ in Lakhs)

Particulars	As At 31st March, 2023	
	Right of Use Assets - Office Premises	Total
(a) Gross Block		
Opening Balance at the Beginning of the Year	-	-
Additions made during the Year	206.39	206.39
Disposals / Reversals made during the Year	-	-
Closing Balance at the End of the Year	206.39	206.39
(b) Accumulated Depreciation		
Opening Balance at the Beginning of the Year	-	-
Charge for the Year	20.84	20.84
Adjustments for the Year	-	-
Closing Balance at the End of the Year	20.84	20.84
(c) Net Block		
Closing Balance at the End of the Year	185.55	185.55

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(ii) Lease Liabilities

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(a) Current	31.34
(b) Non - Current	155.35
TOTAL	186.69

(iii) Amounts recognised in the Statement of Profit & Loss

The Statement of Profit and Loss shows the following amount relating to Leases:

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(a) Depreciation Charge on Right of Use Assets	20.84
(b) Interest on Lease Liability	9.74
TOTAL	30.58

Note No. 5 – Investments (Non - Current)

(₹ in Lakhs)

Particulars	As At 31st March, 2023
At Fair Value through Other Comprehensive Income	
(a) Investment in Corporate Bonds	108.64
TOTAL	108.64

Note No. 5(a) - Investment in Corporate Bonds

Investment in Corporate Bonds are valued at Fair Value as per accounting policy of the Company. Details of Investments are shown below:

Particulars	As At 31st March, 2023		
	No. of Bonds	Market Value per Bond (₹)	₹ in Lakhs
Market Value of Bonds			
8.83% ONGC Petro Additions Limited 2025	10	10,86,364	108.64
TOTAL	10.00		108.64

Note No. 6 – Loans

(₹ in Lakhs)

Particulars	As At 31st March, 2023
Loan to Customers (at amortised cost)	
Personal Loan - Unsecured	1,211.54
Business Loan - Unsecured	3.14
	1,214.68
Less: Impairment Loss Allowance	(11.48)
TOTAL (Net)	1,203.20

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Note No. 6.1 – Loans

(₹ in Lakhs)

Particulars	As At 31st March, 2023	
	Current	Non - Current
Loan to customers	484.49	730.19
Less: Impairment Loss Allowance	(4.06)	(7.42)
Total (Net)	480.43	722.77

Loan Classification as at 31st March, 2023

(₹ in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Personal Loan - Unsecured	1,130.60	80.94	-	1,211.54
Business Loan - Unsecured	3.14	-	-	3.14
	1,133.74	80.94	-	1,214.68
Less: Impairment Loss Allowance	(3.38)	(8.10)	-	(11.48)
TOTAL (Net)	1,130.36	72.84	-	1,203.20

Movement in Loan (Gross) for the Year Ended 31st March, 2023

(₹ in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross Carrying amount as at 01 April, 2022	23.85	-	-	23.85
	23.85	-	-	23.85
New Assets orginated during the year	1,529.85	-	-	1,529.85
Exposure repaid / matured / de-recognised	(339.02)	-	-	(339.02)
Interstage Transfer				
- Stage 1	-	-	-	-
- Stage 2	(80.94)	80.94	-	-
- Stage 3	-	-	-	-
Gross Carrying amount as at 31 March 2023	1,133.74	80.94	-	1,214.68

Movement in Impairment Loss for the Year Ended 31st March, 2023

(₹ in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross Carrying amount as at 01 April, 2022	0.56	-	-	0.56
	0.56	-	-	0.56
ECL created during the year	10.92	-	-	10.92
ECL reversed during the year	-	-	-	-
Interstage Transfer				
- Stage 1	-	-	-	-
- Stage 2	(8.10)	8.10	-	-
- Stage 3	-	-	-	-
Gross Carrying amount as at 31 March 2023	3.38	8.10	-	11.48

Note No. 7 – Other Financial Assets (Non - Current)

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(a) Other Bank Balances	
- In Fixed Deposit having maturity more than 12 months	25.00
(b) Security Deposits	10.44
TOTAL	35.44

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Note No. 8 – Deferred Tax Assets (Net)

(₹ in Lakhs)

Particulars	As At 31st March, 2023
Opening Balance for the Year	11.31
Add: Created during the Year	
- Holding Company	5.48
- Subsidiary Company	1.00
Less: Reversed during the Year	
- Holding Company	16.79
- Subsidiary Company	-
Closing Balance for the Year	1.00

Note: As per IndAS-12 "Income Taxes", A deferred tax asset shall be recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Since, the holding company is not envisaging any profits as such Deferred Tax Assets is created and the reversal of ₹ 10.37 Lakhs i.e. (16.79-5.48-0.94) Lakhs is shown in the Statement of Profit & Loss. However, the Deferred Tax Assets mentioned above represents the Deferred Tax Assets of the subsidiary company.

Calculation of Tax on Timing Differences

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(a) Tax Effects of Items constituting Deferred Tax Assets	
Provision for Gratuity	10.46
Provision for Leave Encashment	3.46
Preliminary Expenses	0.85
Depreciation difference due to Companies Act and Income Tax Act	5.31
Interest on Lease Libility	2.95
Impairment Loss Allowance	2.98
Revenue Received in Advance	11.61
Sub-Total (a)	**37.62**
(b) Items constituting Deferred Tax Liability	
Rent	7.42
Increase in Fair Value of Investments	12.41
Sub-Total (b)	**19.83**
Deferred Tax Assets (Net) [a-b]	**17.79**

Calculation of Timing Differences

(₹ in Lakhs)

Particulars	As At 31st March, 2022
(a) Items constituting Deferred Tax Assets	
Provision for Gratuity	40.23
Provision for Leave Encashment	13.31
Preliminary Expenses	3.28
Depreciation difference due to Companies Act and Income Tax Act	20.41
Interest on Lease Libility	11.35
Impairment Loss Allowance	11.48
Revenue Received in Advance	44.64
Sub-Total (a)	**144.70**
(b) Items constituting Deferred Tax Liability	
Rent	28.55
Increase in Fair Value of Investments	47.73
Sub-Total (b)	**76.28**
Timing Differences (Net) [a-b]	**68.42**

Note No. 9 – Current Investments

(₹ in Lakhs)

Particulars	As At 31st March, 2023
At Fair Value through Profit & Loss Account	
(a) Investment in Mutual Fund (Quoted)	1,200.81
TOTAL	**1,200.81**

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

T.V.A. & CO. New Delhi Chartered Accountants

Note No. 9(a) - Investment in Mutual Fund (Quoted)

Investment in Mutual Funds are valued at Fair Value. Details of Mutual Fund are shown below:

Particulars	As At 31st March, 2023		
	No. of Units	NAV per unit (₹)	₹ in Lakhs
Market Value of Mutual Fund			
ICICI Prudential Liquid Fund - Direct Growth	360402.5420	333.1852	1,200.81
TOTAL	3,60,402.54		1,200.81

Note No. 10 – Trade Receivables

(₹ in Lakhs)

Particulars		As At 31st March, 2023
Receivables outstanding for Period exceeding Six Months		
Unsecured, considered Good		2.19
		2.19
Less: Provision for Doubtful Debts		-
	Subtotal A	2.19
Other Receivables		
Unsecured, considered Good		70.24
Unbilled Revenue (Refer Note No: 2.7)		88.64
		158.88
Less: Impairment Loss Allowance*		-
	Subtotal B	158.88
TOTAL (A+B)		161.07

* Trade Receivables are non-interest bearing and generally due in short term tenure. Based on management's assessement, no Impairment allowance is considered necessary for trade receivables.

Note No. 10.1 – Trade Receivables Ageing Schedule

As at 31st March 2023

	Particulars	Outstanding for following periods from due date of payment					Total (₹ in Lakhs)
		Less Than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i)	Undisputed Trade Receivable - considered good	158.88	2.19	-	-	-	161.07
(ii)	Undisputed Trade Receivable - considered doubtfull	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivable - considered doubtfull	-	-	-	-	-	-

Note No. 11 – Cash and Cash equivalents

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(a) Cash in Hand	0.03
(b) Balances with Banks	
- In Current Account with Banks	29.19
- In Fixed Deposits with maturity of less than 3 Months	680.00
(c) Stamps in Hand	0.21
TOTAL	709.43

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

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Note No. 12 – Other Financial Assets

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(a) Interest receivable on loan to customer	24.34
(b) Accrued Interest on Corporate Bonds	2.72
(c) Accrued Interest on Fixed Deposit	25.77
(d) Other Bank Balances	
- Fixed Deposits with maturity of 3 to 12 Months	362.00
(e) Other receivables	3.20
TOTAL	418.03

Note No. 13 – Current tax assets

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(a) Balances with Government Authorities	
- TDS Recoverable	28.02
TOTAL	28.02

Note No. 14 – Other Current Assets

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(a) Advance to Vendors	2.02
(b) Prepaid Expenses	4.33
(c) Premium paid on Acquisition of Loan Portfolio	1.30
TOTAL	7.65

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

T.V.A. & CO. New Delhi Chartered Accountants

Note No. 15 – Equity Share Capital

Particulars	As At 31st March, 2023	
	No. of Shares	₹ in Lakhs
(a) Authorised Share Capital		
(i) Equity Share Capital of Rs. 10 each	90,000	9.00
	90,000	9.00
(b) Issued, Subscribed and Paid Up Share Capital (Refer Note 15.1 below)		
(i) Equity Shares of Rs. 10 each	56,820	5.68
	56,820	5.68

Note No. 15.1 - Reconciliation of Number of Shares as at the End of the Year

Particulars	As At 31st March, 2023	
	No. of Shares	₹ in Lakhs
(a) Equity Share Capital		
Opening Balance at the Beginning of the Year	56,820	5.68
Add: Issued during the Year	25,338	2.53
Less: Equity Shares Issued to ESOP Trust (Refer Note 15.2 below)	(25,338)	(2.53)
Closing Balance at the End of the Year	56,820	5.68

Note No. 15.2 - The company has issued Equity Shares to MyLoanCare Ventures Private Limited EmpWelfare Trust (the "ESOP Trust") for further issuing the shares to its employees who exercises their ESOP Options after it's vesting period. Since, during the financial year neither options were vested nor the options were exercised and as such no shares were issued. So these shares have not been considered as issued, subscribed and paid up share capital of the Company.

Note No. 15.3 - The Company has only one class of equity shares having a par value of INR 10/- per share. Each shareholder is entitled to one vote per shares. In the event of the liquidation of the company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of the equity shares held by the equity shareholders.

Note No. 15.4 - Details of each class of Equity Shares held by its Holding Company or its Ultimate Holding Company

Name of Shareholder	As At 31st March, 2023	
	No. of Shares	% of Shares*
i) PB Fintech Limited	5,633	9.91%

Note No. 15.5 - Details of Equity Shares held by each Shareholders holding more than 5% Shares

Name of Shareholder	As At 31st March, 2022	
	No. of Shares	% of Shares*
i) Gaurav Gupta	33,620	59.18%
ii) Karuna Gupta	4,650	8.18%
iii) Deepak Gupta	12,917	22.73%
iv) PB Fintech Limited	5,633	9.91%

Note No. 15.6 - Details of Equity Shares held by Promoters

Name of Shareholder	As At 31st March, 2023		
	No. of Shares	% of Shares*	% Change during the Year
i) Gaurav Gupta	33,620	59.18%	-
ii) Karuna Gupta	4,650	8.18%	-
iii) Deepak Gupta	12,917	22.73%	-

For calculation of Percentage (%) of Shares, kindly refer to Note No 15.1 above

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

T.V.A. & CO. New Delhi Chartered Accountants

Note No. 16 – Instruments entirely Equity in nature

Particulars	As At 31st March, 2023	
	No. of Shares	₹ in Lakhs
(a) Authorised Share Capital		
(i) Compulsory Convertible Preference Shares (C.C.P.S.) of Rs. 10 each	2,10,000	21.00
	2,10,000	21.00
(b) Issued, Subscribed and Paid Up Share Capital		
(i) Compulsory Convertible Preference Shares (C.C.P.S.) of Rs. 10 each	1,73,783	17.38
	1,73,783	17.38

Note No. 16.1 - Reconcilation of Number of Shares as at the End of the Year

Particulars	As At 31st March, 2023	
	No. of Shares	₹ in Lakhs
(a) Compulsory Convertible Preference Shares Caital		
Opening Balance at the Beginning of the Year	11,367	1.14
Add: Issued during the Year	1,62,416	16.24
Closing Balance at the End of the Year	1,73,783	17.38

Note No. 16.2 - The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital :

i) The company has only one class of convertible preference shares which can be converted by the company into Equity Shares at the rate of 1:1 either at the option of the holder of the shares by giving 30 days notice in writing or on the mandatory conversion date. The mandatory conversion date will be earliest of the following:
a) 2 Business Days prior to the issue of shares to the public in connection with the occurrence of a Qualified IPO, if required under applicable law or by any government authority; or
b) expiry of 19 years from the date of allotment of the C.C.P.S.; or
c) any date agreed by the holders of the C.C.P.S.

ii) The Holder of Convertible preference shareholder shall have right to attend and vote as per converted basis(on fully diluted basis)as equity shares on all matters. Dividend is payable on Convertible Prefernce Shares on a non-cumulative basis @ 0.01% p.a.

Note No. 16.3 - Details of each class of C.C.P.S. held by its Holding Company or its Ultimate Holding Company

Name of Shareholder	As At 31st March, 2023	
	No. of Shares	% of Shares
i) PB Fintech Limited	1,73,783	100.00%

Note No. 16.4 - Details of Shares held by each Shareholders holding more than 5% Shares

Name of Shareholder	As At 31st March, 2022	
	No. of Shares	% of Shares
i) PB Fintech Limited	1,73,783	100.00%

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

T.V.A. & CO. New Delhi Chartered Accountants

Note No. 17 – Other equity

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(a) Securities Premium Reserve	4,539.08
(b) Retained Earnings	(1,005.76)
(c) Reserve Fund as per Section 45-IC of the RBI Act, 1934	4.49
(d) Share Based Payment Reserve	47.98
(e) Other Comprehensive Income	9.68
TOTAL	3,595.47

(₹ in Lakhs)

(a) Securities Premium Reserve	As At 31st March, 2023
Opening Balance	897.71
Add: Reserves created during the Year	-
- On Issue of Equity Shares to Trust (Refer Note: 15.2)	397.16
- On Issue of CCPS	3,641.37
Less: Reserves used during the Year	-
Less: Advance recoverable from ESOP Trust (Refer Note: 15.2)	(397.16)
Closing Balance	4,539.08

The details of securities premium received on different types of shares are as follows:

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(i) On Equity Shares	
Opening Balance	157.63
Add: Reserves created during the Year On Issue of Equity Shares to Trust (Refer Note: 15.2)	397.16
Less: Advance recoverable from ESOP Trust (Refer Note: 15.2)	(397.16)
Closing Balance	157.63
(ii) On Convertible Preference Shares	
Opening Balance	740.07
Add: Reserves created during the Year	3,641.38
Less: Reserves used during the Year	-
Closing Balance	4,381.45
TOTAL (a+b)	4,539.08

(₹ in Lakhs)

(b) Retained Earnings	As At 31st March, 2023
Opening Balance	(410.66)
Profit / (Loss) for the Year	(581.13)
Items of other comprehensive income recognised directly in retained earnings	
- Gain / (Loss) on Defined benefit plans net of taxes	(13.97)
Less: Transfer to Reserve Fund	-
Closing Balance	(1,005.76)

(₹ in Lakhs)

(c) Reserve Fund as per Section 45-IC of the RBI Act, 1934	As At 31st March, 2023
Opening Balance	4.49
Add: Reserves created during the Year	-
Less: Reserves used during the Year	-
Closing Balance	4.49

(₹ in Lakhs)

(d) Share Based Payment Reserve	As At 31st March, 2023
Opening Balance	-
Add: Reserves created during the Year	47.98
Less: Reserves used during the Year	-
Closing Balance	47.98

(₹ in Lakhs)

(e) Other Comprehensive Income	As At 31st March, 2023
Opening Balance	11.59
Add: Reserves created during the Year	(1.91)
Less: Reserves used during the Year	-
Closing Balance	9.68

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

T.V.A. & CO. New Delhi Chartered Accountants

MyLoanCare Ventures Private Limited
Notes Forming Part of Consolidated IndAS Financial Statements for the Year Ending 31st March, 2023
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Note No. 18 – Long Term Provisions

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(a) Provision for Gratuity	38.82
(b) Provision for Leave Encashment	12.18
TOTAL	51.00

Note No. 19 – Trade Payables

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(a) Total outstanding dues of micro enterprises and small enterprises	3.37
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	16.87
TOTAL	20.24

Note No. 19.1 – Disclosure relating to Micro, Small and Medium Enterprises

(₹ in Lakhs)

	Particulars	As At 31st March, 2023
(a)	the principal amount due thereon remaining unpaid to any supplier as at the end of the year	3.37
(b)	the interest amount due thereon remaining unpaid to any supplier as at the end of the year	-
(c)	the amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	-
(d)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-
(e)	Amount of Interest accrued and remaining unpaid at the end of the accounting year	-
(f)	The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-
	TOTAL	3.37

Note No. 19.2 – Trade Payable ageing schedule

As at 31st March 2023

Particulars		Outstanding for following periods from due date				Total (₹ in Lakhs)
		Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i)	MSME	3.37	-	-	-	3.37
(ii)	Others	16.87	-	-	-	16.87
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-

Note No. 20 – Other Financial Liabilities (Current)

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(a) Payable to Government Authorities	14.46
(b) Payable to Employees	52.34
(c) Other Payables	0.13
TOTAL	66.93

Note No. 21 – Short Term Provisions

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(a) Provision for Gratuity	1.42
(b) Provision for Leave Encashment	1.12
(c) Provision for Expenses	128.76
TOTAL	131.30

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

T.V.A. & CO. New Delhi Chartered Accountants

Note No. 22 – Other Current liabilities

(₹ in Lakhs)

Particulars	As At 31st March, 2023
(a) Advance from Customers	7.07
(b) Revenue received in advance (Refer Note 2.7(i))	45.13
TOTAL	52.20

Note No. 23 – Revenue from Operations

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023
(a) Income from Financing Business:	
(i) Interest & Fees Income from customers (Refer Note 23.3)	232.06
(ii) Interest on fixed deposits	71.92
(iii) Interest on Corporate Bonds	9.79
(iv) Net Gain on Change in Fair Value of Financial Instruments	
- Unrealised Gain	47.73
- Realised Gain	2.04
(v) Discount Received on Purchase of Loan Portfolio	0.37
(b) Income from Marketplace Business:	
- Income from Commission & Brokerage	374.67
- Income from Sale of Internet Advertising Space	7.25
TOTAL	745.83

Note No: 23.1 - Commission and brokerage income and Fees Income includes unbilled revenue of ₹ 78.89 Lakhs and ₹ 9.75 Lakhs respectively for the FY 2022-23 which has been taken considering the revenue recognition policy of the company as mentioned in Note No. 2.7 - Revenue Recognition

Note No: 23.2 - The amount of the deficiency claim paid, including any interest or penalties associated with the claim, is Rs. 15.57 Lacs. The Revenue from operations has been shown after netting-off to the extent of Deficiency claim.

Note No. 23.3 - Interest and Fees Income from customers

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023
Interest Income	143.93
Processing Fees	97.32
Fees Income, Service and Administration Charges	35.45
	276.70
Less: Revenue received in Advance (Refer Note No.: 2.7(i))	(44.64)
TOTAL	232.06

Note No. 24 – Other Income

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023
(i) Interest on income tax refund	5.06
(ii) Reversal of Depreciation due to Change in estimates (Refer Note No. 3.1)	6.17
(iii) Profit on Sale of Assets	0.67
(iv) Interest on Security Deposit	0.55
(v) Miscellaneous Income	-
TOTAL	12.45

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

T.V.A. & CO. New Delhi Chartered Accountants

MyLoanCare Ventures Private Limited

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Note No. 25 – Employee Benefits Expenses

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023
Salary & Wages	668.51
Employer's Contribution to Provident & other funds (Refer Note: 2.10(2))	26.15
Staff Welfare Expenses	10.50
Share based Payments	47.98
TOTAL	753.14

Note No. 25.1 – Salary and Wages includes Directors Remuneration of ₹ 91.60 Lakhs and Employer's Contribution includes ₹ 6.00 Lakhs as contribution made by the company to provident fund on account of Director' Remuneration for FY 2022-23. Similarly for the previous FY 2021-22, the figures stands at ₹ 64.24 Lakhs and ₹ 11.44 Lakhs respectively.

Note No. 26 – Finance Cost

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023
Interest on Lease Liability	9.74
TOTAL	9.74

Note No. 27 – Advertising & Promotion Expenses

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023
Advertisement & Sales Promotion	16.64
TOTAL	16.64

Note No. 28 – Network & Internet Expenses

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023
Telephone & Internet Charges	23.52
Server and Hosting Charges	50.05
TOTAL	73.57

Note No. 29 – Other expenses

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023
(i) Rent	15.21
(ii) Commission Expense	218.85
(iii) Technical & Software Subscription	112.10
(iv) Legal & Professional Charges	26.94
(v) Government Fees, Rates & Taxes	12.86
(vi) Repairs and Maintenance	3.21
(vii) Electricity & Office Expenses	14.06
(viii) Travelling & Conveyance Charges	8.43
(ix) Insurance	1.13
(x) Loans Written Off	1.50
(xi) Bad Debts written off	-
(xii) Change in Fair Value of Investments	-
(xiii) Impairment Loss Allowance	10.92
(xiV) Audit Fees	7.33
TOTAL	432.54

Note No. 29.1 – Payment to Auditors

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023
Statutory Audit Fees	3.25
Tax Audit Fees	0.95
Other Certification Fees *	3.13
Out of Pocket Expenses (Included in Note -29 (viii) above)	0.10
TOTAL	7.43

* Other Certification Fees includes ₹ 0.83 Lakhs paid to outgoing auditors of the holding company for the limited review of Quarter 1 of Financial Year 2022-23

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

T.V.A. & CO. New Delhi Chartered Accountants

Note No. 30 – Earning Per Share

Particulars	Year Ended 31st March, 2023
A: Calculation of Basic Earning Per Share	
(i) Profit / (Loss) after Taxation (₹ in Lakhs)	(581.13)
(ii) Weighted Average No. of Equity Shares Outstanding at the End of the Year (Face Value of ₹ 10 each)	56,820
Basic Earnings Per Share (₹) ((i)/(ii))	(1,022.76)
B: Calculation of Diluted Basic Earnings per Share:	
(i) Profit / (Loss) after Taxation (₹ in Lakhs)	(581.13)
Weighted Average No. of Equity Shares Outstanding at the End of the Year (Face Value of ₹ 10 each)	56,820
(ii) Add: Weighted Average of Diluted Equity Shares	1,64,143
Weighted Average No. of Adjusted Equity Shares Outstanding at the End of the Year (Face Value of ₹ 10 each)	2,20,963
Diluted Earnings Per Share (₹) ((i)/(ii))	(263.00)

Note No. 31 – Related Party Transactions

Name of Related Party	Relationship in FY 2022-23
Paisabazaar Marketing and Consulting Private Limited	Company under common Control
PB Fintech Limited	Holding Company
MyLoanCare Ventures Private Limited EmpWelfare Trust	Shareholder & ESOP trust
Gaurav Gupta	Wholetime Director & CEO
Deepak Gupta	Shareholder & Former Director*
Shalini Gupta	Relative of Whole Time Director & CEO

** Mr. Deepak Gupta was a director of the company till 8th June 2022*

(₹ in Lakhs)

The following transactions were carried out with the related parties and the balances of these related parties as at 31st March, 2023 are:

Particulars	Transaction Type	Year Ended 31st March, 2023
A: Director Remuneration		
Gaurav Gupta	Payable	97.60
Total		97.60
B: Services Availed from Related Parties		
Paisabazaar Marketing and Consulting Private Limited	Payable	8.18
Total		8.18
C: Services provided to Related Parties		
Shalini Gupta	Receivable	0.17
Total		0.17
D: Payment made by Related Parties on behalf of company		
Gaurav Gupta	Payable	0.78
Total		0.78
E: Loan taken by Company from Related Parties and repaid during the year		
Gaurav Gupta	Payable	0.75
Total		0.75
F: Advance Recoverable		
MyLoanCare Ventures Private Limited EmpWelfare Trust (Refer Note: 15.2)	Receivable	399.69
Total		399.69
G: Equity Shares Issued		
MyLoanCare Ventures Private Limited EmpWelfare Trust		2.53
Total		2.53
H: Balances Outstanding at the End of the Year		
Gaurav Gupta	Payable	4.75
Total		4.75

For MYLOANCARE VENTURES PRIVATE LIMITED
Director

For MYLOANCARE VENTURES PRIVATE LIMITED
Director

T.V.A. & CO.
New Delhi
Chartered Accountants

Note No. 32 – Disclosure related to Gratuity Expenses

The Company provides for gratuity liability under a defined benefit plan, under which vested employees are eligible for a lump sum payment at retirement / death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The Company's Liability is determined by the Actuary using Projected Unit Credit Method ("PUC Method") at the end of each year. Actuarial Gain / Loss are recognised in the Statement of Profit & Loss in the year in which they arise. The Gratuity Plan is Non-Funded and the amounts recognized in the company's financial statements are as under:

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023
A: Changes in present value of obligations:	
Present value of the obligation at the beginning of the period	18.85
Interest cost	1.37
Current service cost	9.80
Past service cost	-
Benefits paid (if any)	(1.43)
Actuarial (gain) / loss for the year	11.21
Present value of the obligation at the end of the period	39.79
B: The amounts recognized in the balance sheet:	
Present value of the obligation at the end of the period	39.79
Fair value of plan assets at end of period	-
Funded status	(39.79)
Net Asset / (Liability) recognized in balance sheet	(39.79)
C: The amounts recognized in the statement of profit and loss:	
Current service cost	9.80
Interest cost	1.37
Past service cost	-
Expense recognized in the statement of profit and loss	11.16
D: Other Comprehensive Income:	
Actuarial (gain) / loss recognized	11.21
E: The assumptions employed for the calculations:	
Discount rate	7.39%
Salary growth rate	7.50%
Retirement Age (Years)	58
Attrition Rate	
- upto 30 Years	8.00%
- From 31 to 44 Years	4.00%
- above 44 Years	2.00%
Mortality Rate inclusive of Provision for disability	IALM (2012-14)
F: Other disclosures	
Present value of the obligation as at the end	39.79
Fair value of the plan assets as at the end	-
Net Asset / (Liability) recognized in balance sheet	(39.79)
Net actuarial loss/(gain) recognized	11.21
G: Bifurcation of PBO at the End of the Year	
Current Liability	1.41
Non-Current Liability	38.38
H: Sensitivity Analysis of the defined benefit obligation	
a) Impact of the change in discount rate	
Present Value of Obligation at the end of the period	39.79
i)Impact due to increase of 0.50%	(2.60)
ii)Impact due to decrease of 0.50 %	2.88
b) Impact of the change in salary increase	
Present Value of Obligation at the end of the period	39.79
a) Impact due to increase of 0.50%	1.74
b) Impact due to decrease of 0.50 %	(1.62)

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

T.V.A. & CO. New Delhi Chartered Accountants

Note No. 33 – Disclosure related to Leave Encashment

The Company provides for Leave Encashment to its employees other than directors whereby at retirement, death while in employment or on termination of employment of an amount equivalent to no. of accumulated earned leave balance, subject to a maximum of 30 leaves, multiplied by monthly salary at the time of retirement/death/cessation & divided by 30 is paid to the employee. Management has assumed that all leaves carried forwarded can be either utilized or encashed in next 12 months. The Company's Liability is determined by the Actuary using Projected Unit Credit Method ("PUC Method") at the end of each year. Actuarial Gain / Loss are recognised in the Statement of Profit & Loss in the year in which they arise. The Leave Encashment Plan is Non-Funded and the amounts recognized in the company's financial statements are as under:

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023
A: Changes in Value of obligations:	
Value of the obligation at the beginning of the period	9.85
Current service cost	4.40
Past service cost	-
Interest Cost	0.71
Benefits paid (if any)	(4.31)
Actuarial (Gain) / Loss on Obligation	2.60
Value of the obligation at the end of the period	13.25
B: The amounts recognized in the balance sheet:	
Value of the obligation at the beginning of the period	9.84
Expense recognized	7.71
Benefits Paid	(4.31)
Net Liability recognized in the Balance Sheet	13.25
C: The amounts recognized in the statement of profit and loss:	
Value of Obligations at end of the Year	13.26
Value of Obligations at beginning of the Year	9.84
Benefits paid	4.31
Expense recognized in the statement of profit and loss	7.71
D: Bifurcation of PBO at the End of the Year	
Current Liability	1.12
Non-Current Liability	12.13
E: The assumptions employed for the calculations:	
Discount rate	7.39%
Salary growth rate	7.50%
Retirement Age (Years)	58
Attrition Rate	
- upto 30 Years	8.00%
- From 31 to 44 Years	4.00%
- above 44 Years	2.00%
Leaves	
- Leave Availment Rate	2.50%
- Leave Encashment Rate while in Service	5.00%
Mortality Rate inclusive of Provision for disability	IALM (2012-14)

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

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Note No. 34 – Disclosure relating to Share Based Payment Expenses

The Company has provided an Equity settled share based payment scheme to its employees. The details of such share based payment scheme are as follows and the same has been used by the valuer for recognising the expenses under Share based payment expenses using the Black Scholes Model:

(a) The Following table lists the input to the Black Scholes- Model used for options granted by the company:

Particulars	Details
Date of Grant	08-06-2022
Date of Board Approval	08-06-2022
Number of Options Granted	6390
Method of Settlement	Equity
Graded Vesting Period	
Days following the expiry of 12 months from the Grant	40%
Days following the expiry of 24 months from the Grant	30%
Days following the expiry of 36 months from the Grant	30%
Exercise Period	1 Year from the date of vesting of Options
Vesting Conditions	Minimum period of one year between Grant of options and vesting of

(b) The details of activity under MyLoanCare Ventures Private Limited EmpWelfare Trust ("ESOP Trust") with an exercise price of Rs.10 for the year

Particulars	Grant 1
Options outstanding at the beginning of the year	0
Options granted during the year	6390
Options excercised during the year	0
Options lapsed during the year	(600)
Options outstanding at the end of the year	5790

(c) Details of stock options Granted by the company :

Particulars	Grant 1
Share Price on Date of Grant (₹)	2252
Exercise Price (₹)	10
Annual Volatility (%)	39.48% - 67.25%
List of Options Granted during the Year	1.5 - 3.5
Risk Free Interest Rate (%)	5.76% - 6.6%
Expected Dividend Rate (%)	0%
Weighted Average Fair Value of Options	1567.45

(d) Share Based payment Administered through ESOP Trust

The Company has issued 25,338 Shares at face value of ₹ 10/- to MyLoanCare Ventures Private Limited EmpWelfare Trust. For acquiring such shares, company had advanced ₹ 2,53,380/- to the Trust. However, as the shares are neither vested nor exercised, the effect of such has not been taken in Share Capital and the advance given to Trust. Further, when the options would be exercised, the options amount paid by the employee to the Trust shall be transferred by the trust to the Company.

For MYLOANCARE VENTURES PRIVATE LIMITED

Director

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Note No. 35 – Fair Value Measurements

a) The carrying value and fair value of financials instruments by category are as follows: (₹ in Lakhs)

Particulars	Carrying Value	Fair Value
	As At 31st March, 2023	As At 31st March, 2023
Financials assets measured at amortised cost		
Loan	1,203.20	1,203.20
Investments*	1,309.45	1,309.45

** Excluding investment in Subsidiaries measured at cost in accordance with Ind AS 27.*

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other financial assets/liabilities, other non-financial assets/liabilities and provisions are considered to be the same as their fair values, due to their short-term nature.

b) Fair Value Hierarchy of assets and liabilities

The company has used the hierarchy for determining the fair value of investments as mentioned in Note No: 2.12

Particulars	As at 31st March 2023					
	Carrying Value	Fair Value	Level 1	Level 2	Level 3	Total (₹ in Lakhs)
Financial Assets						
Financial Investments at FVTPL:						
Loan (At amortised cost)	1,203.20	1,203.20	-	-	1,203.20	1,203.20
Investment in Mutual Fund	1,200.81	1,200.81	1,200.81	-	-	1,200.81
Financial Investments at FVTOCI:						
Investment in Corporate Bonds	108.64	108.64	-	108.64	-	108.64

Note No. 36 – Analytical Ratios

(₹ in Lakhs)

	Ratios	Year Ended 31st March 2023		
		Numerator	Denominator	Ratio
(a)	Current ratio	3,005.44	302.01	9.95
(b)	Debt-equity ratio	N.A.		
(c)	Debt service coverage ratio	N.A.		
(d)	Return on equity ratio	(581.13)	3,618.53	-16.06%
(e)	Inventory turnover ratio	N.A.		
(f)	Trade receivables turnover ratio	N.A.		
(g)	Trade payables turnover ratio	N.A.		
(h)	Net capital turnover ratio	N.A.		
(i)	Net profit ratio	(581.13)	745.83	-77.92%
(j)	Return on capital employed	(570.76)	3,824.88	-14.92%
(k)	Return on investment	55.14	1,429.07	3.86%

Note No. 37 – Income and Expenditure in Foreign Currency

The company has incurred the following Expenditures in Foreign Currency and has received the following Income in Foreign Currency:

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023		Year Ended 31st March, 2022	
	Expenditure	Income	Expenditure	Income
Technical & Software Subscription	3.21	-	-	-

For MYLOANCARE VENTURES PRIVATE LIMITED

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Note No. 38 – Disclosure relating to Transfer of Loan Exposure

On 16th of January, 2023 the company has adopted a "Transfer of Loan Exposure Policy" under which the following takeover of loan assets (as transferee) was done by the Company. The details of such loan exposure is as follows:

Particulars	Standard Assets				Sub-Standard Assets	Total (₹ in Lakhs)
	0 Days DPD	DPD 1-30 Days	DPD 31-60 Days	DPD 61-90 Days	DPD More than 90 Days	
Principal Outstanding (A)	44.40	5.22	1.00	1.00	3.53	55.15
Discount Rate	13%	20%	25%	35%	39%	
Present value of Estimated Cash inflows	45.93	5.12	0.94	0.92	3.16	56.07
Consideration Paid (B)	45.93	5.12	0.94	0.92	3.16	56.07
Discount Received / (Premium Paid) (A-B)	(1.53)	0.10	0.06	0.08	0.37	(0.92)

Discount received of ₹ 0.37 Lakhs on purchase of Loan Portfolio under Sub-Standard Assets has been recognised as Income whereas the Premium paid (Net of Discount) ₹ 1.30 Lakhs on purchase of Loan Portfolio under Standard Assets has been shown under Other Current Assets and the same would be amortised over the life of the portfolio.

Further, before adoption of this policy the company has acquired (as transferee) loan portfolio of the value of ₹ 13.68 Lakhs at par.

Note No. 39 – Segment Reporting

(A) Primary Segment (By Business Segment):

The holding Company is a registered NBFC and classified as Type - II Base Layer NBFC. It provides loan to various customers ("Financing Business"). The holding Company also acts as a channel partners for banks, NBFC and other financial Institution to provide loan or other financial assistances ("Marketplace Business"). Similarly, the subsidiary company also acts as a consultant, advisor, technical and marketing solutions relating to loans ("Marketplace Business") The Group now has two reportable business segments i.e. Financing Business and Marketplace business which have been identified in line with the IND AS 108- "Operating Segments" of which segment reporting is given below for current year:

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2023		
	External	Inter Segment	Total
A) Revenue			
Financing Business	363.91	-	363.91
Marketplace Business	418.77	(36.85)	381.92
Unallocated Revenue	12.45	-	12.45
Total	795.13	(36.85)	758.28
B) Result			
Financing Business			(419.98)
Marketplace Business			(163.22)
Total Segment Result			(583.21)
Add: Unallocated results			12.45
Total Profit before Tax			(570.76)
C) Segment Assets			
Financing Business			3,497.44
Marketplace Business			375.85
Unallocated Assets			253.60
Total Segment Assets			4,126.89
D) Segment Liabilities			
Financing Business			501.29
Marketplace Business			7.07
Unallocated Liabilities			-
Total Segment Liabilities			508.36
E) Non-Cash Expenses other than Depreciation			
Financing Business			60.40
Marketplace Business			9.80
Unallocated Non-Cash Expenses			-
Total Non-Cash Expenses			70.20
F) Depreciation			
Financing Business			21.18
Marketplace Business			22.22
Total Non-Cash Expenses			43.41
G) CAPEX			
Financing Business			75.98
Marketplace Business			-
Total Non-Cash Expenses			75.98

(B) Secondary Segment (By Geographical Segment):

Since the company is operating only in single geographical location i.e. India, hence secondary segmental reporting based on geography is not required to be reported.

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