

Techfino Capital Private Limited

CIN: U65999KA2018PTC114532

(All amounts in Indian Rupees and in thousands except as otherwise stated)

Balance Sheet as at 31st March, 2023

Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
A. Equity and Liabilities			
1. Shareholders' Funds			
a. Share Capital	3	82,000.00	82,000.00
b. Reserves and Surplus	4	58,586.65	32,776.99
		1,40,586.65	1,14,776.99
2. Non Current Liabilities			
a. Long Term Borrowings	5	2,85,572.90	1,89,764.98
b. Deferred Tax Liabilities (Net)	6	-	-
c. Long Term Provisions	7	1,579.21	277.56
		2,87,152.11	1,90,042.54
3. Current Liabilities			
a. Short Term Borrowings	8	4,01,162.59	2,21,565.04
b. Other Current Liabilities	9	1,02,610.72	56,418.08
c. Short Term Provisions	10	1,057.41	0.86
		5,04,830.72	2,77,983.98
Total		9,32,569.48	5,82,803.51
B. Assets			
1. Non Current Assets			
a. Property, Plant, Equipments and Intangible Assets			
- Property, Plant and Equipments	17	1,697.18	1,029.19
- Intangible Assets	17	266.64	1,459.60
c. Deferred Tax Assets (Net)	6	1,884.44	55.71
c. Other Non-Current Assets	11	1,480.00	400.00
		5,328.26	2,944.50
2. Current Assets			
a. Current Investments	12	77,013.00	16,476.94
b. Trade Receivables	13	5,309.80	-
c. Cash and Cash Equivalents	14	78,036.73	69,978.64
d. Short Term Loans and Advances	15	7,65,398.69	4,92,797.87
e. Other Current Assets	16	1,483.00	605.56
		9,27,241.22	5,79,859.01
Total		9,32,569.48	5,82,803.51

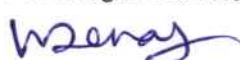
Significant accounting policies and notes to the financial statements

1-28

As per our attached report of even date for Devas & Venu

Chartered Accountants

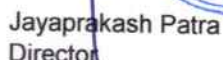
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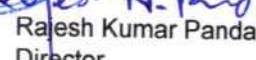
Vinayak Devas

Partner

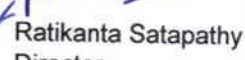
Membership No. 225341

for and on behalf of the Board of Directors of
Techfino Capital Private Limited
Jayaprakash Patra
Director

DIN: 08173623

Place: Bengaluru
Date: 14-Sep-2023
Rajesh Kumar Panda
Director

DIN: 08682733

Place: Bengaluru
Date: 14-Sep-2023
Ratikanta Satapathy
Director

DIN: 08285737

Place: Bengaluru
Date: 14-Sep-2023

Techfino Capital Private Limited

CIN: U65999KA2018PTC114532

(All amounts in Indian Rupees and in thousands except as otherwise stated)

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

Sl. No.	Particulars	Note No.	Year Ended 31st March 2023	Year Ended 31st March 2022
I	Revenue from Operations	18	1,87,958.97	97,993.54
II	Other Income	19	5,543.88	1,008.15
III	Total Income (I+II)		1,93,502.85	99,001.69
IV	Expenses:			
	Employee Benefit Expense	20	58,534.80	23,214.33
	Depreciation and Amortization	16	1,928.79	964.27
	Loan Provision and Write Offs	21	14,077.11	7,881.85
	Finance Cost	22	73,380.04	26,598.26
	Other Expenses	23	18,693.45	9,291.08
	Total Expenses (IV)		1,66,614.19	67,949.79
V	Profit before Exceptional and extraordinary items and tax (III - IV)		26,888.66	31,051.90
VI	Exceptional Item			
VII	Profit before Extraordinary items and tax (V - VI)		26,888.66	31,051.90
VIII	Extraordinary items			
IX	Profit before tax (VII - VIII)		26,888.66	31,051.90
X	Tax Expense			
	1. Current Tax			
	- for the year		8,005.00	7,998.00
	- for earlier years		-	(494.88)
	2. Deferred Tax		(1,828.73)	(141.96)
XI	Profit (Loss) for the period from continuing operations (IX-X)		20,712.39	23,690.73
XII	Profit / (Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit / (Loss) from discontinuing operations (after tax)(XII-XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		20,712.39	23,690.73
XVI	Earnings per Equity Share			
	1. Basic		2.57	3.01
	2. Diluted		2.12	2.96

Significant accounting policies and notes to the financial statements

1-28

As per our attached report of even date

for Devas & Venu

Chartered Accountants

Firm Registration No. 014057S



Vinayak Devas

Partner

Membership No. 225341



Place: Bengaluru

Date: 14-Sep-2023

for and on behalf of the Board of Directors of
Techfino Capital Private Limited


Jayaprakash Patra

Director

DIN: 08173623

Place: Bengaluru

Date: 14-Sep-2023



Rajesh Kumar Panda

Director

DIN: 08682733

Place: Bengaluru

Date: 14-Sep-2023



Ratikanta Satapathy

Director

DIN: 08285737

Place: Bengaluru

Date: 14-Sep-2023

Statement of Cash Flows for the year ended 31st March, 2023		Amounts in '000	
Particulars	Year Ended 31-Mar-23	Year Ended 31-Mar-22	
I. Cash flow from operating activities			
Net profit after tax	20,712.39	23,690.74	
adjustments for:			
Income Tax	8,005.00	7,503.12	
Deferred Tax	1,828.73	(141.96)	
Depreciation	1,928.79	964.27	
Gratuity	1,399.48	112.88	
Expense on Employee Stock Option Scheme	5,097.26	432.00	
Provision for Standard Assets and NPA	14,077.11	7,881.85	
Loss on sale of Property, Plant and Equipment	28.31	2.21	
Capital Gain	(1,658.89)	(498.42)	
Dividend Income	-	(20.81)	
Interest Income on Income Tax Refund	(105.87)		
Interest income	(1,717.31)	(388.91)	
	28,882.61	15,846.24	
Operating profit before working capital changes	49,595.00	39,536.98	
Adjustments for:			
Decrease/(Increase) in other assets	(8,015.97)	(186.41)	
Decrease/(Increase) in long term loans and advances	(1,080.00)	-	
Decrease/(Increase) in short term loans and advances	(2,94,681.93)	(4,08,189.91)	
(Decrease)/Increase in provisions	13,107.10	3,001.62	
(Decrease)/Increase in other liabilities	44,363.91	52,402.31	(3,52,972.39)
Cash generated from operations	(1,96,711.90)	(3,13,435.42)	
Less: Income tax paid (net off refund)	12,042.51	10,719.56	
Net cash flow from operating activities	(2,08,754.41)	(3,24,154.98)	
II. Cash flow from investing activities			
Interest received	1,717.31	388.91	
Purchase of Mutual Fund	(6,73,000.02)	(3,00,004.03)	
Sale of Mutual Fund	6,14,122.85	2,84,665.28	
Dividend Income	-	20.81	
Sale of property, plant and equipment	3.78	13.00	
Payments for acquisition of property, plant and equipment	(1,435.91)	(855.75)	
	(58,591.99)	(15,771.77)	
Net cash used in investing activities	(58,591.99)	(15,771.77)	
III. Cash flow from financing activities			
Proceeds from issue of share capital	-	18,000.00	
Proceeds /(Repayment) of borrowings	2,75,405.49	3,64,098.11	
Net cash used in financing activities	2,75,405.49	3,82,098.11	
Net increase in cash & cash equivalents	8,059.09	42,171.37	
Cash and cash equivalents as at the beginning	69,978.64	27,808.28	
Cash and cash equivalents as at the end of the period	78,036.73	69,978.64	
Cash & cash equivalents as on :	31st March, 2023	31st March, 2022	
Cash in hand	-	-	
Cash at bank	78,036.73	69,978.64	
Cash & cash equivalents as stated	78,036.73	69,978.64	

As per our attached report of even date
for Devas & Venu
Chartered Accountants
Firm Registration No. 014057S

Vinayak Devas
Partner
Membership No. 225341

Place: Bengaluru
Date: 14-Sep-2023



for and on behalf of the Board of Directors of
Techfino Capital Private Limited

Jayaprakash Patra Director DIN: 08173623
Rajesh Kumar Panda Director DIN: 08682733
Ratikanta Satapathy Director DIN: 08285737

Place: Bengaluru Date: 14-Sep-2023
Place: Bengaluru Date: 14-Sep-2023
Place: Bengaluru Date: 14-Sep-2023

Notes to the financial statements

1 Company Overview

Techfino Capital Private Limited ('the Company'), was incorporated on July 5, 2018 under the Companies Act, 2013. The Company is a Non-Banking Financial Company ('NBFC') engaged in providing end use ensured, short term consumer loans. The Company is registered with the Reserve Bank of India as Type II - Non-Deposit taking NBFC-ND.

2 Significant Accounting Policies

2.01 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared, in accordance with Generally Accepted Accounting principles in India (Indian GAAP), to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), except where otherwise stated. Further, the Company follows prudential norms for Income Recognition, assets classification and provisioning for Non-performing assets as well as contingency provision for standard assets as prescribed by The Reserve Bank of India for Non-Banking Financial Companies. Further, the Company follows the Reserve Bank of India ('RBI') Directions issued for Non-Banking Financial Companies ('NBFC'). The Company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

The financial statements have been prepared based on the going concern concept.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Companies Act, 2013. Based on the nature of assets and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

2.02 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

2.03 Property, Plant, Equipments and Intangibles

a) Property, Plant, Equipments and Intangibles are stated at cost, less accumulated depreciation / amortisation. Costs include all expenses incurred to bring the asset to its present location and condition.

Depreciation is provided as per the life of the assets specified under Schedule II of the Companies Act, 2013. Depreciation on additions to assets or sale/disposal is calculated on pro-rata basis on the number of days assets have been put to use. Further, assets having an original cost of less than Rs. 5,000 individually are fully depreciated in the year of purchase. Intangible assets are amortised over the period of three years.

2.04 Revenue recognition

Revenue is considered to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. The Company follows accrual basis of accounting for its income and expenditure except income on assets classified as non-performing assets, which in accordance with the guidelines issued by the Reserve Bank of India for Non-Banking Financial Companies, is recognised on receipt basis.

- Interest income from retail loan transactions is recognised on an accrual basis over the period of the contract by applying the interest rate implicit in such contracts.
- Service charges and other fees on loan transactions are recognised at the commencement of the contract.
- Commission and brokerage income: Commission and brokerage income earned for the services rendered are recognised as and when they are due.
- Subvention income on loan transactions are recognised upon disbursement of the same.
- Penalty collected as bounce charges has been recognised on realisation basis.

Income from investments:

- Dividend from investments is accounted for as income when the right to receive dividend is established.
- Interest income from investments is accounted on accrual basis.
- Capital gain on sale of investments recognised as when the investments have been sold.



Notes to the financial statements

2.05 Provisions for Standard / Non-Performing Assets and Doubtful Debts

a) The provisioning / write-off on overdue assets

The provisioning / write-off on overdue assets is as per the management estimates, subject to the minimum provision required as per Master Direction-Non-Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

b) Provision on standard assets

Provision on standard assets has been made at 1.00% which is in accordance with Reserve Bank of India ('RBI') guidelines.

2.06 Foreign currency transactions and translations

The transactions in foreign currency are recognized at the exchange rate prevailing as at the date of the transaction. Any fluctuation in the currency rates upon settlement of the transaction are recognized in the Statement of Profit and Loss either as gain or loss on account of currency fluctuation except otherwise stated. Assets and liabilities denominated in foreign currency and outstanding as at the end of the year are restated for the movement in the currency rates except otherwise stated.

2.07 Investments

Investments are classified into non-current and current investments.

a) Non-Current Investments:

Non-current investments are investments intended to be held for a period of more than a year. Non-current investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

b) Current Investments:

Current investments are investments intended to be held for a period of less than a year. Current investments are stated at the lower of cost and market value, determined on an individual investment basis.

2.08 Employee Benefits

i) Short Term Employee Benefits:

All employee benefits falling due within twelve months of rendering the service are classified as short term employee benefits, which include benefits like salaries, bonus, performance incentives, etc. and are recognized as expense in the period in which the employee renders the related service.

ii) Long Term Employee Benefits:

a) Defined contribution plan: The Company has defined contribution plans for post-employment benefits, namely, Provident Fund. The Company's contributions thereto are charged to Statement of Profit and Loss every year. The Company has contributed to Provident fund which is a defined contribution plan. The contribution paid or payable under the scheme is recognized during the year in which employee renders the related service.

b) Defined benefit plan: The Company has a defined benefit plan for employees, namely Gratuity, the liability for which is determined on the basis of valuation carried out by an independent actuary under projected unit credit method which considers each year of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gains or losses are recognized immediately in statement of profit and loss.

iii) Employee Stock Purchase Plan:

The Company is covered under certain share based compensation plans. Under the plan, the employees/directors of the Company may be granted stock options, stock grants and stock purchase rights of Techfino Capital Private Limited, in accordance with the terms and conditions as specified in these plans. As per the Guidance Note on "Accounting for Employee Share Based Payments", issued by institute of Chartered Accountants of India, the Company is required to record compensation cost and disclose information relating to the options /shares granted to the employees of the Company under the above plan. These plans are assessed, managed and administered by the company whose options/shares have granted to the employees of the Company. The Company has accounted for and disclosed the details of the above plan as per the Guidance Note. All relevant taxes will be borne by the respective employees and the same has been deducted and remitted to the department by the company.

2.09 Related party disclosure

Disclosure of transactions with Related Parties, as required by Accounting Standard 18 "Related Party Disclosures" have been set out in a separate statement annexed to this Schedule. Related parties as defined under clause 3 of the Accounting Standard have been identified on the basis of representations made by key managerial personnel and information available with the Company.



Notes to the financial statements

2.10 Earnings per share

In determining Earnings per Share, the Company considers the Net Profit after tax and includes the Post Tax effect of any extraordinary/ exceptional item. The number of shares used in computing Basic and Diluted Earnings per Share is the weighted average number of shares outstanding during the period.

2.11 Taxes on income

Current Tax: Provision for current tax is made on the basis of taxable income for the year under the provisions of Income Tax Act, 1961.

Deferred Tax is recognized, subject to the consideration of prudence as per Accounting Standard 22 – Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India, on the effect of timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a reasonable/ virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

2.12 Impairment of assets

At each Balance Sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Statement of Profit and Loss to the extent the carrying amount exceeds the recoverable amount.

2.13 Provisions and contingencies

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

2.14 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, but excludes restricted cash balances.

2.15 Cash flow statement

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

2.16 Accounting for leases

Lease rent in respect of renewable operating leases which are cancellable are charged to profit and loss account. Lease rent in respect of other operating lease are recognized over the lease period and charged to the profit and loss account accordingly.

2.17 Events occurring after balance sheet date

Events which occur between the balance sheet date and the date on which the financial statements are approved, may indicate the need for adjustments to assets and liabilities as at the balance sheet date or may require a disclosure.

There are events which if material, although they take place after the balance sheet date, are required to be reflected in the financial statements (i.e. adjustments to assets and liabilities).

Events occurring after the balance sheet date which do not affect the figures stated in the financial statements would require disclosure in the financial statements.



Techfino Capital Private Limited

CIN: U65999KA2018PTC114532

(Number of shares are in absolute number and the value in Indian Rupees and in thousands)

Notes to the financial statements

Note No.	Particulars	As at 31-03-2023		As at 31-03-2022	
		No. of Shares	Amount	No. of Shares	Amount
3	Share Capital				
	Equity Shares				
	A. Authorized				
	Equity shares of Rs. 10/- each fully paid up	1,60,00,000	16,00,00,000	1,60,00,000	16,00,00,000
	B. Issued				
	Equity shares of Rs. 10/- each fully paid up	80,50,000	8,05,00,000	80,50,000	8,05,00,000
	C. Subscribed and fully paid-up				
	Equity shares of Rs. 10/- each fully paid up	80,50,000	8,05,00,000	80,50,000	8,05,00,000
	Total Equity	80,50,000	8,05,00,000	80,50,000	8,05,00,000
	Preference Shares				
	A. Authorized				
	Non-Cumulative, Compulsory Convertible 0.01% Preference shares of Rs. 10/- each	40,00,000	4,00,00,000	40,00,000	4,00,00,000
	B. Issued				
	Non-Cumulative, Compulsory Convertible 0.01% Preference shares of Rs. 10/- each	15,00,000	1,50,00,000	15,00,000	1,50,00,000
	C. Subscribed and partly paid-up				
	Non-Cumulative, Compulsory Convertible 0.01% Preference shares of Rs. 10/- each (Rs. 1/- paid)	15,00,000	15,00,000	15,00,000	15,00,000
	Total Preference shares	15,00,000	15,00,000	15,00,000	15,00,000

3.1 Reconciliation of number of shares at the beginning and end of the year

Particulars	As at 31-03-2023	As at 31-03-2022
Equity Shares		
Opening balance	80,50,000	70,50,000
Add : Fresh Issue	-	10,00,000
Add : Rights issue during the year	-	-
Less: Bought back during the year	-	-
Closing balance	80,50,000	80,50,000
Preference Shares		
Opening balance	15,00,000	15,00,000
Add: Issued during the year	-	-
Less: Bought back during the year	-	-
Closing Balance	15,00,000	15,00,000

3.2 Details of shares held by each shareholder holding more than 5% shares

Particulars	As at 31-03-2023		As at 31-03-2022	
	Number of Shares	Percent of holding	Number of Shares	Percent of holding
Equity Shares				
DCB Bank	6,00,000	7.45%	6,00,000	7.45%
Jayaprakash Patra	21,50,000	26.71%	21,50,000	26.71%
Ratikanta Satapathy	21,50,000	26.71%	21,50,000	26.71%
Rajesh Kumar Panda	21,50,000	26.71%	21,50,000	26.71%
Total	70,50,000	87.58%	70,50,000	87.58%

Particulars	As at 31-03-2023		As at 31-03-2022	
	Number of Shares	Percent of holding	Number of Shares	Percent of holding
Non-Cumulative, Compulsory Convertible Preference Shares				
Jayaprakash Patra	5,00,000	33.333%	5,00,000	33.333%
Ratikanta Satapathy	5,00,000	33.333%	5,00,000	33.333%
Rajesh Kumar Panda	5,00,000	33.333%	5,00,000	33.333%
Total	15,00,000	100.00%	15,00,000	100.00%

3.3 Details of shares held by promoters

Particulars	As at 31-03-2023		As at 31-03-2022	
	Number of Shares	Percent of holding	Number of Shares	Percent of holding
Equity Shares				
Jayaprakash Patra	21,50,000	26.71%	21,50,000	26.71%
Ratikanta Satapathy	21,50,000	26.71%	21,50,000	26.71%
Rajesh Kumar Panda	21,50,000	26.71%	21,50,000	26.71%
Total	64,50,000	80.13%	64,50,000	80.13%
Preference Shares				
Jayaprakash Patra	5,00,000	33.333%	5,00,000	33.333%
Ratikanta Satapathy	5,00,000	33.333%	5,00,000	33.333%
Rajesh Kumar Panda	5,00,000	33.333%	5,00,000	33.333%
Total	15,00,000	100.00%	15,00,000	100.00%



3.4 Rights, preferences and restrictions attached to shares

The Company has only one class of equity share, having a par value of ₹ 10 each. Each holder of an equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference shares carry a preferential right as to dividend over equity shareholders. Where dividend on cumulative preference shares is not declared for a financial year, the entitlement thereto is carried forward whereas in the case of non-cumulative preference shares, the entitlement for that year lapses. The preference shares are entitled to one vote per share at meetings of the Company on any resolutions of the Company directly affecting their rights. However, a cumulative preference shareholder acquires voting rights on par with an equity shareholder if the dividend on preference shares has remained unpaid for a period of not less than two years. For a non-cumulative preference shareholder, such a right arises if the dividend has remained unpaid for a period of not less than two years or for any three years during a period of six years ending with the financial year preceding the meeting. However non cumulative preference shareholder can waive the dividend payable on such shares. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares.

As per the terms of conversion, Preference Shares shall be convertible into Equity Shares at a 1:1 conversion ratio in accordance with the provisions of Companies Act 2013, and the rules made thereunder.



Notes to the financial statements

Note No.	Particulars	Amounts in '000	
		As at 31st March 2023	As at 31st March 2022
4	Reserves and Surplus		
4.1	Special Reserve *		
	Opening Balance	5,619.03	880.89
	Add: Transferred from the Profit for the year	4,142.55	4,738.15
	Less: Appropriation during the year	-	-
	Closing Balance	9,761.58	5,619.03
4.2	Securities Premium		
	Opening Balance	8,000.00	-
	Add: Issued during the year	-	8,000.00
	Less: Appropriation during the year	-	-
	Closing Balance	8,000.00	8,000.00
4.3	Surplus / (Deficit) in Statement of Profit and Loss		
	Opening Balance	18,725.97	(226.62)
	Add: Profit / (Loss) for the year	20,712.39	23,690.73
	Less: Transferred to Special Reserve *	4,142.55	4,738.15
	Closing Balance	35,295.80	18,725.96
4.4	Employee Stock Options Outstanding		
	Options granted till date	432.00	-
	Add: Compensation for options granted during the year	5,097.26	432.00
	Less: Transfer to Security Premium on exercise of stock options during the year	-	-
	Closing Balance	5,529.26	432.00
	Total Reserves and Surplus (4.1) + (4.2) + (4.3) + (4.4)	58,586.65	32,776.99

* Special Reserve has been created as per the provisions of Section 45-IC of the Reserve Bank of India Act, 1934. As per the requirements of the said Section, 20% of the profit for the year has been transferred to special reserve.



Notes to the financial statements

Note No.	Particulars	Amounts in '000	
		As at 31st March 2023	As at 31st March 2022
5	Long Term Borrowings (Secured Loan)		
	Debentures		
	12.9% Secured, Non-Convertible Debentures (Refer Note 5.1 below)	26,900.00	53,800.00
	14% Secured, Non-Convertible Debentures (Refer Note 5.2 below)	14,874.95	44,625.00
	12% Secured, Non-Convertible Debentures (Refer Note 5.3 below)	16,400.00	
	12.9% Secured, Non-Convertible Debentures (Refer Note 5.4 below)	40,000.00	
	(A)	98,174.95	98,425.00
	Less: Current Maturities of Non-Convertible Debentures		
		38,324.95	56,650.00
	(B)	38,324.95	56,650.00
	C = (A-B)	59,850.00	41,775.00
	-From Banks (Refer Note 5.6 and Note 5.7 below)	2,67,558.96	87,416.69
	-From Non Banking Financial Companies (Refer Note 5.6 and Note 5.7 below)	2,63,851.59	1,82,504.99
	(D)	5,31,410.55	2,69,921.67
	Less: Current Maturities of Long Term Debt		
	-From Banks	1,70,101.47	62,000.01
	-From Non Banking Financial Companies	1,92,736.18	1,02,081.69
	(E)	3,62,837.64	1,64,081.70
	F = (D-E)	1,68,572.90	1,05,839.98
	(Unsecured Loan)		
	Debentures		
	1% Unsecured Compulsory Convertible Debentures (Refer Note 27.02.02)	57,150.00	42,150.00
	(G)	57,150.00	42,150.00
	Total [H = (C+F+G)]	2,85,572.90	1,89,764.98

- 5.1 Debentures are secured by identified receivables as per the terms and conditions stipulated in the transaction documents. Interest of 12.9% to be paid on quarterly on the last working day of March, June, September and December on the outstanding balances of NCD. Tenure of the debenture is 24 months and to be redeemed in four equal tranches on completion of 6, 12, 18 and 24 months from the closure of the issue. Each debenture will be redeemed at par.
- 5.2 Debentures are secured by identified receivables as per the terms and conditions stipulated in the transaction documents. Interest of 14% to be paid on quarterly basis. Tenure of the debenture is 24 months and to be redeemed in four equal tranches on completion of 6, 12, 18 and 24 months from the closure of the issue. Each debenture will be redeemed at par.
- 5.3 Debentures are secured by identified receivables as per the terms and conditions stipulated in the transaction documents. Interest of 12% to be paid on quarterly basis. Tenure of the debenture is 24 months and to be redeemed on completion of the tenure from the closure of the issue. Each debenture will be redeemed at par.
- 5.4 Debentures are secured by identified receivables as per the terms and conditions stipulated in the transaction documents. Interest of 12.9% to be paid on quarterly basis. Tenure of the debenture is 24 months and to be redeemed in four equal tranches on completion of 6, 12, 18 and 24 months from the closure of the issue. Each debenture will be redeemed at par.
- 5.5 All the loans and advances from the banks and others are secured by exclusive charge on the receivables. Further, directors have given the personal guarantee for loan of ₹ Nil (previous year: ₹ 8,76,88,541) which is outstanding as on 31st March 2023. Also, margin money of 10% is given in the form of fixed deposit against the loan taken from the banks.



Notes to the financial statements

Note No.	Particulars	Amounts in '000	
		As at 31st March 2023	As at 31st March 2022

5.6 Terms of repayment of borrowings and rate of interest:

Loan taken from	Outstanding Amount	Interest Rate at the time of draw down	Repayment Duration
- Bank	10,35,72,634	10.00%	24 months
	16,66,695	12.00%	15 months
	2,45,83,329	11.25%	26 months
	10,02,36,301	11.00%	30 months
- Non Banking Financial Companies	3,75,00,003	11.75%	24 months
	3,47,16,107	13.50%	24 months
	2,95,53,499	13.50%	24 months
	10,39,46,534	14.00%	24 months
	5,00,00,000	14.50%	30 months
	4,37,50,001	14.75%	24 months
	18,85,444	14.35%	24 months

Previous year

Loan taken from	Outstanding Amount	Interest Rate at the time of draw down	Repayment Duration
- Bank	2,20,00,000	12.00%	15 months
	1,66,66,688	12.00%	26 months
	4,87,50,000	11.25%	26 months
- Non Banking Financial Companies	1,27,71,864	14.35%	24 months
	1,00,00,000	13.50%	24 months
	15,97,33,122	14.00%	24 months

6 Deferred Tax (Asset) / Liability

Property, Plant, equipment and Intangible: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting

(57.65) 174.28

Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis

(1,826.80) (229.99)

Net Deferred Tax (Asset) / Liability

(1,884.44) (55.71)

7 Long Term Provision

Provision for Employee Benefit (Refer Note No. 23)

1,547.49 277.56

Rent Equalisation Reserve

31.72 -

1,579.21 277.56



Notes to the financial statements

Note No.	Particulars	Amounts in '000	
		As at 31st March 2023	As at 31st March 2022
8	Short Term Borrowings (Secured Loan) Term Loan -From Banks (Refer Note No. 8.1 below)	-	833.34
	Current Maturities of Long Term Debt -From Banks	-	-
	-From Non Banking Financial Companies	1,70,101.47	62,000.01
	-Non-Convertible Debentures	1,92,736.18	1,02,081.69
		38,324.95	56,650.00
		4,01,162.59	2,21,565.04
8.1	Terms of repayment of borrowings and rate of interest:		
	As per terms of agreements, loan from banks aggregating ₹ NIL (Previous Year: ₹ 8,33,337) are repayable at maturity of 12 months from the date of loan. Rate of interest payable on term loans is 12%.		
9	Other Current Liabilities / Expenses Payable Interest Accrued But Not Due		
	Statutory Dues	1,663.17	1,730.41
	Creditors for Expenses (Refer Note No. 9.1)	5,250.47	5,922.29
	Accrued Liabilities (Refer Note No. 9.2)	369.51	4,428.00
	Other Payables	86,202.80	42,875.67
	Employee Dues	6,285.92	
	Total	2,838.84	1,461.71
		1,02,610.72	56,418.08
9.1	As per the information available with the Company, there are no outstanding dues payable to MSME. Also refer note 27.05 for the detailed disclosure.		
9.2	Accrued Liabilities includes an amount of ₹ 8,28,24,715 (PY: ₹ 3,85,29,585) payable to business partners with whom lead referral and financing agreements have been entered. This includes money withheld towards tranches payable, payable to partners based on the realization from customers and as margin money. The corresponding loans and advances have been included in the "Short Term Loans and Advances" referred to in Note No. 14 of the standalone financial statements.		
10	Short Term Provision Provision for Income Tax (net of Advance Tax and TDS Receivable)	-	-
	Provision for Employee Benefit (Refer Note No. 7.2)	130.41	0.86
	Provision for Expenses	927.00	
	Total	1,057.41	0.86
11	Other non-current assets (unsecured, considered good unless otherwise stated) Rental Deposit	1,480.00	400.00
	Total	1,480.00	400.00
12	Current Investments (Quoted Investments) Investments in Mutual Funds	77,013.00	16,476.94
	Total	77,013.00	16,476.94

Cost of the investment: Rs.7,70,12,995/- (PY: Rs.1,64,76,937/-)
Market Value of the investment: Rs.7,71,23,769/- (PY: Rs.1,64,96,880/-)



Notes to the financial statements

Note No.	Particulars	Amounts in '000	
		As at 31st March 2023	As at 31st March 2022
13	Trade Receivables		
	Undisputed trade receivables - considered good		
	(a) Less than 6 months		
	(b) 6 months -1 Year	5,309.80	-
	(c) 1-2 Years	-	-
	(d) 2-3 Years	-	-
	(e) More than 3 Years	-	-
	(f) Total	-	-
	Undisputed trade receivables - considered doubtful	5,309.80	-
	(a) Less than 6 months	-	-
	(b) 6 months -1 Year	-	-
	(c) 1-2 Years	-	-
	(d) 2-3 Years	-	-
	(e) More than 3 Years	-	-
	(f) Total	-	-
	Disputed trade receivables - considered good	-	-
	(a) Less than 6 months	-	-
	(b) 6 months -1 Year	-	-
	(c) 1-2 Years	-	-
	(d) 2-3 Years	-	-
	(e) More than 3 Years	-	-
	(f) Total	-	-
	Disputed trade receivables - considered doubtful	-	-
	(a) Less than 6 months	-	-
	(b) 6 months -1 Year	-	-
	(c) 1-2 Years	-	-
	(d) 2-3 Years	-	-
	(e) More than 3 Years	-	-
	(f) Total	-	-
	Total	5,309.80	-
14	Cash and Cash Equivalents		
	(i) Balances with Bank		
	- in current accounts	26,284.55	57,745.02
	- in fixed deposit accounts (Refer Note No. 14.1)	51,752.18	12,233.62
	(ii) Cash on Hand	-	-
	Total	78,036.73	69,978.64
14.1	Out of the total Fixed Deposits, ₹ 4,17,52,179 has been issued as margin money towards bank guarantee against loan taken from the Banks and ₹ 1,00,00,000 has been liened against digital lending platform service.		
15	Short Term Loans and Advances		
	Unsecured, considered good		
	Loans and advances (Gross)	7,62,887.83	4,93,210.42
	Less: Provision for Standard Assets and Non-Performing Assets	(12,270.52)	(7,758.88)
	Loans and advances (Net)	7,50,617.31	4,85,451.54
	Receivable from Partners	5,858.27	270.50
	Prepaid Expense	1,496.30	3,990.12
	Balance with Government Authorities (Refer Note No. 15.1)	7,426.81	3,085.70
	Total	7,65,398.69	4,92,797.87
15.1	Balance with Government Authorities represents the Advance Tax and TDS Receivable which is net off of Provision for Income Tax.		
16	Other Current Assets		
	Accrued Interest on Bank Deposits	617.92	-
	Processing Fee Receivable	-	56.93
	EMI Receivable and TDS Reimbursement Receivable	840.08	548.63
	Receivable from Employees	25.36	-
	Total	1,483.00	605.56



Note 17: Property, Plant, Equipment and Intangibles

A. Property, Plant and Equipments:	Gross Block			Depreciation				Net Block	
	Balance as at 01/04/2022	Additions	Deletions	Balance as at 31/03/2023	Balance as at 01/04/2022	Depreciation for the year	Deletions	Balance as at 31/03/2023	Balance as at 31/03/2022
Computers & Components	1,359.99	1,152.01	39.75	2,472.26	409.67	605.60	7.66	1,007.62	950.32
Office Equipments	93.28	201.10	-	294.38	14.41	47.43	-	61.84	78.87
Current Year	1,453.27	1,353.11	39.75	2,766.64	424.08	653.03	7.66	1,069.46	1,029.19
Previous Year	615.11	855.75	17.61	1,453.25	138.71	287.77	2.42	424.06	476.40
	Gross Block			Amortisation				Net Block	
B. Intangible Assets:	Balance as at 01/04/2022	Additions	Deletions	Balance as at 31/03/2023	Balance as at 31/03/2022	Amortisation for the year	Deletions	Balance as at 31/03/2023	Balance as at 31/03/2022
Computer software	3,817.69	82.80	-	3,900.49	2,358.09	1,275.76	-	3,633.84	1,459.60
Current Year	3,817.69	82.80	-	3,900.49	2,358.09	1,275.76	-	3,633.84	1,459.60
Previous Year	3,817.69	-	-	3,817.69	1,681.58	676.50	-	2,358.09	2,136.11



Notes to the financial statements

Note No.	Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
18	Revenue from operations		
	Subvention Income		
	Interest Income	1,50,018.23	82,280.61
	Processing and Cancellation Fees	18,949.14	-
	Prorata Interest	12,280.87	12,769.35
	Penalty Income	2,823.54	1,668.99
		3,887.20	1,274.59
	Total	1,87,958.97	97,993.54
19	Other Income		
	Interest Income on Income Tax Refund	105.87	-
	Interest on Fixed Deposits	1,717.31	388.91
	Dividend	-	20.81
	Capital Gains	1,658.89	498.42
	Miscellaneous Income	2,061.80	100.01
	Total	5,543.88	1,008.15
20	Employee Benefits Expense		
	Salaries, Stipend and Bonus	36,514.35	15,281.49
	Directors' Remuneration	13,365.79	6,671.32
	Contribution to provident funds and other funds	1,308.44	582.40
	Gratuity	1,399.48	112.88
	Staff welfare expenses	849.49	134.25
	Expense on Employee Stock Option Plan (ESOP)	5,097.26	432.00
	Total	58,534.80	23,214.33
21	Loan Provisions And Write Offs		
	Provision for standard assets	1,835.98	4,016.65
	Provision for non-performing assets	2,675.66	2,742.41
	Loan loss *	9,565.47	1,122.79
	Total	14,077.11	7,881.85
	* Loan loss is net off recovery of ₹ 17,79,449 during the year.		
22	Finance Cost		
	Bank Charges	13.26	741.65
	Loan Processing Fees	6,249.00	3,605.00
	Interest on Borrowings	67,117.79	22,251.60
	Total	73,380.04	26,598.26
23	Other Expenses		
	Payment to Auditors	895.00	718.00
	Business Promotion	1,678.97	273.06
	Bureau Expense	1,391.83	969.13
	Insurance Expense	335.57	80.00
	Legal, Professional and Technical Fees	4,706.13	2,416.56
	Office Expense	303.00	169.80
	Office Rent	2,485.80	909.88
	Rates & Taxes	923.00	1,273.37
	Travelling and Conveyance Expenses	509.08	114.18
	Webhosting, Domain & Subscription Charges	4,846.09	2,242.05
	Miscellaneous Expense	590.66	122.84
	Loss on Sale of Asset	28.31	2.21
	Total	18,693.45	9,291.08



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(All amounts in Indian Rupees and in thousands except as otherwise stated)

24 Employee Benefits

The company has accounted for defined benefit plans in the form of gratuity to employees as per actuary valuation as at 31-Mar-2023. The actuarial assumptions in respect of the benefit plan are as under:

i) Principal Actuarial Assumptions

Particulars	2022-23	2021-22
Discount rate	7.36%	6.92%
Salary growth rate	10.00%	10.00%
Withdrawal rate	20.00%	20.00%

ii) Table showing changes in present value of obligations

Particulars	2022-23	2021-22
Present value of obligations as at beginning of year	278.42	165.54
Current service cost	539.85	185.92
Interest cost	19.27	10.81
Actuarial gain/(loss)	840.36	(83.85)
Benefits settled	-	-
Present value of obligations as at end of year	1,677.90	278.42

iii) Actuarial gain/loss recognised

Particulars	2022-23	2021-22
Total actuarial loss/gain	840.36	(83.85)

iv) Amount to be recognised in the Balance Sheet

Particulars	2022-23	2021-22
Present value of obligations as at the end of year - Non Current	130.41	277.56
Present value of obligations as at the end of year - Current	1,547.49	0.86



25 Other Statutory Information

- (i) The Company does not have any proceeding initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibitions) Act, 1988.
- (ii) The company doesn't have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (iii) The Company do not have charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- (iv) The Company has not traded or invested in crypto currency or virtual currency during the year.
- (v) The Company has not advanced or given loan or invested funds to any other person(s) or entity(ies), including foreign entities ('intermediaries') with the understanding that the intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever by or on behalf of the Company; or
 - (b) provide any gurantee, security or the like to or on behalf of the Company;
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities with the understanding that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever by or on behalf of the Funding person or entity; or
 - (b) provide any gurantee, security or the like on behalf of the funding person or entity;
- (vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (viii) The Company has borrowed money from banks and financial institutions on the basis of current assets during the year. Further, the quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the loan book maintained by the Company in a separate module.
- (ix) The Company has borrowed money from the banks and non banking financial institutions and have been used for the stated purpose. However, pending utilization during the interim period, surplus of such borrowed funds have been temporarily invested in short-term securities.
- (x) The Company has complied with the number of layers prescribed under the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- (xi) The Company is not declared as a wilful defaulter by any bank or financial institution
- (xii) The Company has not entered into any scheme or arrangement in terms of Section 230 to Section 237 of the Companies Act, 2013.
- (xiii) The provision of Section 135 relating to Corporate Social Responsibility is not applicable to the Company.



26 Employee Stock Option Plan

a)

The Company instituted the Employees Stock Option Plan ('ESOP 2021') during the year, which was approved by the Board of Directors. Options under this program have been granted to employees with an exercise price of Rs 10. All stock options have four years vesting term from the date of grant in proportions specified in scheme. Each option is entitled to 1 equity share of Rs.10 /- each. This program extends to employees who have been issued employment offer with ESOP as part of compensation.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
	Options (Numbers)	Options (Numbers)
Granted during the year *	250.00	565.00
Vested during the year	83.75	-
Exercised during the year	-	-
Lapsed during the year**	145.00	160.00
Forfeited during the year	-	-
Outstanding options, end of the year	405.02	405.00
Options vested and exercisable, end of the year	-	-
Range of exercise price for options outstanding at the end of the year	NA	NA

* ESOP granted during the financial year (FY) 2021-22 includes 1,50,000 shares granted to directors who are also the promoters of the Company. As the Company has been recognised as a startup by the Department for Promotion of Industry and Internal Trade (DPIIT) vide certificate no. DIPP31214 dated 01st January 2019, the same is in line with the provisions of the section 62 of the Companies Act, 2013 read with rule 12 of the Companies (Share Capital and Debentures) Rules, 2014.

**ESOP lapsed during the FY 2022-23 also includes 1,05,000 shares issued to two employees who have resigned after the balance sheet date but before the approval of standalone financial statements.

b) The fair value of the options have been determined based on the valuation obtained from the registered valuer.

c) The assumptions used in this model for calculating fair value are as below:

Assumptions	For the year ended 31 March 2023	For the year ended 31 March 2022
Stock price now (P)	35	18
Exercise price of Option (EX)	10	10
Number of periods to Exercise in years (t)	4	4

d) Total expense recognised for the period arising from share based payments

(Amount in '000)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Expense on Employee Stock Option Scheme (ESOP)	5,097.26	432.00
Total	5,097	432

Type of arrangement	General employee stock option
Date of initial grant	31-July-2021
Total Number of ESOP granted	5,10,000
Contractual life	8 Years
Vesting conditions	Vesting of Options so granted will take place over a period of four years in the manner, as may be decided by the Committee subject to the employees continuity in the employment of the organization
Exercise period	The vested Options can be exercised according to the terms and conditions as determined and mentioned under the Scheme
Method of Settlement	Through allotment of equity shares



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(All amounts in thousands and the ratios are in absolute numbers)

27 Ratios

S.No.	Particulars	For the Year 2022-23		For the Year 2021-22	
1	Current Ratio				
	<i>Current Assets</i>				
	Current Investments	77,013.00		16,476.94	
	Cash and Bank Balances	78,036.73		69,978.64	
	Short term loans and advances	7,65,398.69		4,92,797.87	
	Other current assets	1,483.00		605.56	
			9,21,931.41		5,79,859.00
	<i>Current Liabilities</i>				
	Short Term Borrowings	4,01,162.59		2,21,565.04	
	Other current liabilities	1,02,610.72		56,418.08	
	Short Term Provisions	1,057.41		0.86	
			5,04,830.72	-	2,77,983.97
	Current Ratio		1.83		2.09
2	Debt-Equity Ratio (refer note below)				
	<i>Debts</i>				
	Long Term Borrowings	5,31,410.55		2,69,921.67	
	Non-Convertible Debentures	98,174.95		98,425.00	
	Short Term Borrowings	-		833.34	
			6,29,585.50	-	3,69,180.01
	<i>Equity</i>				
	Equity Share Capital	80,500.00		80,500.00	
	Preference Share Capital	1,500.00		1,500.00	
	Compulsory Convertible Debentures	57,150.00		42,150.00	
	Reserves & Surplus	58,586.65		32,777.00	
			1,97,736.65		1,56,927.00
	Debt-Equity Ratio		3.18		2.35
Note: As per the Master Circular issued by the RBI, Compulsory Convertible Debenture (CCD) are part of the net owned fund and the same has been considered accordingly to calculate Debt-Equity Ratio.					
3	Debt- Service Coverage Ratio				
	<i>Debt - Earnings Available for Debt Service</i>				
	Net Profit	20,712.39		23,690.74	
	Non-Cash Operating Expenses	20,573.86		8,426.73	
	Non Operating Adjustments	-		-	
			41,286.25	-	32,117.47
	<i>Service</i>				
	Interest	73,380.04		26,598.26	
	Instalments	3,35,977.96		1,01,352.91	
			4,09,358.00		1,27,951.17
	Debt- Service Coverage Ratio		0.10		0.25



Techfino Capital Private Limited

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(All amounts in thousands and the ratios are in absolute numbers)

27 Ratios

4	Return on Equity Ratio				
	<i>Profit After Taxes</i>	20,712.39	20,712.39	23,690.74	23,690.74
	<i>Net Worth</i>				
	Total Assets	9,32,569.48		5,82,803.51	
	Less: Liabilities				
	Non-Current Liabilities	2,30,002.11		1,47,892.54	
	Current Liabilities	5,04,830.72	1,97,736.65	2,77,983.97	1,56,927.00
	Return on Equity Ratio		0.10		0.15
5	Inventory Turnover Ratio				
	<i>Revenue</i>		-		-
	<i>Inventory</i>		-		-
	Inventory Turnover Ratio		NA		NA
6	Trade Receivables Turnover Ratio				
	<i>Turnover</i>	-	-	-	-
	<i>Revenue</i>				
	<i>Average Trade Receivables</i>				
	Opening Trade Receivables	-	-	-	-
	Closing Trade Receivables	-	-	-	-
	Trade Receivables Turnover Ratio		NA		NA
7	Trade Payables Turnover Ratio				
	<i>Turnover</i>	-	-	-	-
	<i>Revenue</i>				
	<i>Average Trade Payables</i>				
	Opening Trade Payables	-	-	-	-
	Closing Trade Payables	-	-	-	-
	Trade Payables Turnover Ratio		NA		NA
8	Net Capital Turnover Ratio				
	<i>Turnover</i>				
	<i>Revenue</i>	1,87,958.97	1,87,958.97	97,993.54	97,993.54
	<i>Capital Employed</i>				
	Total Assets	9,32,569.48		5,82,803.51	
	Less: Current Liability	(5,04,830.72)	4,27,738.76	(2,77,983.97)	3,04,819.54
	Net Capital Turnover Ratio		0.44		0.32



Techfino Capital Private Limited

CIN: U65999KA2018PTC114532

(All amounts in thousands and the ratios are in absolute numbers)

27 Ratios

9	Net Profit Ratio				
	<i>Net Profit</i>	20,712.39	20,712.39	23,690.74	23,690.74
	<i>Turnover</i>				
	<i>Revenue</i>	1,87,958.97	1,87,958.97	97,993.54	97,993.54
	Net Profit Ratio		0.11		0.24
10	Return on Capital Employed				
	<i>Return</i>				
	Profit before Interest and tax	1,00,268.70	1,00,268.70	57,650.16	57,650.16
	<i>Capital Employed</i>				
	Total Assets	9,32,569.48		5,82,803.51	
	Less: Current Liability	5,04,830.72	4,27,738.76	2,77,983.97	3,04,819.54
	Return on Capital Employed		0.23		0.19
11	Return on Asset				
	<i>Return</i>				
	Profit after tax	20,712.39	20,712.39	23,690.74	23,690.74
	<i>Investment</i>				
	Capital Employed				
	Total Assets	9,32,569.48		5,82,803.51	
	Less: Current Liability	5,04,830.72	4,27,738.76	2,77,983.97	3,04,819.54
	Return on Asset		0.05		0.08

The Company has scaled up its operation in terms of lending, borrowing, revenue and expenditure. Hence, most of the ratios varied beyond 25%.



Notes to the financial statements**28 General Notes****28.01 Auditors' Remuneration**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
As auditor for statutory audit	510	440
As auditor for tax audit	135	-
For other services	250	278
	895	718

Note: amount mentioned above is exclusive of goods and services tax.

28.02 Events occurring after the Balance Sheet date

28.02.01 The Board of the Company has passed a resolution in the meeting held on 28th June 2023 that, "in pursuant to the provision of the section 49 of the Companies Act, 2013 ("the Act") read with Companies (share capital and debentures) rules, 2014 (including any statutory modifications or enactments there of for the time being in force) and other applicable provisions, if any, of the Act, and in accordance with the provision of the Article of Associations of the company, the consent of the board of directors be and is hereby accorded to make the first call of ₹.2.5/- (two rupees and fifty paise only) be made on 15,00,000 (fifteen lakhs number of shares) compulsory convertible preference shares (CCPs) to be payable on or before 05th August 2023".

The aforesaid event after the balance sheet date has resulted into infusion of the capital of ₹ 37,50,000/- (rupees thirty lakhs and fifty thousand) in the form of first call money of compulsory convertible preference shares which dilutes the percentage of total shareholdings.

28.02.02 The Company has issued the Compulsory Convertible Debentures ('CCD') in Mar-22 and May-22 and the tenure of such CCD shall be 15 Months from the date of allotment. The CCD is unsecured and shall have a rate of interest of 1% p.a. payable annually.

Further, subject to the applicable regulations, including RBI approval as may be necessary, the CCD will be converted to equity shares immediately prior to or simultaneously with Series A Round Closing on the following basis:

• For every 9 CCD fully paid up equity shares to be issued would be computed as follows: 90 divided by 77% of Series A Round price.

In the event that the Series A Round is not completed within 12 months the date of Closing of the Bridge Round, then conversion ratio would be 9 CCD is equal to 1 Equity Share, subject to the applicable regulations, including RBI approval as may be necessary.

However, as the Series A round has not taken place within the stipulated time line, the members of the Company has passed a resolution in the extraordinary meeting held on 7th August, 2023 for extension of the conversion date and terms of 42,15,000 (fourty two lakhs fifteen thousand) CCDs of INR. 10/- each issued on 3rd March, 2022 for a period 15 months and 15,00,000 (fifteen lakhs) CCD of INR. 10/- each issued on 10th May, 2022 till 31st March 2025.

The member of the company has further passed a resolution that, on or before expire of aforesaid revised tenure, the CCDs shall be converted into 16,32,857 (Sixteen Lakhs Thirty-Two Thousand Eight Hundred and Fifty-Seven) equity shares of face value of INR. 10/- (Rupees Ten only) each at a price of INR. 35/- (Rupees Thirty-Five only) each including premium of INR. 25/- each (Rupees Twenty-Five only) and such equity share issued on conversion shall rank pari-passu in all respect with the existing issued and subscribed equity shares of the company.

The aforesaid event after the balance sheet date has resulted in dilution of percentage of shareholding as on the date of event occurred.



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Notes to the financial statements**28.03 Earnings per share**

Net profit / (loss) attributable to equity shareholders for calculation of basic EPS	2,07,12,745	2,36,90,725
Weighted average number of equity shares for calculation of Basic Earnings Per Share	80,50,000	78,63,699
Weighted average number of equity shares for calculation of Diluted Earnings Per Share	97,63,581	80,13,699
Basic Earnings Per Share (Rs.)	2.57	3.01
Diluted Earnings Per Share (Rs.)	2.12	2.96

28.04 Related party disclosures**Aggregate related party disclosures as at and for the year ended 31 March 2023****(A) Name of related parties and description of relationship:**

Parties where control exists

Key management personnel

Jayaprakash Patra
Ratikanta Satapathy
Rajesh Kumar Panda

(B) Related party transactions

a)	Name	Nature of Relationship
	Jayaprakash Patra	Director
	Ratikanta satapathy	Director
	Rajesh Kumar Panda	Director
	Madhuchhanda Mahapatra	Relative of Director
	Jayaprabha Patra	Relative of Director
	Shreeyasmita Mohanty	Relative of Director
	Rakesh Kumar Panda	Relative of Director
	Silpa Panda	Relative of Director

Nature of transaction

For the year ended
31 March 2023

For the year ended
31 March 2022

Allotment of Non Convertible Debentures

Madhuchhanda Mahapatra	3,000	16,000
Rakesh Kumar Panda	1,000	3,000
Jayaprabha Patra	500	1,500
Shreeyasmita Mohanty	1,000	3,000
Silpa Panda	-	2,000

Remuneration

Jayaprakash Patra	4,309	2,249
Ratikanta Satapathy	4,490	2,044
Rajesh Kumar Panda	4,567	2,378

Interest on Non Convertible Debentures

Madhuchhanda Mahapatra	1,487	126
Shreeyasmita Mohanty	308	39
Jayaprabha Patra	188	12
Rakesh Kumar Panda	326	43
Silpa Panda	140	52



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Notes to the financial statements**Repayment of Non Convertible Debentures**

Madhuchhanda Mahapatra	8,000	2,500
Shreeyasmita Mohanty	1,500	375
Rakesh Kumar Panda	1,500	250
Silpa Panda	1,000	500
Jayaprabha Patra	750	-

Reimbursement of expense

Jayaprakash Patra	683	880
Ratikanta Satapathy	134	441
Rajesh Kumar Panda	163	344

(C) Closing Balance**For the year ended
31 March 2023****For the year ended
31 March 2022****Remuneration payable**

Jayaprakash Patra	-	59
Ratikanta Satapathy	-	32
Rajesh Kumar Panda	-	28

Expense reimbursable

Jayaprakash Patra	-	20
Ratikanta Satapathy	-	-
Rajesh Kumar Panda	-	19

Non Convertible Debentures

Madhuchhanda Mahapatra	8,500	13,500
Rakesh Kumar Panda	2,250	2,750
Jayaprabha Patra	1,250	1,500
Shreeyasmita Mohanty	2,125	2,625
Silpa Panda	500	1,500



Notes to the financial statements**28.05 Dues to micro and small enterprises**

The Ministry of Micro, Small and Medium enterprises has issued an office Memorandum dated 26 August 2008 which recommends that the Micro and Small enterprises should mention in their correspondence with its customers the entrepreneur's Memorandum number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprise as at 31 March 2023 has been made in the financial statements based on information received and available with the Company. Further, in view of the Management, the impact of interest, if any, that may be payable in accordance with the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	-	-
- Interest	-	-
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, 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 the MSMED Act, 2006	-	-



Notes to the financial statements**28.06 Earnings / expenditure in foreign currency**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Earnings in foreign currency	Nil	Nil
Expenditure in foreign currency	Nil	Nil

28.07 Leases

	For the year ended 31 March 2023	For the year ended 31 March 2022
(a). Particulars of premises taken on operating lease:		
The Company has entered into operating lease arrangements for a shared office premises in Bengaluru. The lease agreement provides for a lock in period of twenty one (21) months starting from December 1, 2022.		

At the balance sheet date, the commitments in respect of operating leases were as follows:

- Not later than one year	4,535	-
- Later than one year, not later than five years	1,890	-
- More than five years	-	-

28.08 Contingent liabilities and commitments

	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Contingent liabilities	Nil	Nil
b) Commitments	Nil	Nil
c) Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil

28.09 The Chapter IV - Prudential Regulations of Section II : Prudential Issues of the RBI Master Direction DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016 "Master Direction - Non-Banking Financial Company - Non-Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 prescribe guidelines for asset classification / provisioning norms.

In this regard, the provision for non-performing assets as identified by the management of the Company has been made in accordance with the guidelines issued by the Reserve Bank of India (RBI). As per the practice consistently followed, the Company has also made accelerated provision of ₹ 26,75,664 (previous year ₹ 27,42,414) on a prudential basis. The Company has made provision on standard assets at the rate of 1.00% outstanding as on the date of the Balance Sheet and accordingly, provision of ₹ 18,35,979 (previous year: ₹ 40,16,649) has been made during the current year.

28.10 The disclosure required in terms of paragraph 18 of Chapter IV - Prudential Regulations of Section II : Prudential Issues of the RBI Master Direction DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016 "Master Direction - Non-Banking Financial Company - Non-Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 is given in Annexure A forming part of these financial statements.



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(All amounts in Indian Rupees and in thousands except as otherwise stated)

Notes to the financial statements

- 28.11 The records relating to processing, disbursement and collection of loans and advances are maintained in a loan management software ('LMS') which is separate from the books of account. The books of account have been primarily maintained in TallyPrime ERP (last year the same was maintained in a cloud-based accounting tool QuickBooks). The LMS and Tally have been reconciled annually on an overall basis.
- 28.12 In the opinion of the Board of Directors; Current Assets, Loans and Advances have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated.
- 28.13 All the figures have been stated in thousands except number of shares, earning per share, ratios, footnotes and wherever stated otherwise.
- 28.14 Previous year figures have been regrouped/re-classified where necessary to conform to this year's classification.

As per our report of even date attached

for Devas & Venu
Chartered Accountants

Firm registration number: 014057S

Vinayak Devas
Partner

Membership number: 225341

Place: Bengaluru
Date: 14-Sep-2023

for and on behalf of the Board of Directors of
Techfino Capital Private Limited

Jayaprakash Patra
Director
DIN: 08173623

Place: Bengaluru
Date: 14-Sep-2023

Rajesh Kumar Panda
Director
DIN: 08682733

Place: Bengaluru
Date: 14-Sep-2023

Ratikanta Satapathy
Director
DIN: 08285737

Place: Bengaluru
Date: 14-Sep-2023

Forming part of the financial statements Notes for the year ended 31st March 2023

Amount
Outstanding

4,85,451.54
4,85,451.54

Nil



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4 Break-up of Investments**Current Investments****1. Quoted****i) Shares****a) Equity****b) Preference****ii) Debentures and bonds****iii) Units of mutual funds****iv) Government Securities****v) Others (please specify)****2. Unquoted****i) Shares****a) Equity****b) Preference****ii) Debentures and bonds****iii) Units of mutual funds****iv) Government Securities****v) Others (please specify)**

77,013.00

16,476.94

77,013.0016,476.94**Asset Side****Amount
Outstanding****Amount
Outstanding****Long term Investment****1. Quoted****i) Shares****a) Equity****b) Preference****ii) Debentures and bonds****iii) Units of mutual funds****iv) Government Securities****v) Others (please specify)****2. Unquoted****i) Shares****a) Equity****b) Preference****ii) Debentures and bonds****iii) Units of mutual funds****iv) Government Securities****v) Others (please specify)**

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

NilNil

Techfino Capital Private Limited

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(All amounts in Indian Rupees and in thousands except as otherwise stated)

5 Borrower group-wise classification of assets financed as in (2) and (3) above :

Category	FY 2022-23			FY 2021-22		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
a) Subsidiaries	-	-	-	-	-	-
b) Companies in the same group	-	-	-	-	-	-
c) Other related parties	-	-	-	-	-	-
2. Other than related parties	-	7,50,617.31	7,50,617.31	-	4,85,451.54	4,85,451.54
Total	-	7,50,617.31	7,50,617.31	-	4,85,451.54	4,85,451.54

6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	FY 2022-23		FY 2021-22	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
a) Subsidiaries	-	-	-	-
b) Companies in the same group	-	-	-	-
c) Other related parties	-	-	-	-
2. Other than related parties	77,123.77	77,013.00	16,496.88	16,476.94
Total	77,123.77	77,013.00	16,496.88	16,476.94

7 Other information

Particulars	Amounts in '000	
	FY 2022-23	FY 2021-22
i) Gross Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	2,675.66	2,742.41
ii) Net Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	-	-
iii) Assets acquired in satisfaction of debt	-	-
Total	2,675.66	2,742.41



8 Disclosure of Complaints received by the Company**8.1 Complaints received by the Company from its customers**

SI No	Particulars	2022-23	2021-22
1	Number of complaints pending at the beginning of the year	100	200
2	Number of complaints received during the year	873	950
3	Number of complaints disposed during the year	934	1,050
3.1	Of Which, number of complaints rejected by the NBFC	1	-
4	Number of complaints pending at the end of the year	38	100

8.2 Top five grounds of complaints received by the Company from its customers

Grounds of complaints,(ie. Complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase / decrease in the number of complaints received over the previous year	Number of complaints pending at the end of year	Of 5, number of complaints pending beyond 30 days,
1	2	3	4	5	6
2022-23					
Loan details	20	300	50% Increase	10	-
Cancellations	10	100	33.33% Decrease	8	-
Refund	10	200	33.33% Decrease	5	-
NOC	50	173	73% increase	5	-
EMI not debited from the account (Bounce charge)	10	100	50% Decrease	10	-
2021-22					
Loan details	50	200		20	-
Cancellations	30	150		10	-
Refund	40	300		10	-
NOC	30	100		50	-
EMI not debited from the account (Bounce charge)	50	200		10	-

