



ANNUAL REPORT FY 2021-2022





OXYZO FINANCIAL SERVICES PRIVATE LIMITED

CORPORATE INFORMATION

Registered Office

Shop No. G-22 C (UGF) D-1 (K-84), Green Park
Main, New Delhi, South Delhi- 110016

CIN No. U65929DL2016PTC306174

Website: <https://www.oxyzo.in/>

Corporate Office

6th Floor, Tower A, Global Business Park, M.G. Road,
Gurugram-122001

TABLE OF CONTENT

Sr. No.	Particulars	Page No.
1	Management Discussion and Analysis Report	4-16
2	Key Highlights	17
3	Our Lending Partners	18-19
4	Diversified Geographical Presence	20
5	Board Of Directors And Key Management Team	21-22
6	Annual Audited Financial Statements And Auditors's Report Thereon	23-120
7	Directors Report with necessary Annexures	121-151
8	Corporate Governance Report	152-165
9	Secretarial Audit Report	166-169

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Note from the Management:

FY 22 was the year of growth and revival of post covid with focus on book building and managing our asset quality. Key highlights for the year were:

- The loan book grew to INR 2578 Cr against the INR 1,384 Cr in FY 21 with 76% of the portfolio as secured. The disbursements were impacted during first half of the year and momentum picked up during the second half of the year.
- Focus on profitability wherein Profit Before Tax increased to 95 Cr in FY 22 against INR 54 Crore in FY 21. This came through continued focus on lower Opex and lower credit cost. THE GNPA was at 1.01%
- Continued focus on sales trainings, process improvements, tech development and strengthening the risk and compliance frameworks
- Oxyzo also saw new investors participating in an equity infusion of INR 1528 Cr. The overall equity infusion into Oxyzo for the year was INR 868 Cr during the year. The Net worth as on March end was INR 1392 Cr compared to INR 450 Cr as March 2021 with remaining equity to spill over to the next fiscal.
- Oxyzo raised debt of 1700+ Cr during the year with a closing debt of INR 2014 Cr with diversified sources including debt market (non-convertible debentures and commercial paper), banks and financial institutions (term loans, working capital facilities and external commercial borrowings)

Though Covid and RBI repo rate increases (further plans) have posed significant challenges for the financial services sector, we have still seen a healthy credit demand in FY22 that shall continue in FY23 compared to the previous years. With government's push on manufacturing and infrastructure, the credit demand is bound to further increase. We also envisage growing demand from the new-age business ecosystems.

Oxyzo has continued to differentiate itself by focusing on a profitable and diversified portfolio, and balancing growth with profitability. Oxyzo's focus remains on sizable SMEs in the traditional sectors of the economy and is expanding further to the mid-corporate and the new-age economy. In FY 23, Oxyzo shall add new lending products and segments to service the SME ecosystem more holistically in addition to penetrating existing geographies further.

In the next phase, Oxyzo aims to continuously innovate to be a diversified B2B financial services player through end-to-end capabilities across origination, deployment, curated structuring and distribution enabled through technology. We believe that the opportunity in its current segments is beyond standalone lending and hence are building debt discovery and structuring as a service for its target segments. In addition, Oxyzo has recently also launched its fixed income and securities desk which it intends to grow over the next fiscal.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Business Introduction

Oxyzo Financial Services Private Limited ('Oxyzo' or 'the Company') is a Reserve Bank of India (RBI) registered Non-Banking Financial Company (NBFC) that provides working capital funding to largely small and medium enterprises (SMEs).

Oxyzo financial services is a technology-enabled SME financing NDSI NBFC which mainly provides working capital lines to the small, medium & large Enterprises which can mostly be used for procurement of raw material. Target segment mostly includes banked, vintaged, sizable SMEs & corporates who are into value addition (manufacturing & sub-contracting) or services for B2B segment.

The model itself takes care of guaranteed end use, higher engagement, better collection efficiency and higher business yield.

Lending for raw materials to SMEs is a large opportunity. ~70% of this opportunity is served by intermediaries who supply material and charge an exorbitant IRR (40%+) as there are several of them in the supply chain. The balance is provided by banks, who are limited by their want of a collateral.

Oxyzo plays a meaningful role in the raw material financing journey for MSMEs offering cash-flow based solutions to its customers. In addition, it provides an option for cheaper raw materials ("RM") through the platform OfBusiness. Its' focus segment are vintaged SMEs with credit history with annual revenue in INR 5-500 cr range, working in core sectors (manufacturing and contracting - including capital goods, consumer goods, packaging, electricals, water, healthcare, auto/ auto ancillaries, polymers, roads/ rails/ bridges). Oxyzo also prefers Business to Business (B2B) SMEs, where the SME delivers its product or service for a large corporation, wherein cash flows of the SMEs are relatively more stable and predictable.

Oxyzo is currently rated '[ICRA] A+' (stable) by ICRA (as on 02 Nov 2021) and the standalone financial statements and results for FY2022 are compliant with Indian Accounting Standards (Ind AS) and previous period figures are comparable.

Target segment

Company serves sizable and banked SME customers that are financially and operationally similar with B2B services to their end anchor; relatively more stable with financial discipline but a clear financing need.

- Customers are sizable and vintaged
 - Customers are sizable (3-500 Cr), minimum size of INR 3 crores in manufacturing and INR 20 crores in contracting services.
 - Average age of 8+ years and profitable with highly standardized P&Ls (~65% in COGS of buying raw material) and Balance Sheets (~90-120 days of working capital)
- Customers of the Company are in core sectors of the economy i.e., manufacturing and contracting services
 - Customers of the Company are in B2B products or services themselves (i.e., they deliver a product or a service for a large anchor customer) and not retailers. Hence, their cash flows are more stable with no/ limited off book income (billing to anchors and hence GST compliant).
 - Most customers of the Company are in largely city peripheries and Tier II towns, which have been less affected by the Covid-19 pandemic.
- Customers have financial history
 - Target segment of the Company are banked SMEs who have at least one banking line (CC/ OD limits for working capital) but meet their working capital requirements by purchasing material on credit from their creditors.
- Have started lending to new-age and mid-corporates from FY 21-22

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Business Model

Financial product offered ensures end use of funds and is aligned to the cash flows of SME. Combination of lending with raw material procurement ensures stronger collection metrics.

- Product offered by the Company is aligned to the cash flows of the SME's business
- End use of funds is guaranteed as the sanctioned line can only be used for supplier payments and hence reduces risk of divergence of funds
- Each tranche has a 90-120 days repayment cycle
- Interest charged on the daily outstanding basis. Hence, the customer pays interest only on the amount used in the business and the duration used for
- Oxyzo debt is a replacement for a for high-cost creditors with lower net cost for purchase

The platform OFB Tech aggregates raw materials and passes some of the margin back to the SME. As the SME saves on buying of raw material, it finds the "net" interest rate cheaper than the dealers, who load both interest and product margin to the material. OFB has a strong distribution back-bone and relationships for aggregation across raw material with manufacturers.

Macroeconomic Overview

Two years have passed since COVID-19 was declared as a Pandemic by the World Health Organisation. When it was felt that the impact of the pandemic had receded post the first wave and things were returning back to normalcy, the second wave hit the world much harder during the first quarter of the financial year. The cascading impact of the second wave was felt throughout the year and things started returning to normalcy in the second half of the year. COVID continues to surprise the world, and while vaccinations helped contain the impact of the virus and the world population has also learnt to co-exist with the virus, any subsequent waves of the pandemic and their impact cannot be undermined at this point of time. However, it is prudent to assume that the world has learnt to live with COVID and any further waves, unless significantly severe, are unlikely to have any major impact on the economy as a whole.

The ongoing conflict between the Russian government and Ukraine since late February is a humanitarian crisis. It is also shaping up to be a prelude to a new geopolitical era, one where progress against global issues in areas such as health and climate change becomes harder to do. Even if the conflict between Russia and Ukraine itself remains localized, it has broad implications for economies all across the world. While Russia and Ukraine together represent a relatively small part of the world economy, they account for a large share of global energy exports, as well as exports of a range of metals, food staples and agricultural inputs.

Indian economy reverted to growth in FY22 reporting a growth of 8.7%, after a dip of 6.6%. While the first half of FY22 witnessed decent economic revival after the 2nd wave of the pandemic, the momentum was broken in the second half of FY22 on account of the 3rd wave of Covid and fallout from the geo-political developments in Europe. The adverse impact of the 3rd wave was very limited due to lockdowns being localised and better preparedness of the State Governments to handle the health crisis. Economic recovery during FY22 was also supported by large-scale vaccination and sustained fiscal and monetary support.

India continues to be recognised as the fastest-growing major economy with a GDP growth of 8.7% in FY22.

Financial Services

NBFCs (Non-Banking Financial Companies) play an important role in promoting inclusive growth in the country, by catering to the diverse financial needs of bank excluded customers. Further, NBFCs often take lead role in providing innovative financial services to Micro, Small, and Medium Enterprises (MSMEs) most suitable to their business requirements. NBFCs do play a critical role in participating in the development of an economy by providing a fillip to transportation, employment generation, wealth creation, bank credit in rural segments and to support financially weaker sections of the society. Emergency services like financial assistance and guidance

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

is also provided to the customers in the matters pertaining to insurance. NBFCs are financial intermediaries engaged in the business of accepting deposits delivering credit and play an important role in channelizing the scarce financial resources to capital formation. They supplement the role of the banking sector in meeting the increasing financial needs of the corporate sector, delivering credit to the unorganized sector and to small local borrowers. However, they do not include services related to agriculture activity, industrial activity, sale, purchase or construction of immovable property. In India, despite being different from banks, NBFCs are bound by the Indian banking industry rules and regulations.

Regulatory Developments and Schemes

The NBFC sector continued to grow its share in the financial services industry. The government and the RBI announced the slew of regulatory forbearances and schemes during the year - some of the key being are:

- 1. Scale Based Regulatory Framework for Non-Banking Financial Companies (NBFCs):** In the past, all non-deposit taking systemically important NBFCs were regulated in a uniform manner. The size of the NBFC was not taken into account at all. To address this, RBI introduced scale-based regulations, wherein the applicability of the regulations would depend on the scale of the NBFC. NBFCs shall be categorised into base layer, middle layer, upper layer and top layer and regulations around Net Owned Fund (NOF), NPA classification, Capital adequacy process and computations, Prudential guidelines, Governance guidelines, Disclosures and Other Regulatory requirements shall be different across the various layers of NBFCs.
- 2. Prudential Norms on Income Recognition, Asset Classification and Provisioning Pertaining to Advances (IRACP):** RBI also made changes to the Prudential norms on Income recognition, Asset classification and Provisioning. One of the major changes pertain to asset classification, wherein, a borrower classified as NPA, needs to clear all the overdue amounts to be upgraded as a Standard asset. Once classified as an NPA, it is not enough if the borrower clears multiple dues to come below 90 days past due. Further, the classification of SMA and NPA needs to be done daily and not only at month-ends. This essentially alters the fundamental way in which NBFCs have been managing asset quality over the years. These regulatory pronouncements are expected to change the way of functioning at NBFCs in a significant way and remove the regulatory arbitrage that existed between banks and NBFCs. Needless to say, these guidelines will bring some pain in the short-term but definitely augur well for the long-term prospects of NBFCs. However, RBI have given time to all NBFCs till September 30, 2022 to put in place the necessary systems to implement this provision.
- 3. Statutory Central Auditor (SCAs)/ Statutory Auditor (SAs):** The Reserve Bank of India had issued guidelines for appointment of Statutory Auditors of Banks and Non-Banking Finance Companies (NBFCs), including Housing Finance Companies. Guidelines for Appointment of Statutory Central Auditors (SCAs)/ Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) will be applicable for financial year 2021-22 and onwards. The guidelines provide necessary instructions for appointment of SCAs/SAs, the number of auditors, their eligibility criteria, tenure and rotation, etc. while ensuring the independence of auditors.
- 4. Prompt Corrective Action (PCA) Framework for NBFCs:** The Reserve Bank of India on December 14, 2021 has issued the Prompt Corrective Action (PCA) Framework for Non-Banking Financial Companies (NBFCs). It may be recalled that the revised Prompt Corrective Action (PCA) Framework for Scheduled Commercial Banks (SCBs) was issued on November 02, 2021. NBFCs have been growing in size and have substantial inter-connectedness with other segments of the financial system. Accordingly, a PCA Framework for NBFCs has also been put in place to further strengthen the supervisory tools applicable to NBFCs. This shall apply to: All Deposit Taking NBFCs [Excluding Government Companies]; All Non-Deposit Taking NBFCs in Middle, Upper and Top Layers [Excluding - (i) NBFCs not accepting/not intending to accept public funds; (ii) Government Companies, (iii) Primary Dealers and (iv) Housing Finance Companies]. The PCA Framework for NBFCs shall come into effect from October 01, 2022, based on the financial position of NBFCs on or after March 31, 2022. A separate circular would be issued in due course with regard to applicability of PCA Framework to Government NBFCs.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Outlook for FY 22-23

According to CRISIL – the domestic rating agency, India's real GDP will grow by 7.3% in FY23, with risks tilted to the downside. At the end of FY22, risks to India's economic growth have shifted from Covid pandemic to geopolitics, elevated crude oil prices and interest rate hikes by the US Federal Reserve.

CRISIL research has projected Brent crude oil prices at \$ 94-99 per barrel for FY23. If oil price stays higher than that in FY23 then it will create risks to India's growth, inflation and current account position.

Global think-tanks and rating agencies too are projecting around 7-7.5% growth for India during FY23, with downside risks. Domestic growth in FY23 will primarily be supported by a continued vaccination drive and supportive favourable fiscal and monetary policies.

Oxyzo: Financial and Operational Performance

The Company entered FY 21-22 with focus on book building and managing its asset quality in tough times and maintaining its growth and profitability aspirations by increasing its operating leverage and reducing the borrowing costs.

Oxyzo reported great performance across metrics aided by expanding Net Interest Margins, prudent product mix, efficient liability management, focused management of operating costs and tightened credit policies/underwriting norms for containing credit costs.

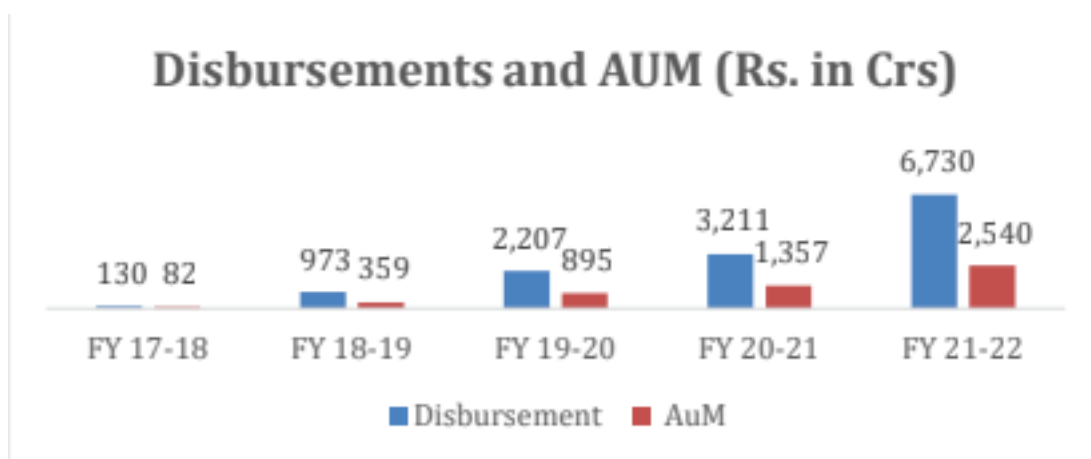
The key financial parameters for the fiscal are:

- Assets under Management (AUM) grew by 87% from INR 1,357 Crore as on March 31, 2021, to INR 2,540 Crore on March 31, 2022. This increase is basis growing credit demand post pandemic.
- Total revenue grew from INR 198 Crore in 2020-21 to INR 313 Crore in 2021-22.
- Profit Before Tax (PBT) increased by INR 41 Crore from INR 54 Crore in 2020-21 to INR 95 Crore in 2021-22.
- Profit After Tax (PAT) increased by INR 29 Crore from INR 40 Crore in 2020-21 to INR 69 Crore in 2021-22.
- Oxyzo's GNPA was 1.01% with a PCR of 58%. The net NPA at 0.43% as at 31 March 2022.
- Current provisioning on books as at 31 March 2022 INR 30.63 Crore (includes Covid buffer of INR 2 Crore)
- Capital adequacy as at 31 March 2022 was 48.38%, which is well above the RBI norms.
- Debt-equity ratio as at 31 March 2022 was 1.45 compared to 2.60 as at 31 March 2021.
- Free cash plus Investment as at 31 March 2022 stood at INR 875 Crore
- Net worth as at 31 March 2022 was INR 1392 Crore compared to INR 450 Crore as at 31 March 2021.
- Equity + CCPS Infusion from investors INR 868 Crores during the year.

Business Growth

As of March 31, 2022, the gross loan portfolio stood at Rs. 2,578 Crores increasing from Rs. 1,384 Crores as of March 31, 2021. The share of secured loan portfolio stood at 76%. The disbursements were impacted during first half of the year and momentum picked up during the second half of the year. Even after that the total disbursements for the year was higher than previous year at Rs. 1,000 Crores.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT



Note: FY 17-18 was 4 months of operation.

Oxyzo has differentiated itself by focusing on a profitable and diversified portfolio, and balancing growth with profitability. Oxyzo's focus remains on sizable SMEs in the traditional sectors of the economy and is expanding to mid-corporate.

Asset Quality

COVID -19 did pose a significant challenge to the entire economy and more specifically to MSME sector. Oxyzo managed the crisis astutely and ensured the COVID crisis had very minimal impact on its portfolio. The percentage of gross non-performing assets (GNPA) on the loan portfolio as of March 1, 2022, stood at 1.03% as against 1.23% as of March 31, 2021. Despite having passed through one of the most challenging years, the Company has been able to contain its GNPA's.

The organization was focused on managing asset quality and undertook various initiatives. As has been stated above, in difficult times, the Company prioritises collections over incremental business. The ability to maintain strong collections efficiency and robust asset quality during such difficult times is a distinguishing facet of the Company.

The overall financial metrics of the Company have improved from the prior year and the Company has made adequate expected credit loss provisions on its loan book in accordance with accounting principles in India, and accordingly, the provision for expected credit loss on financial assets as at 31 March 2022 aggregates Rs. 3,063.13 lakhs (as at 31 March 2021, Rs. 2,372.80 lakhs) which includes potential impact on account of the pandemic amounting to Rs. 200.00 lakhs (as at 31 March 2021, Rs. 399.62 lakhs).

Borrowings

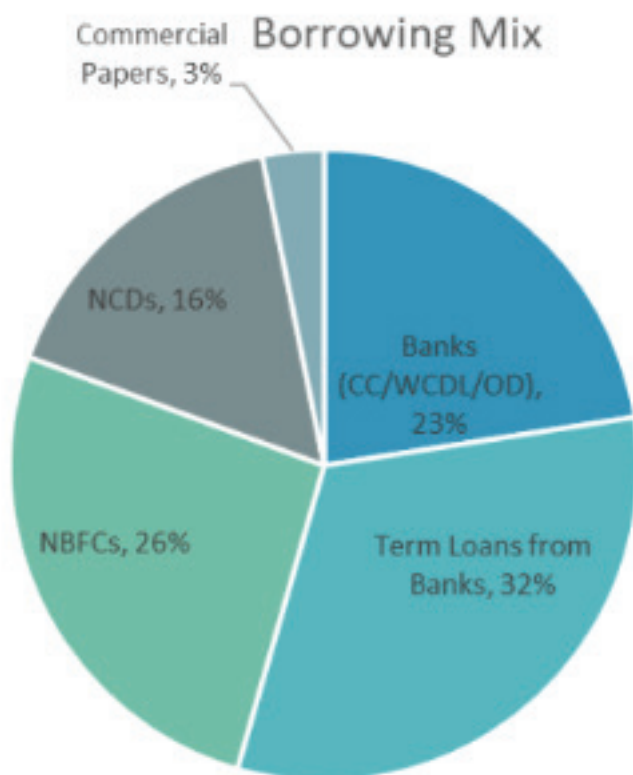
The borrowing book stood at INR 2,014.79 Crore as on March 31, 2022 against INR 1,168.38 Crore as of March 31, 2021.

The Company has diversified sources of borrowings including debt market (non-convertible debentures and commercial paper), banks and financial institutions (term loans, working capital facilities and external commercial borrowings).

The Company endeavors to maintain a prudent mix of fixed rate borrowings and variable rate borrowings with a view to minimize the weighted average cost of borrowings and maintain a healthy spread on its lending activities

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company focused on diversified borrowing mix with reduced cost of borrowing through increased the share of bank borrowings in its mix. Borrowing summary is as below:



Company raised INR 1,700+ Crs across 40 financial institutions (Bank, NBFC and FIs), total borrowing stands at 2,015 Cr.

Asset Liability Management

The Company has a prudent ALM policy and the Asset Liability Committee which regularly monitors the ALM. The Company throughout the year has maintained positive mismatches across buckets up to 5 years i.e. the cumulative inflows of assets are higher than the cumulative outflows. Our nature of business and lending product and liability mix ensures a healthy ALM.

Bucket	Cumm. Mismatch (INR Cr)	% age	RBI Limit
Up to 1m	666.15	+145%	Negative 20%
1 to 3m	2,427.38	+190%	
3 to 6m	2,082.68	+224%	
6 to 12m	1,887.58	+148%	
1-3 years	1,446.83	+74%	
3-5 yr	1,386.13	+68%	
Above 5 yr	-	0%	

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Business Outlook

Though covid and RBI repo rate increases (further plans) have posed significant challenges for the financial services sector, we have still seen a healthy credit demand in FY22 that shall continue in FY23 compared to the previous years.

Basis our customer data, we see a 25% turnover growth for sizable SMEs in the manufacturing sector and approx. 35%+ revenue growth in the infrastructure segment as compared to the pre-covid numbers. Further within sub-segments, we see a significant growth across water projects, roads/ bridges/ rails, capital goods and heavy machinery. Chemicals and Packaging sectors are seeing significant capacity additions and even consolidation.

With the government's push on manufacturing (make in India, Vocal for Local, PLI schemes) and infrastructure (investments on water, roads, bridges, smart cities), the credit demand is bound to increase. Though, inflation control measures as duties and export bans in specific commodities will result in price and demand fluctuations for the Oxyzo target segments. We also envisage growing demand from the new-age business ecosystems with e-commerce led sales continuing to drive growth across consumer goods (garments, electronics and consumer durables, packaging, etc).

Along with growth drivers above, trade credit is at an all-time low. Local traders, dealers, suppliers, who earlier were often obligated to provide large informal credit to the SME segment have reduced exposure since the initial COVID-19 lockdowns and commodity price increase has helped them to continue this way. Hence working capital gap continues to grow for SMEs and Mid-corporates and we will see a proliferation of many NBFCs and Fintech's in this space.

With the growing technological advances and evolving financial support ecosystem (e.g. UPI, digital payments, e-signing), we shall more technology enablement across financial services offering to consumers and enterprises. Oxyzo in its next phase of growth shall add new products and segments to service the SME ecosystem more holistically. These growth vectors for AuM growth include:

- Continuing to build in existing geographies with addition of the FoS team with focus is on penetrating further using customer and supplier network. Opening up new adjacent industrial clusters to cater to new segments as Chemical and Pharma
- Identifying select opportunities in 'New Economy' including emerging enterprises in Clean Tech, Direct to Customer, Logistics and Mobility, and adjacent areas
- Adding new lending products for exposure to emerging corporates
- Opening up lending selectively to financial institutions and building channel partnerships for origination

Going forward, Oxyzo aims to continuously innovate to be a diversified B2B financial services player through end-to-end capabilities across origination, deployment, curated structuring and distribution enabled through technology. We believe that the opportunity in its current segments is beyond standalone lending and hence are building debt discovery and structuring as a service for its target segments. In addition, Oxyzo recently also launched its fixed income and securities desk which it intends to grow over the next fiscal.s.

Risk Management

Company has a well-defined risk governance structure which includes periodic reviews and close monitoring to enable building a sustainable business that takes care of the interests of all stakeholders. It has a clearly defined risk management policy that lays down guidelines for all operational areas. Comprehensive annual risk review exercises go towards continually updating the risk management policy. The policy defines role of the Company's Risk Management Committee which oversees all aspects of the business, especially credit under-

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

writing.



The Company aims to operate within an effective risk management framework to actively manage all the material risks faced by the organization and make it resilient to shocks in a rapidly changing environment. It aims to establish consistent approach in management of risks and strives to reach the efficient frontier of risk and return for the organization and its shareholders.

Credit Risk:

The Company has established various internal risk management process to provide early identification of possible changes in the creditworthiness of counterparties. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions. The carrying amounts of financial assets represent the maximum credit risk exposure.

Underwriting: As an organization that operates in providing loans to MSME segment, Oxyzo has unique credit methodologies for different customer segments. We study our customers' enterprises in detail and assess peculiarities of the respective business activities. Their income, ability, intention, business sustainability and credit behavior are subjected to scrutiny through traditional and non-traditional methods. Impact Analysis is performed on the existing customer base and the customer segments are classified as High/Medium and Low Risk.

The underwriting team in the Company is drawn from SME experienced underwriters of banks and NBFCs. The Company has an approval matrix for any deviation policy to its "Risk bible", which is revised periodically but definitely once a quarter, when all proposed deviations are studied. Time to time changes like addition of section on Supply Chain financing, Evaluation approach for lending to New Age companies and NBFCs and Expansion of list of negative sectors and modification of financial cut-offs.

Liquidity Risk:

The Company always maintain very good capital adequacy ratio of 48.4% (Tier I Capital of 47.9%) against RBI guidelines 15%. Also strong ALM, As on 31st Mar 2022, the company had liquidity buffer in for of cash Balance of INR 547 Crs and unutilized Cash Credit facility of INR ~115 Crs. In addition, the company has Investment of INR 336 Crs (Overnight Funds - 300 Cr, PTC-37 Cr.).

Market Risk:

Market Risk management is guided by clearly laid down policies, guidelines, processes and systems for the identification, measurement, monitoring and reporting of exposures against various risk limits.

Regulatory Risk:

The Company has a robust compliance risk management framework in place guided by a Board approved Compliance Risk Management Charter which lays down the roles and responsibilities of employees towards ensuring compliance with the applicable laws and regulations as also the role of the Compliance Department

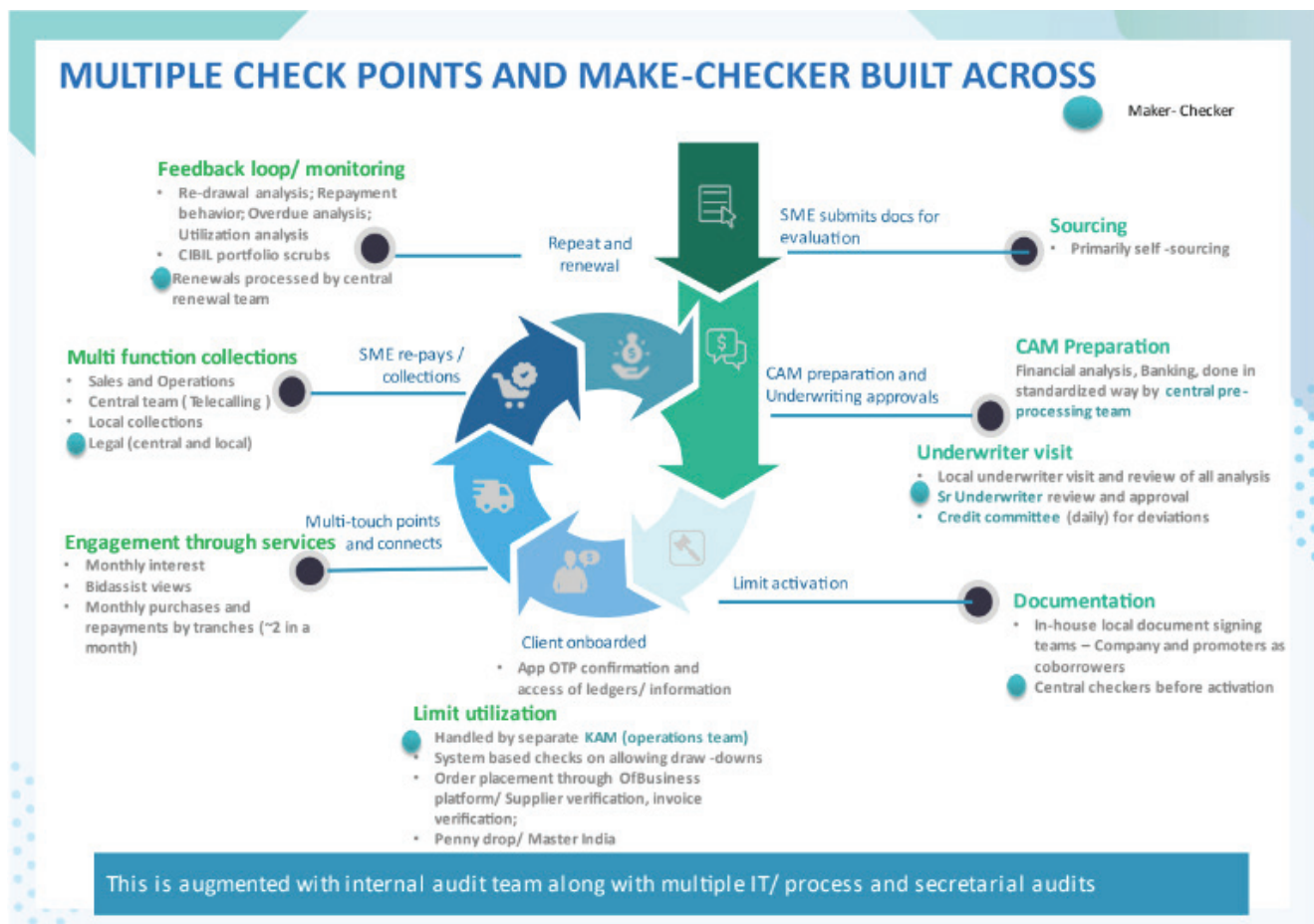
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

in monitoring compliance. Compliance team closely monitor all changes and notifications from RBI and SEBI applicable for the Company and take prompt action on same.

Operational Risk:

The Company has put in place a comprehensive system of internal controls, systems and procedures for documenting, assessing and periodic monitoring of various risks and controls linked to various processes across all business lines.

- In house team for Internal and process Audit and Risk based concurrent reviews
- Enhanced system and tech enabled controlled to ensure data privacy and hacks
- Maker-checkers across key functions
- Key support functions as legal, tech, collections – all in-house
- All assets and businesses well covered under Insurance



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Regulatory Guidelines by RBI

Oxyzo continues to comply with the guidelines issued by RBI regarding accounting guidelines, prudential norms for asset classification, income recognition, provisioning, capital adequacy, concentration of credit, credit rating, Know Your Customer (KYC) guidelines and Anti Money Laundering (AML) standards, fair practices code and real estate and capital market exposures. While compliance is mandatory, the Company has moved far ahead in introducing several practices that go beyond the call of law and statute and has initiated and strictly follows several processes that are built with the objectives of processes efficiency, abundant stakeholder communication and tightening of data security. The Company also adhered to guidelines by RBI on moratorium and other reliefs.

Internal Audit and Control

The Company's well-defined organizational structure, documented policy guidelines, defined authority matrix, and various internal controls help ensure efficiency of operations, compliance with internal policies, and applicable laws and regulations as well as protection of Company resources.

The structure is designed to provide a reasonable assurance with regard to reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations, prevention and detection of fraudulent activities etc. The Company has continued its efforts to align all its processes and controls with leading practices and regulations. The internal control system is supplemented by extensive internal audits, regular reviews by the management and standard policies and guidelines which ensure reliability of financial and all other records.

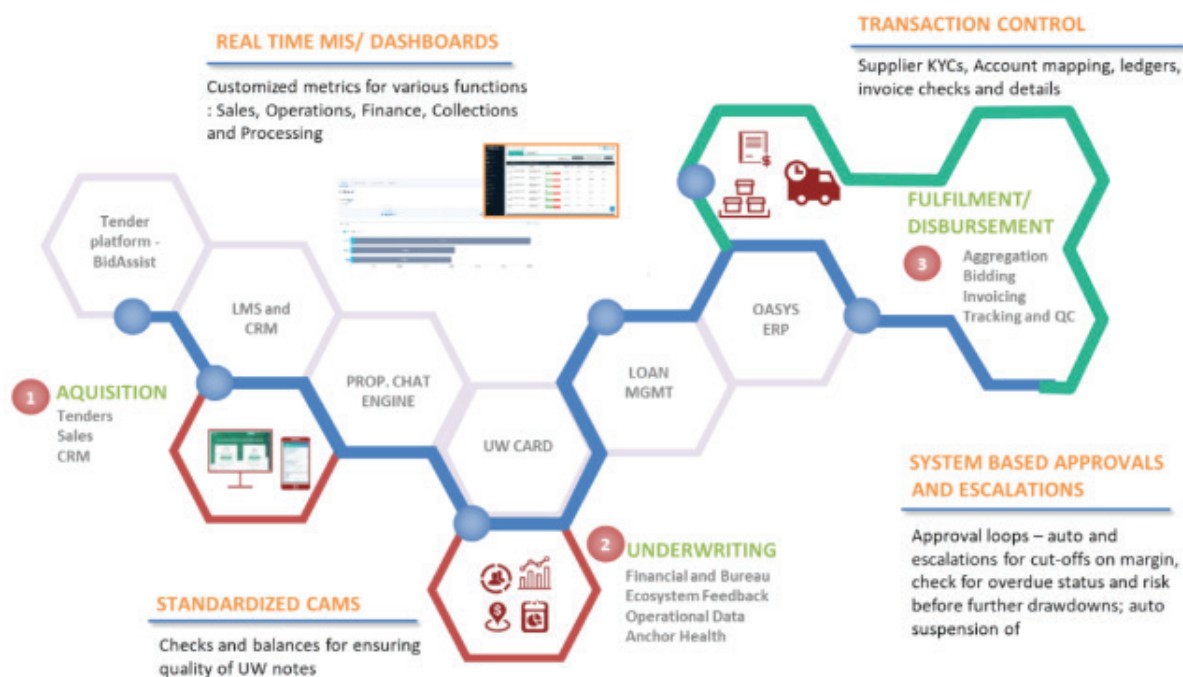
The Company has a robust internal audit program, where the internal auditors, an independent firm of chartered accountants to conduct audit risk based internal audit with a view to not only test adherence to laid down policies and procedures but also to suggest improvements in processes and systems. Over the past year, the Company has also built an in house internal audit team, which will supplement the work of the external auditors and do the system improvements on a real time basis.

The audit program and scope is agreed upon by the central audit committee. The Company has in material respect an adequate internal financial control over financial reporting and such controls are operating effectively.

Information Technology

At Oxyzo, we have an in-house developed omni-channel, highly scalable, workflow-based, cloud based end-to-end loan origination and management platform which has been the backbone of the company since day one. Technology is core to the operations of the Company and plays a very important role in scaling businesses with increased productivity, reduced cost of delivery, fast turnaround time and increased customer satisfaction. An in-house platform offers tremendous advantages such as faster implementation, lower cost, ease of scalability and flexibility in operations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT



During the year, the Technology team worked on various initiatives to enrich the capabilities of Oxyzo platform further. Some of the key projects implemented are:

1. Risk monitoring framework – risk monitoring framework has further been enhanced to add more data points about the customer like internal repayment behavior, invoice checks, compliance etc. On top of this data, various techniques/algorithms have been developed to identify the risks and raise alerts when any anomaly is discovered.
2. Loan Dashboard - A new version of Loan level dashboards have been introduced to give an overall summary about the loan including utilization summary, activity logs and risk flags
3. New Payment Request Flow- At the time of Disbursement request, risk flags are highlighted to introduce additional approval at the time of payments to high risk customers.
4. Auto recommendation and document generation in case of renewal loan cases has been provided to save the time it takes to create documentation in such cases.
5. Fraud detection – Improved various techniques to identify fraudulent applications, forgery of data and documents to avail credit.
6. Inhouse data gathering: For some of the data sources like litigation, GST compliance instead of relying on external APIs, we have now developed internal systems to fetch data and use it at various decision engines in the product.
7. Technology team also deployed a data lake infrastructure and provided an analytics engine on to generate various reports across departments for better decision making.
8. Technology team also made platform level changes and technology upgrades to scale the system for increased usage. Also, periodically systems are tested to ensure systems are resilient and Business Continuity Plans is working as per the policy.
9. Various functional and technology initiatives have been implemented in the domain of Cyber Security to detect and respond to threats such as unauthorized access, data breaches, malware, Denial-of-service attacks etc. These initiatives include: defining Early Warning Signals, performing Vulnerability Assessment and

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Penetration Tests (VAPT) periodically, implementing WAF technologies, training and educating employees on various aspects of IT Governance.

Material development in Human Resources

Oxyzo treasures its employees and endeavors to induct them, train them, groom them and help them realize their full potential and believes in growth of the organization with growth and development of its human resource. This year also we ensured to set new benchmarks.

- We onboarded 200+ new joiners in the Company FY 2021-22.
- We conducted a 3 day in-person Induction Program of all our Management Trainees from B-Schools across India and successfully onboarded them in different departments/locations
- We conducted training sessions for all departments across teams to promote and build cross functional competency.
- All women at Oxyzo celebrated Women's Day which included a heart-to-heart session, fun games, self-defence workshop and a lunch get together.
- We automated and revamped our Travel and Reimbursement process and did our bit in reducing carbon footprints, going 95%+ paperless.

Significant changes in key financial ratios

In compliance with the requirements of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, it is confirmed that there has been no significant change (i.e. 25% or more during the financial year 2021-22, as compared to financial year 2020-21) in the key financial ratios, as mentioned in these regulations.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Important factors that could make a difference to the Company's operations include global economy, political stability, changes in government regulations, tax regimes, economic developments and other incidental factors. Except as required by law, the Company does not undertake to update any forward-looking statements to reflect future events or circumstances. Investors are advised to exercise due care and caution while interpreting these statements.

KEY HIGHLIGHTS

(Amount in Crores of ₹)

Particulars	2021-22	2020-21
Loan Assets under Management	2,540.12	1,356.52
Net worth	1,392.29	449.62
Borrowing	2,014.79	1,168.38
Total revenue	313.24	197.57
Net Interest Income	298.38	192.50
Profit before Tax	95.11	53.82
Profit After Tax	69.34	39.94
Total comprehensive profit	68.46	39.92

Key Ratios		
Gross NPA %	1.01%	1.21%
Net NPA %	0.43%	0.50%
Capital Adequacy Ratio %	48.38%	32.32%
Pre-Tax Return on Assets %	4.80%	4.73%
Basic Earning per share Rs.	4.05	8.29
Diluted Earning per share Rs.	4.01	8.29
Debt-equity ratio	1.45	2.60

OUR LENDING PARTNERS



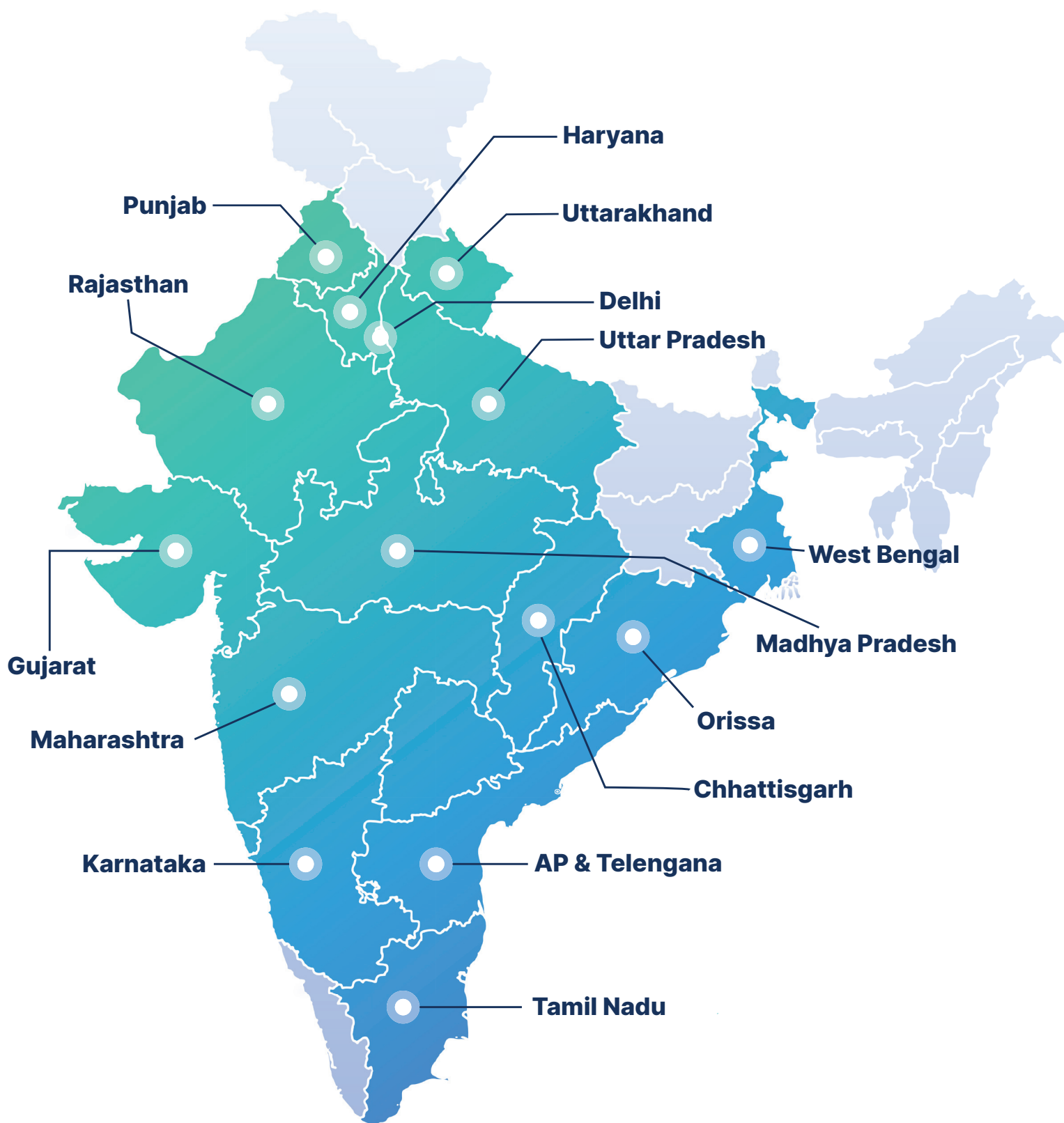
IndusInd Bank



OUR LENDING PARTNERS



DIVERSIFIED GEOGRAPHICAL PRESENCE



BOARD AND KEY MANAGEMENT TEAM



Asish Mohapatra (Director)

He brings deep operational expertise in managing and defining vision for new age businesses from his past roles as a Director at Matrix Partners, India as an Engagement Lead at McKinsey and as an Operations manager at ITC, where he led the turn-around of a production plant acquired by ITC and holds an MBA from Indian School of Business, Hyderabad and a B. Tech in Mechanical Engineering from Indian Institute of Technology, Kharagpur.



Ruchi Kalra (CFO, WTD)

Prior to leading finance at OfBusiness, was a Partner at McKinsey and adds an extensive experience in the financial services sector to the team. She has worked with numerous Banks and NBFCs on turnaround projects and led the Retail and SME banking service practice in India. Prior to McKinsey, Ruchi worked with Evalueserve in the Business Research Division and holds an MBA from Indian School of Business, Hyderabad and a B-Tech in Chemical Engineering from Indian Institute of Technology, Delhi.



Vasant Sridhar (Director)

Vasant Sridhar leads asset building as the CSO of Oxyzo Financial Services Pvt Ltd. Prior to this, he led the group's presence across Southern India and built on a robust network of manufacturers, contractors and suppliers. He brings in strong operational know-how and execution capabilities from his past role at ITC Limited, where he drove the deployment of business excellence across the entire division, leading more than 200+ managers. His interest in leveraging technology and network effects to scale a business, comes from his experience of founding a healthcare platform for patients, doctors and hospitals during graduation at IIT Madras, where he completed his B.Tech in Chemical Engineering.



Sathyan David (Independent Director)

Sathyan was previously the Chief General Manager, Department of Non Banking Supervision, Reserve Bank of India and has designed regulatory frameworks over the entire NBFC sector. In 35 years with RBI, David has served as a member chair of various committees and was RBI's Nominee Director at Indian Bank and Karur Vysya Bank.



Rohit Kapoor (Independent Director)

Rohit is currently the Chief Executive Officer - Food Market Place at Swiggy. Rohit was previously CEO - India & Southeast Asia at OYO and Executive Director at MAX Healthcare. Rohit was also a consultant with McKinsey & Company and holds an PGP from Indian School of Business, Hyderabad.

BOARD AND KEY MANAGEMENT TEAM



Praveen Kumar Bhambani (Independent Director)

Mr. Bhambani was partner in the Deals Platform of PwC (up to January 2022) and withdrew after a 21-year stint with the firm. In his role at PwC, worked on over 250 engagements of corporate restructuring and reorganization, domestic and cross border M&A, transaction advisory, inbound and outbound structuring, joint venture formation/exit, due diligence/business plan reviews etc. He has served a variety of clients including large multinational and public, private & family-owned companies.

He had also led the Private & Entrepreneurial business for PwC in India, focusing on own-led, private, family controlled and entrepreneurial companies.

Post PwC, he is now the core member of Ymira Consulting where he is actively involved in strategizing corporate restructuring, transactions and also advise business families, other businesses and their boards as a senior advisor/ mentor.

He owns a Bachelor of Commerce degree from Jiwaji University (1991) and is also a fellow member of the Institute of Chartered Accountants of India (1994).



Pinki Jha (Company Secretary & Compliance Officer)

Pinki Jha is a fellow member of Institute of Company Secretaries of India and a Law graduate. She is a seasoned professional with experience in corporate laws, securities laws, compliance & risk management, corporate governance & litigation fields with an excellent blend of in-house and advisory experience. In her past assignments she spearheaded the start-ups by providing strategic and tactical leadership in the areas of Secretarial, Legal, Compliance, Risk, Audit, AML and Corporate Governance Management, strategic planning.



Dhruva Shree Agarwal (CIO & CTO)

Dhruva Shree Agarwal is the CTO at Oxyzo and has around 15 years of experience in technology development specialising in delivering end-to-end applications/products in multiple domains eg. ecommerce, adtech, fintech etc. He has vast experience in building web/mobile apps, server architecture, designing scalable systems, team building and nurturing talent. He has completed his bachelor's degree from IIT BHU-Varanasi and was previously Director Engineering at Zomato and CTO across various start-ups.



Prashant Roy Sharma (Head- New Initiatives)

Prashant Roy Sharma leads mid-market lending and Capital Markets at Oxyzo since 2017. He has built the debt franchise at Oxyzo and brings deep expertise on debt raising, syndication and structuring. He was previously working with Goldman Sachs covering the Consumer and Retail EMEA space from an M&A perspective. He holds an MBA in Finance from FMS Delhi and Certified Financial Analyst from US-based Chartered Financial Analyst (CFA) Institute where he actively held executive positions of the President of Finance Society and President of Alpha Investment Club. Previously he has been a financial consultant with Inductis EXL in the consumer banking risk team for fraud analytics. He holds a Bachelor's in Mechanical Engineering from NIT Kurukshetra.

INDEPENDENT AUDITOR'S REPORT

To the Members of Oxyzo Financial Services Private Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Oxyzo Financial Services Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 45 to the financial statements, which describes that the Company has recognised impairment on financial assets to reflect the adverse business impact and uncertainties arising from the COVID 19 pandemic. Such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Allowances for Expected Credit Losses:</p> <p>(Refer Note 6 and 45 to the financial statements)</p> <p>As at March 31, 2022, loan assets aggregated ₹ 254,011.89 lakhs, constituting 73.85% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. The allowance for expected credit losses ("ECL") on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement.</p> <p>As part of our risk assessment, we determined that the allowance for ECL on loan assets (including undisbursed commitments) has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements.</p> <p>The elements of estimating ECL which involved increased level of audit focus are the following:</p> <ul style="list-style-type: none"> • Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. • Basis used for estimating Probabilities of Default ("PD"), • Basis used for estimating Loss Given Default ("LGD") • Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions. <p>Adjustments to model driven ECL results to address emerging trends.</p>	<p>Principal audit procedures performed:</p> <p>We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models.</p> <p>We performed end to end process of walk-throughs to identify the key systems, applications and controls used in ECL processes.</p> <p>We have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost.</p> <p>We have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the Board of Directors.</p> <p>Our audit procedures related to the allowance for ECL included the following, among others:</p> <ul style="list-style-type: none"> • Tested the design and effectiveness of internal controls over the: <ul style="list-style-type: none"> - Completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the factors applied for such staging. - Completeness and accuracy of information used in the estimation of the PD for the different stages depending on the nature of the portfolio; and - Computation of the ECL including adjustments to the output of the ECL Model. <p>Also, for samples of ECL on loan assets tested:</p>

Sr. No.	Key Audit Matter	Auditor's Response
		<p>- We tested the input data from the period of default report used in estimating the PD, using Information System specialists to gain comfort on data integrity and other related information;</p> <p>- We evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD.</p> <p>-We evaluated the incorporation of the applicable assumptions into the ECL Model and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company with the help of risk advisory specialist.</p> <ul style="list-style-type: none"> • We also tested the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Board of Directors. • We also assessed the adequacy of disclosures made in relation to the ECL allowance in accordance with confirm compliance with the provisions of Ind AS 107.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

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

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

Other Matter

The comparative financial information of the Company as at and for the year ended March 31, 2021 included in the financial statements have been audited by the predecessor auditor, who expressed an unmodified opinion on the financial statements vide their report dated 07 June 2021.

Our opinion on the financial statements is not modified in respect of above matter on the comparative financial information.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position. (Refer Note 55 to the financial statements)
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. (Refer Note 57 to the financial statements)
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. (Refer Note 58 to the financial statements)
 - iv. (a). The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer foot note below note 6 to the financial statements)
 - (b). The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer foot note below note 17b to the financial statements)
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year. (Refer note 56 to the financial statements)

For S N Dhawan & CO LLP
Chartered Accountants
(Firm's Registration No. 000050N/N500045)

SD/-
Rahul Singhal
(Partner)
(Membership No. 096570)
(UDIN: 22096570AJRTOC4710)

Place: Gurugram
Date: May 26, 2022

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Oxyzo Financial Services Private Limited on the financial statements as of and for the year ended 31 March 2022)

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

- i. (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
B. The Company does not have any intangible assets. Accordingly, the provisions of clause 3(i) (a) (B) of the Order are not applicable.

(b) Property, plant and equipment is physically verified by the Management once in a three year which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Physical verification was performed by the management last year, hence, no physical verification has been performed during the current year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.

(e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.
- (ii) (a) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii)(a) of the Order are not applicable.

(b) The Company’s working capital sanctioned limits were in excess of Rs. 500 lacs during the year, in aggregate, from banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company. (Refer foot note to Note 18d to the financial statements)
- (iii) (a) Since the Company’s principal business is to give loans. Accordingly, the provisions of clause 3(iii)(a) of the Order are not applicable.

(b) In our opinion, the investments made, security given and the terms and conditions of grant of all loans and advances in the nature of loans are not, prima facie, prejudicial to the Company's interest. The Company has not provided any guarantee during the year.

(c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and repayments/receipts of the principal amount and the interest are regular, except for below mentioned cases, wherein the repayment(s)/receipt(s) of the principal amount and/or the interest are not regular. The details of such cases are as follows (Refer note 49 to the financial statements):

Category of loan	Extent of delay	Amount (Rs. In lacs) *
Loan assets having significant increase in credit risk	30-90 Days	2126.76
Credit impaired loan assets (Default event triggered)	More than 90 Days	2609.84
Total		4736.60

*Before adjustment of loan acquisition costs and related income to arrive at EIR method

(d) In respect of loans or advances in the nature of loans granted by the Company, the total amount which is overdue for more than 90 days as at the balance sheet date is given as under. As explained to us, the Management of the Company have taken reasonable steps for the recovery of principal/interest amounts. (Refer note 49.1 to the financial statements)

No. of Cases	Principal Amount Overdue	Interest Overdue*	(Amount Rs. In lacs)
			Total Overdue*
101	1887.60	124.14	2011.74

*Before adjustment of loan acquisition costs and related income to arrive at EIR method

(e) Since the Company's principal business is to give loans. Accordingly, the provisions of clause 3(iii)(e) of the Order are not applicable.

(f) The Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment. Accordingly, the provisions of clause 3(iii)(f) of the Order are not applicable.

(iv) According to the information and explanations given to us and basis our examination of the records of the Company, the Company has not undertaken any transactions in respect of loans, guarantees and securities covered under section 185 of the Companies Act, 2013. The Company has not made any investment as referred in section 186(1) of the Act and other requirements relating to section 186 do not apply to the Company.

(v) The Company has not accepted any deposits during the year, had no unclaimed deposits at the beginning of the year and there are no amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) There are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) There are no such transactions which were not recorded in the books of account earlier and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender government or any government authority.
- (c) The term loans were applied for the purpose for which the loans were obtained, though idle/surplus funds which were not required for immediate utilization were temporarily used for the purpose other than for which the loan was sanctioned but were ultimately utilized for the stated end-use.
- (d) On an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) Since the Company does not have subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix) (e) of the Order are not applicable.
- (f) Since the Company does not have subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix) (f) of the Order are not applicable.
- (x) (a) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.
- (b) During the year, the Company has made private placement of shares. In respect of the same, in our opinion, the Company has complied with the requirement of Section 42 and Section 62 of the Act and the Rules framed there under. Further, in our opinion, the funds so raised have been used for the purposes for which the funds were raised.
- (xi) (a) Considering the principles of materiality outlined in the Standards on Auditing, we report that no material fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) During the year and upto the date of this report, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government.

- (c) Considering the principles of materiality outlined in the Standards on Auditing, we have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- (xv) The Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the order are not applicable.
- (xvi) (a) The Company is required to be registered under Section 45-IA of the RBI Act, 1934 and such registration has been obtained by the Company.
(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from the RBI as per the RBI Act, 1934.
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, provisions of clause 3 (xvi)(c) of the order are not applicable.
(d) The Group has no CICs which are part of the Group.
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, provisions of clause 3 (xvii) of the order are not applicable.
- (xviii) The previous statutory auditors of the Company have resigned during the year pursuant to the requirements of the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), 8CBs and NBFCs (including HFCs) dated April 27, 2021, issued by the Reserve Bank of India, and no issues, objections or concerns were raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, provision of clause 3(xx)(a) of the Order is not applicable.

(b) The Company does not have any amount remaining unspent which is required to be transferred to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. Accordingly, provision of clause 3(xx)(b) of the Order is not applicable.

For S N Dhawan & CO LLP
Chartered Accountants
(Firm's Registration No. 000050N/N500045)

SD/-
Rahul Singhal
(Partner)
(Membership No. 096570)
(UDIN: 22096570AJRTOC4710)

Place: Gurugram
Date: May 26, 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Oxyzo Financial Services Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transac-

tions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S N Dhawan & CO LLP
Chartered Accountants
(Firm's Registration No. 000050N/N500045)

SD/-
Rahul Singhal
(Partner)
(Membership No. 096570)
(UDIN: 22096570AJRTOC4710)

Place: Gurugram

Date: May 26, 2022

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Balance Sheet as at March 31, 2022

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
A ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	3	53,820.78	19,900.71
(b) Bank balances other than (a) above	4	868.66	908.76
(c) Derivative financial instruments	14	23.61	-
(d) Trade Receivable	5	110.31	-
(e) Loans	6	2,54,011.89	1,35,652.45
(f) Investments	7	33,648.09	6,969.55
(g) Other financial assets	8	25.12	294.98
		3,42,508.46	1,63,726.45
2 Non-financial assets			
(a) Current tax assets (Net)	9	397.85	78.66
(b) Deferred tax assets (Net)	10	663.60	501.53
(c) Investment property	11	149.92	149.92
(d) Property, plant and equipment	12	84.18	35.08
(e) Other non-financial assets	13	115.73	21.29
		1,411.28	786.48
TOTAL ASSETS		3,43,919.74	1,64,512.93
B LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial liabilities			
(a) Derivative financial instruments	14	94.19	-
(b) Payables			
(i) Trade payables			
(i) Total outstanding dues to micro and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	15	230.80	205.70
(ii) Other payables			
(i) Total outstanding dues to micro and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	16	263.44	21.46
(c) Debt securities	17	39,131.54	32,468.10
(d) Borrowings (Other than debt securities)	18	1,62,347.19	84,369.47

(e) Other financial liabilities	19	1,752.65	1,868.14
		2,03,819.81	1,18,932.87

2 Non-financial liabilities			
(a) Current tax liabilities (Net)	20	259.21	-
(b) Provisions	21	302.31	187.19
(c) Other non-financial liabilities	22	309.67	431.22
		871.19	618.41
EQUITY			
(a) Equity share capital	23(a)	5,147.72	5,010.34
(b) Instruments entirely equity in nature	23(b)	755.83	-
(c) Other equity	24	1,33,325.19	39,951.31
		1,39,228.74	44,961.65
TOTAL LIABILITIES AND EQUITY		3,43,919.74	1,64,512.93

See accompanying notes forming part of the Ind AS financial statements 1-64

As per our report of even date attached
For S.N. DHAWAN & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N500045

**For and on behalf of the Board of Directors of Oxyzo
Financial Services Private Limited**

SD/-

Rahul Singhal

Partner
Membership No: 096570

SD/-

Ruchi Kalra

Whole-time director and
Chief Financial Officer
DIN: 03103474

SD/-

Asish Mohapatra

Director
DIN: 06666246

Place : Gurugram
Date : 26 May 2022

SD/-

Pinki Jha

Company Secretary
M.No.: F10683
Place: Gurugram
Date : 26 May 2022

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Statement of Profit and Loss for the year ended March 31, 2022

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Revenue from operations			
(i) Interest income	25	29,837.66	19,250.25
(ii) Fee and commission income	26	1,339.00	414.33
(iii) Net gain on fair value changes	27	120.55	88.39
(b) Other income	28	26.55	4.20
I Total Income (a+b)		31,323.76	19,757.17
Expenses			
(a) Finance costs	29	14,296.86	9,021.93
(b) Impairment on financial instruments	30	1,367.45	1,576.47
(c) Employees benefit expenses	31	4,577.66	2,995.48
(d) Depreciation and amortisation expense	12	31.00	26.44
(e) Other expenses	32	1,539.80	755.17
II Total expenses		21,812.77	14,375.49
III Profit before tax (I-II)		9,510.99	5,381.68
IV Tax expense			
(a) Current tax	33	2,709.78	1,538.43
(b) Deferred tax charge/(benefits)	33	(132.49)	(150.44)
Total tax expense		2,577.29	1,387.99
V Profit for the year (III-IV)		6,933.70	3,993.69
VI Other comprehensive income, net of tax			
(a) Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plans		(46.98)	(1.64)
Income tax benefit/ (charge) on above		11.82	0.41
Sub total (a)		(35.16)	(1.23)
(b) Items that will be reclassified to profit or loss			
Movement in cash flow hedge reserve	14	(70.58)	-
Income tax benefit/ (charge) on above		17.76	-
Sub total (b)		(52.82)	-
Other comprehensive income/(loss) for the year		(87.98)	(1.23)

VII Total comprehensive profit for the year (V+VI)		6,845.72	3,992.46
Earnings per equity share:			
Basic	34	13.66	8.29
Diluted	34	13.52	8.29
See accompanying notes forming part of the Ind AS financial statements	1-64		

As per our report of even date attached
For S.N. DHAWAN & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N500045

**For and on behalf of the Board of Directors of Oxyzo
Financial Services Private Limited**

SD/-

Rahul Singhal

Partner
Membership No: 096570

SD/-

Ruchi Kalra

Whole-time director and
Chief Financial Officer
DIN: 03103474

SD/-

Asish Mohapatra

Director
DIN: 06666246

SD/-

Pinki Jha

Company Secretary
M.No.: F10683
Place: Gurugram
Date : 26 May 2022

Place : Gurugram
Date : 26 May 2022

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Statement of Cash Flows for the year ended March 31, 2022

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	9,510.99	5,381.68
Adjustments for:		
Remeasurement gain/(loss) on defined benefit plans	(46.98)	(1.64)
Depreciation and amortisation expense	31.00	26.44
Net gain on Alternative investment funds	(109.92)	(88.39)
Profit on sale of mutual funds	(10.63)	-
Interest income on bonds	(1,099.23)	(233.35)
Interest income on fixed deposits	(74.58)	(132.03)
Interest on income tax refund	-	(3.56)
Profit from sale of property, plant & equipment	-	(0.64)
Loss on sale of bonds/Investment property	1.74	1.04
Loss on derecognition of financial assets	290.46	-
Impairment allowance on loans	690.33	713.28
Impairment allowance on investment	6.15	8.43
Impairment on account of COVID-19	-	245.50
Loss on loans & advances written off	670.97	609.26
Employee stock options expense	677.70	106.67
Operating profit before working capital changes	10,538.00	6,632.69
<i>Changes in working capital</i>		
Increase/(decrease) in trade payables	25.10	31.38
Increase/(decrease) in other payables	241.98	(70.54)
Increase/(decrease) in Other financial liabilities	(115.49)	876.83
Increase/(decrease) in provisions	115.12	75.08
Increase/(decrease) in Other non-financial liabilities	(121.55)	332.12
(Increase)/decrease in Loans and advances	(1,20,011.20)	(47,710.11)
(Increase)/decrease in Other financial assets	268.78	342.34
(Increase)/decrease in Receivables	(110.31)	-
(Increase)/decrease in Other non-financial assets	(94.44)	(2.26)
Cash flow from operating activities post working capital changes	(1,09,264.01)	(39,492.47)
Income- tax paid	(2,769.76)	(1,980.13)
Net cash flow from operating activities (A)	(1,12,033.77)	(41,472.60)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(83.44)	(17.58)

Purchase of Investment property	-	(23.41)
Proceeds from sale of Investment property	-	22.00
Investment in units of Alternative investment funds	-	(5,057.25)
Redemption from units of Alternative investment funds	3,167.17	2,088.39
Investment in mutual fund	(32,501.39)	-
Proceeds from sale of mutual funds	2,510.51	-
Investment in bonds	(92,893.81)	(3,802.91)
Investment in Pass through certificates	(4,059.52)	(3,990.36)
Redemption from Pass through certificates	2,523.09	1,882.07
Proceeds from sale of property, plant and equipment	3.34	17.44
Proceeds from sale of bonds	94,692.07	2,002.91
Investment in Fixed deposits	-	(757.00)
Interest income on Income Tax refund	-	3.56
Proceeds from maturity of Fixed deposits	54.63	3.56
Interest received on fixed deposit and security deposit	1,156.35	334.04
Net cash used in investing activities (B)	(25,431.00)	(7,298.10)

C CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from debt securities	36,044.25	30,299.94
Repayments of debt securities	(29,380.81)	(12,360.91)
Net proceeds from cash credit and bank overdraft	(3,034.33)	2,158.09
Proceeds from other borrowings	2,82,151.25	98,248.81
Repayments of other borrowings	(2,01,139.19)	(63,757.92)
Proceeds from issue of equity shares including share premium	86,743.67	8,997.77
Net cash flow from financing activities (C)	1,71,384.84	63,585.78
Increase in cash and cash equivalents (A+B+C)	33,920.07	14,815.08
Cash and cash equivalents at the beginning of the year	19,900.71	5,085.63
Cash and cash equivalents at the end of the year	53,820.78	19,900.71

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Statement of Cash Flows for the year ended March 31, 2022

(All amounts in Lakhs of ₹ unless otherwise stated)

Cash and cash equivalents consist of:

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	5.98	5.96
Balance with banks		
-In current accounts	46,313.90	19,894.75
-In deposit accounts	7,500.00	-
Accrued interest	0.90	-
	53,820.78	19,900.71

See accompanying notes forming part of the Ind AS financial statements 1-64

As per our report of even date attached
For S.N. DHAWAN & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N500045

**For and on behalf of the Board of Directors of Oxyzo
Financial Services Private Limited**

SD/-

Rahul Singhal

Partner
Membership No: 096570

SD/-

Ruchi Kalra

Whole-time director and
Chief Financial Officer
DIN: 03103474

SD/-

Asish Mohapatra

Director
DIN: 06666246

Place : Gurugram
Date : 26 May 2022

SD/-

Pinki Jha

Company Secretary
M.No.: F10683
Place: Gurugram
Date : 26 May 2022

Statement of changes in equity for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

A Equity share capital

(1) Current reporting period				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
5,010.34	-	5,010.34	137.38	5,147.72
(2) Previous reporting period				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
4,774.80	-	4,774.80	235.54	5,010.34

B Instruments entirely equity in nature

(a) Compulsorily convertible preference shares				
(1) Current reporting period				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
-	-	-	755.83	755.83
(2) Previous reporting period				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
-	-	-	-	-

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Statement of changes in equity for the year ended March 31, 2022

(All amounts in Lakhs of ₹ unless otherwise stated)

C Other equity

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)		Total
	Securities premium reserve	Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Deemed equity contribution	Employee Stock Options Outstanding Account	Retained Earnings- Other than Remeasurement of Post Employment Benefit Obligations	Retained Earnings- Remeasurement of Post Employment Benefit Obligations	Cash flow hedges reserves	
Balance at April 1, 2020	24,497.35	519.03	109.52	-	1,964.05	-	-	27,089.95
Add: Profit for the year	-	-	-	-	3,993.69	-	-	3,993.69
Add [Less]: Other comprehensive income (net of tax)	-	-	-	-	(1.23)	-	-	(1.23)
Total comprehensive income for the year	-	-	-	-	3,992.46	-	-	3,992.46
Transfer to statutory reserve	-	798.49	-	-	(798.49)	-	-	-
Employee stock options	-	-	106.67	-	-	-	-	106.67
Premium on issue of equity shares	8,764.46	-	-	-	-	-	-	8,764.46
Share issue expenses	(2.23)	-	-	-	-	-	-	(2.23)
Balance at March 31, 2021	33,259.58	1,317.52	216.19	-	5,158.02	-	-	39,951.31
Add: Profit for the year	-	-	-	-	6,933.70	-	-	6,933.70
Add [Less]: Other comprehensive income (net of tax)	-	-	-	-	-	(35.16)	(52.82)	(87.98)
Total comprehensive income for the year	-	-	-	-	6,933.70	(35.16)	(52.82)	6,845.72
Transfer to statutory reserve	-	1,369.14	-	-	(1,369.14)	-	-	-
Employee stock options	-	-	564.72	112.98	-	-	-	677.70
Securities premium on issue of equity shares	7,919.32	-	-	-	-	-	-	7,919.32
Securities premium on issue of Series A - CCPS	77,946.14	-	-	-	-	-	-	77,946.14
Share issue expenses	(15.00)	-	-	-	-	-	-	(15.00)
Balance at March 31, 2022	1,19,110.04	2,686.66	780.91	112.98	10,722.58	(35.16)	(52.82)	1,33,325.19

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Statement of changes in equity for the year ended March 31, 2022

(All amounts in Lakhs of ₹ unless otherwise stated)

See accompanying notes forming part of the Ind AS financial statements 1-64

As per our report of even date attached
For S.N. DHAWAN & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N500045

**For and on behalf of the Board of Directors of Oxyzo
Financial Services Private Limited**

SD/-

Rahul Singhal

Partner
Membership No: 096570

SD/-

Ruchi Kalra

Whole-time director and
Chief Financial Officer
DIN: 03103474

SD/-

Asish Mohapatra

Director
DIN: 06666246

Place : Gurugram
Date : 26 May 2022

SD/-

Pinki Jha

Company Secretary
M.No.: F10683
Place: Gurugram
Date : 26 May 2022

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022

1. Corporate Information

Oxyzo Financial Private Limited (the "Company" or "Oxyzo") is a debt listed company having its registered office at Shop No. G-22C (UGF) D-1 (K-84) Green Park Main, New Delhi-110016 (India). The Company is a subsidiary of OFB Tech Private Limited and is in a business in the financial services sector. The Company currently operates as a Systemically Important Non-Deposit Accepting Non-Banking Financial Company ("NBFC - SI") and is registered with the Reserve Bank of India ("RBI") vide certificate no N-14.03380 dated October 18, 2018.

2. Significant Accounting Policies:

2.1 Statement of compliance:

The financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment. Further, the Company has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the RBI notification no. RBI/2019-20/170 DOR NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

The financial statements were authorized for issue by the Company's Board of Directors on May 26, 2022.

2.2 Basis of preparation:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period. The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

2.3 Functional and presentation currency:

These financial statements are prepared in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest lakhs and two decimals thereof, except as stated otherwise.

2.4 Presentation of financial statements:

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"), as amended from time to time

The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022

prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Amounts in the financial statements are presented in Indian Rupees in Lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupee to two decimal places.

2.5 Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

(i) Interest income:

Interest income is recognised in the Statement of Profit and Loss and for all financial instruments (except for those classified as held for trading or those measured or designated as at fair value through profit or loss (FVTPL)) is measured using the effective interest method (EIR).

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Penal interest charged on delayed payment is recognized on realization basis.

(ii) Fee and commission income:

Fee and commission income and expense include fees other than those that are an integral part of EIR. The fees included in the Company's statement of profit and loss includes amongst others fees charged for servicing of loans, fees charged on account of loan commitments and loan advisory fees.

Fee and commission expenses with regards to services are accounted for as the services are received.

(iii) Net gain on fair value change:

Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised as "Net gains on fair value changes" under revenue from operations and if there is a net loss the same is disclosed as "Net loss on fair value changes", in the statement of profit and loss.

(iv) Other operational revenue:

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022

2.6 Expenditures:

(i) Finance costs:

Finance costs represents interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than those classified at FVTPL.

(ii) Other expenses:

Other expenses are recognized on accrual basis and provisions are made for all known losses and liabilities. The Company has also entered into a shared services arrangement for sharing of common resources and facilities with another entity. The cost allocated to the Company under such cost sharing arrangement are included under the respective account head, as applicable. The cost allocated to other entity under this arrangement is reduced from concerned account head and shown as recoverable from concerned entity.

2.7 Property, plant and equipment (PPE):

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes all direct cost related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land)) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis.

Depreciation for additions to/deductions from, owned assets is calculated pro rata to the period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit or loss.

2.8 Intangible assets:

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. The cost of such assets includes purchase price, licensee fee, import duties and other taxes and any directly attributable expenditure to bring the assets to their working condition for intended use.

2.9 Investment Property:

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

An investment property is derecognised upon disposal or when the investment property is permanently with-

drawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.10 Impairment of non-financial assets:

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use and its fair value less costs to sell. 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 the risks specific to the asset or CGU.

Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

2.11 Employee benefits:

(i) Short-term employee benefits:

Employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Benefits such as salaries, reimbursements and bonus etc., are recognized in the Statement of Profit and Loss in the period in which the employee renders the services.

(ii) Post-employment benefits:

(a) Defined contribution plans: The Company's employee provident fund scheme is a defined contribution plan. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions and will have no obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Statement of Profit and Loss in the year when the employee renders the related service.

(b) Defined benefit plans: The Company operates a defined benefit gratuity plan that provides for gratuity benefit to all employees. The Company makes contributions to a fund administered by trustees and managed by insurance companies for amounts notified by the said insurance companies. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement comprising actuarial gains and losses (excluding amounts included in net interest on the net defined benefit liability) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

All other defined benefit costs comprising current service cost, past service cost, interest cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses.

(iii) Long term employee benefits:

The obligation recognised in respect of long term benefits such as long term compensated absences is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plans vide (ii) (b) above.

(iv) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit is accepted or when the Company recognises the related restructuring costs whichever is earlier.

2.12 Employees Stock Option Scheme:

Equity-settled share based payments to employees are measured at fair value of the equity instruments at the grant date in accordance with Ind AS 102, "Share based payments". Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 44.1 & 44.2.

The fair value determined at the grant date of the equity-settled share based payments is expected over the vesting period using the graded vesting method, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company reviews its estimate of the number of equity instruments expected to vest. The impact of the original estimates, if any, is recognized in the profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustments to the "Share Option Outstanding Account" in Other Equity.

The employees of the Company have also been granted stock options in respect of the shares of OFB Tech Private Limited, the holding company under the OfBusiness Stock Options Plan, 2016 ('ESOP 2016 Plan'). Stock options are measured at the fair value of the equity instruments on the date of grant determined using the Black Scholes option pricing model. The excess of fair value of underlying equity shares as of the date of grant of options over the exercise price of the options given to employees under the employee stock option plan is recognized as stock compensation cost over the vesting period on a straight line basis, with a corresponding increase in equity.

2.13 Financial instruments:

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

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

(i) Financial assets

(a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect

contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets. As at the reporting date the Company does not have any financial instruments measured at fair value through other comprehensive income.

(c) Debt instruments at amortised cost or at FVTOCI

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Company's business model for managing the asset.

For an asset to be classified and measured at amortised cost, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding (SPPI).

For an asset to be classified and measured at FVTOCI, the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and the contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has more than one business model for managing its financial instruments which reflect instruments which reflect how the Company manages its financial assets in order to generate cash flows. The Company's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Company considers all relevant information available when making the business model assessment. However, this assessment is not performed on the basis of scenarios that the Company does not reasonably expect to occur, such as so-called 'worst case' or 'stress case' scenarios. The Company takes into account all relevant evidence available such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

The Company reassess its business models each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business models.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity. Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

(d) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately

recognised in profit or loss.

(e) De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily de-recognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
- either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.
- The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

(f) Servicing of Assets/Liabilities

- The Company transfers loans through securitisation and direct assignment transactions. The transferred loans are derecognised and gains/losses are accounted for, only if the Company transfers substantially all its risks and rewards specified in the underlying assigned loan contracts. In accordance with the Ind AS 109, on derecognition of a financial asset under assigned transactions for a fee, the Company recognises the fair value of future service fee income over service obligations cost on net basis as service fee income in the statement of profit and loss and, correspondingly creates a service asset in balance sheet.
- The Company recognises either a servicing asset or a servicing liability for servicing contract. If the fee to be received is not expected to compensate the Company adequately for performing the servicing activities, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing activities, a servicing asset is recognised. Corresponding amount is recognised in statement of profit and loss.

(g) Transfer of Loan Exposure

Transfer of a loan exposure results in immediate separation from the risks and rewards associated with such loans to the extent that the economic interest has been transferred. The transferee gets an unfettered right to transfer or otherwise dispose of such loans free of any restraining condition to the extent of economic interest transferred to them. Profit or loss on such loans is recognised in the statement of profit and loss for the period in which such loans have been transferred.

(ii) Financial Liabilities:

(a) Financial liabilities, including derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value.

All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

(b) A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

(iii) Instruments Entirely Equity in nature

The classification of a financial instruments or its component parts, on initial recognition as a financial liability, a financial asset or an equity instrument, is done in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument. An instrument is classified as an equity instrument or an instrument entirely equity in nature when the said instrument has no other financial instrument or contract that has:

- total cash flows based substantially on the profit or loss, the change in the recognised net assets or the

change in the fair value of the recognised and unrecognised net assets of the entity (excluding any effects of such instrument or contract) and

- the effect of substantially restricting or fixing the residual return to the instrument holders.

Instruments entirely equity in nature, are presented as a separate line item on the face of the Balance Sheet under 'Equity' after 'Equity Share Capital' but before 'Other Equity'.

(iv) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the face value and proceeds received in excess of the face value are recognised as securities premium.

2.14 Fair value measurement

The Company measures certain financial instruments at fair value at each balance sheet date. Fair value is the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

The Company measures financial instruments, such as, investments, at fair value on each reporting date. In addition, the fair value of financial instruments measured at amortized cost and FVTPL is disclosed in Note 43.

2.15 Impairment:

The Company recognises loss allowances for expected credit losses (ECLs) on the following financial instruments that are not measured at FVTPL:

- Loans and advances to customers;
- Debt investment securities;
- Trade and other receivable;
- Irrevocable loan commitments issued; and
- Financial guarantee contracts issued.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;

It may not be possible to identify a single discrete event-instead, the combined effect of several events may

have caused financial assets to become credit-impaired.

Significant increase in credit risk

The Company monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the Probability of Default will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Company considers the following as constituting an event of default:

- The borrower is past due more than 90 days on any material credit obligation to the Company; or
- The borrower is unlikely to pay its credit obligations to the Company in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets.

When assessing if the borrowers is unlikely to pay its credit obligations, the Company takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate lending a qualitative indicator used is the admittance of bankruptcy petition by National Company Law Tribunal. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Company uses a variety of sources of information to assess default which are either developed internally or obtained from external sources. The definition of default is applied consistently to all financial instruments unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument.

Expected credit loss model

Basis the above-defined criteria, the Company considering the short-term nature of the majority of underlying portfolio of financial assets, calculates ECL on a collective basis as per the ECL model.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial asset. The Company categories financial assets at the reporting date into stages based on the days past due ('DPD') status as under:

- Stage 1: Low credit risk, i.e. 0 to 30 days past due

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022

- Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due
- Stage 3: Impaired assets, i.e. more than 90 days past due

LGD estimate of loss from a transaction given that a default occurs. PD is defined as the probability of whether the borrower will default on their obligation in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. EAD represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Company.

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments. The Company regularly reviews its models in the context of actual loss experience and make adjustments when such differences are significantly material.

Presentation of allowance for ECL in the Balance Sheet:

Loss allowances for ECL are presented in the statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for debt instruments measured at FVTOCI: no loss allowance is recognised in Balance Sheet as the carrying amount is at fair value.

2.16 Write off:

Financial assets are written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when, as at the reporting date, financial asset is overdue for 12 months or more and the Company determines that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write off.

Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

2.17 Foreign Currency Transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates prevailing on the date of the transaction. Exchange differences arising due to the differences in the exchange rate between the transaction date and the date of settlement of any monetary items are taken to the statement of profit and loss. Monetary assets and monetary liabilities denominated in foreign currency are translated at the exchange rate prevalent at the date of the Balance Sheet and resultant gain/ loss is taken to the Statement of Profit and Loss.

2.18 Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held include foreign exchange forward contracts, interest rate swaps and cross currency interest rate swaps. Derivatives are initially recognised at fair value at the date of a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship. The Company designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Hedge accounting

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

2.19 Cash and cash equivalents:

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

2.20 Borrowing costs:

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs. Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.21 Taxation:

Current Tax:

Tax on income for the current period is determined on the basis of taxable income and tax credits computed

in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of assessments/appeals.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

2.22 Provisions, contingent liabilities and contingent assets:

Provisions are recognised only when:

- (i) there is a present obligation (legal or constructive) as a result of a past event; and
- (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) a reliable estimate can be made of the amount of the obligation

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

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

2.23 Cash flow statement:

Cash flows are reported using the indirect method, whereby profit/(loss) before tax for the year, is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.24 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.25 Operating Cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.26 Significant accounting judgements, estimates and assumptions:

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year, and the accompanying disclosures including disclosure of contingent liabilities. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

In the process of applying the Company's accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Business model assessment: Classification of financial assets depends on assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest ('SPPI') on the principal amount outstanding. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. (Refer note no.45).

b) Impairment of financial assets: The Company establishes criteria for determining whether credit risk on the financial assets has increased significantly since initial recognition, determines methodology for incorporating forward looking information into measurement of expected credit loss ('ECL') and selection of models used to measure ECL. The impairment loss on loans and advances is disclosed in more detail in Note 45.

c) Fair value of financial instruments: When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d) Effective Interest Rate (EIR) method: The Company's EIR methodology, recognizes interest income/ expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

e) Recognition of deferred tax assets: The Company has recognized deferred tax assets/(liabilities) and concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the experience and future projections. The Company is expected to generate adequate taxable income for liquidating these assets in due course of time.

f) Other estimates: These include contingent liabilities and useful lives of tangible assets.

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

3	Cash and cash equivalents	As at March 31, 2022	As at March 31, 2021
	Cash on hand	5.98	5.96
	Balances with banks:		
	-In current accounts	46,313.90	19,894.75
	-In deposit accounts	7,500.00	-
	Accrued interest on deposits with bank	0.90	-
	Total	53,820.78	19,900.71

4	Bank balance other than cash and cash equivalents	As at March 31, 2022	As at March 31, 2021
	Deposits with bank held as margin money against borrowings*	825.37	880.00
	Accrued interest on deposits with bank	43.29	28.76
	Total	868.66	908.76
	*Deposits marked as lien with banks against borrowings		

5	Trade Receivable	As at March 31, 2022	As at March 31, 2021
	Trade Receivables Considered Good – Secured	-	-
	Trade Receivables Considered Good – Unsecured (Refer Note-5a)	110.31	-
	Trade Receivables which have significant increase in credit risk	-	-
	Trade Receivables- credit impaired	-	-
		110.31	-

5a Trade receivable aging schedule for the year ending March 31, 2022 summarized as below:

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	110.31	-	-	-	-	110.31
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

6	Loans	As at March 31, 2022	As at March 31, 2021
	At amortised cost		
	(A) Loans		
	(i) Term Loans	38,147.49	15,068.76
	(ii) Loan against property (LAP) and machinery finance	9,148.52	4,908.68
	(iii) Working capital demand loan	9,330.29	-
	(iv) Purchase Finance	2,00,911.35	118,237.80
	(v) Others (Staff Loans)	8.45	8.50
	(vi) Interest accrued on loans	306.90	184.75
	Total (A) - Gross	2,57,853.00	138,408.49
	Less: Impairment loss allowance	3,063.13	2,372.80
	Less: Revenue received in advance	777.98	383.24
	Total (A) - Net	2,54,011.89	135,652.45
	(B)		
	(i) Secured by tangible assets (includes advances against book debts)*	54,891.19	10,226.34
	(ii) Covered by bank guarantee	1,40,275.50	94,986.63
	(iii) Unsecured	62,686.31	33,195.52
	Total (B) - Gross	2,57,853.00	138,408.49
	Less: Impairment loss allowance	3,063.13	2,372.80
	Less: Revenue received in advance	777.98	383.24
	Total (B) - Net	2,54,011.89	135,652.45
	(C) Loans in India**		
	(i) Public sector	-	-
	(ii) Others	2,57,853.00	138,408.49
	Total (C) - Gross	2,57,853.00	138,408.49
	Less: Impairment loss allowance	3,063.13	2,372.80
	Less: Revenue received in advance	777.98	383.24
	Total (C) - Net	2,54,011.89	135,652.45
	* Based on the net book value of the tangible assets provided as security.		
	** The Company has not granted loans to any party outside India		
	The net carrying amount of loans is considered a reasonable approximation of their fair value. Refer note 45 on credit risk		

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

Type of Borrower (Refer note 39)	Amount of loans or advance in the nature of loan outstanding	Percentage of total loans and advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	435.71	0.17%
The Company has not granted any loans or advances in the nature of loans to promoters, Directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:		
(a) repayable on demand or		
(b) without specifying any terms or period of repayment		
The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall;		
(a) 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		
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.		

7 Investments

Particulars	As at March 31, 2022	As at March 31, 2021
Investments at amortised Cost:		
Investment in bonds		
MAS Financial Services Limited	-	1,800.00
Accrued interest on bonds	-	0.87
Investment in pass through certificates (PTC)		
Northern Arc 2020 SBL Mihira	27.59	632.26
Vivriti Anubis 07 2020	327.51	772.20
Northern Arc 2020 SBL Birsa	117.66	703.83
Northern Arc 2021 SBL Chicago	3,171.95	-
Accrued interest on PTC	16.45	11.57
Investments at fair value through profit and loss:		
Investment in Alternative investment funds		
Northern Arc Money Market Alpha Fund	-	3,057.25
Investment in Alternative investment funds		
SBI Overnight Fund Direct Growth	15,000.81	-

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

UTI Mutual Fund	5,000.22	-
Axis Bank Over Night Fund	10,000.48	-
Total	33,662.67	6,977.98
(i) Investment outside India	-	-
(ii) Investment in India	33,662.67	6,977.98
Total	33,662.67	6,977.98
Less: Impairment loss allowance on pass through certificates	14.58	8.43
Total	33,648.09	6,969.55

8	Other financial assets	As at March 31, 2022	As at March 31, 2021
	Margin money against borrowings	20.83	179.17
	Interest accrued on margin money against borrowings	0.14	1.22
	Other recoverable from related party (Refer note no.39)	0.86	114.59
	Other financial assets	3.29	-
	Total	25.12	294.98

9	Current tax assets (Net)	As at March 31, 2022	As at March 31, 2021
	Current tax assets	397.85	78.66
	Total	397.85	78.66

10	Deferred tax assets	As at March 31, 2022	As at March 31, 2021
	Tax effect of items constituting deferred tax assets		
	Provision for gratuity	52.92	34.38
	Provision for variable pay	5.31	-
	Provision for compensated absences	22.39	12.73
	Impairment on financial instruments	499.05	466.37
	Deferred processing fee on loan assets	195.80	96.45
	Cash Flow Hedge Reserve	17.76	-
		793.23	609.93
	Tax effect of items constituting deferred tax assets		
	Difference between book balance and tax balance of property, plant and equipment	1.50	0.19
	Fair value changes in investment	0.76	-
	Prepaid Expenses	21.63	-
	Unamortised processing fees on borrowings	105.74	108.21
		129.63	108.40
	Deferred tax assets /(liabilities) (net)	663.60	501.53

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

Deferred taxes arising from temporary differences for the year ended 31 March 2022 are summarized as follows:

Deferred tax assets /(Liabilities)	As at April 1, 2021	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2022
Tax effect of items constituting deferred tax assets				
Provision for gratuity	34.38	6.72	11.82	52.92
Provision for Variable pay	-	5.31	-	5.31
Provision for compensated absences	12.73	9.66	-	22.39
Impairment on financial instruments	466.37	32.68	-	499.05
Deferred processing fee on loan assets	96.45	99.35	-	195.80
Cash Flow Hedge Reserve	-	-	17.76	17.76
	609.93	153.72	29.58	793.23
Tax effect of items constituting deferred tax liabilities				
Difference between book balance and tax balance of property, plant and equipment	0.19	1.31	-	1.50
Fair value change in investment	-	0.76	-	0.76
Prepaid Expenses	-	21.63	-	21.63
Unamortised processing fees on borrowings	108.21	(2.47)	-	105.74
	108.40	21.23	-	129.63
Deferred tax assets /(liabilities) (net)	501.53	132.49	29.58	663.60

Deferred taxes arising from temporary differences for the year ended 31 March 2021 are summarized as follows:

Deferred tax assets /(Liabilities)	As at April 1, 2020	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2021
Tax effect of items constituting deferred tax assets				
Provision for gratuity	19.65	14.32	0.41	34.38
Provision for compensated absences	8.57	4.16	-	12.73
Impairment on financial instruments	303.92	162.45	-	466.37
Deferred processing fee on loan assets	69.57	26.88	-	96.45
	401.71	207.81	0.41	609.93
Tax effect of items constituting deferred tax liabilities				
Difference between book balance and tax balance of property, plant and equipment	2.82	(2.63)	-	0.19
Unamortised processing fees on borrowings	48.21	60.00	-	108.21
	51.03	57.37	-	108.40
Deferred tax assets /(liabilities) (net)	350.68	150.44	0.41	501.53

11 Investment property

Particulars	Building	Land-free-hold	Total
Gross carrying amount (at cost)			
As at March 31, 2020	-	149.92	149.92

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

Additions	23.41	-	23.41
Disposals	(23.41)	-	(23.41)
As at March 31, 2021	-	149.92	149.92
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2022	-	149.92	149.92
Accumulated depreciation			
As at March 31, 2020	-	-	-
Charge for the year	0.37	-	0.37
Adjustments	(0.37)	-	(0.37)
As at March 31, 2021	-	-	-
As at March 31, 2021	-	-	-
Adjustments	-	-	-
As at March 31, 2022	-	-	-
Carrying amount			
As at March 31, 2021	-	149.92	149.92
As at March 31, 2022	-	149.92	149.92
(i) As at March 31, 2022 and as at March 31, 2021, the fair value (Level 3) of property is ₹162.42 Lakh and ₹158.20 Lakh respectively. These valuations are based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.			
(ii) The freehold land situated at Mappedu Village, Tiruvallur taluk and district, Chennai, Tamil Nadu is under lien by way of mortgage to M/s Catalyst Trusteeship Limited and M/s Vistara ITCL Trustees ("Debenture Trustees") by way of charge thereon.			

12 **Property, plant and equipment**

Details of the Company's property, plant and equipment and their carrying amounts are as follows:

Particulars	Computers	Total
Gross carrying amount (at cost)		
As at March 31, 2020	86.62	86.62
Additions	17.58	17.58
Disposals	(32.53)	(32.53)
As at March 31, 2021	71.67	71.67
Additions	83.44	83.44
Disposals	(10.45)	(10.45)
As at March 31, 2022	144.66	144.66
Accumulated depreciation		
As at March 31, 2020	144.66	144.66
Additions	26.07	26.07
Disposals	(15.73)	(15.73)

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

As at March 31, 2021	36.59	36.59
Additions	31.00	31.00
Disposals	(7.11)	(7.11)
As at March 31, 2022	60.48	60.48
Carrying amount		
As at March 31, 2021	60.48	60.48
As at March 31, 2022	84.18	84.18

13	Other non-financial assets	As at March 31, 2022	As at March 31, 2021
	Prepaid expenses	85.94	12.70
	Advance to employees	1.05	0.73
	Other advances	28.74	7.86
	Total	115.73	21.29

14	Derivative financial Instruments	As at March 31, 2022			As at March 31, 2021		
		Notional Amounts	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities
	Part I						
	(i) Currency derivatives:						
	-Currency swaps	4,752.48	-	94.19	-	-	
	Subtotal (i)	4,752.48	-	94.19	-	-	
	(ii) Interest rate derivatives						
	Forward Rate Agreements and interest rate swaps	4,752.48	23.61	-	-	-	
	Subtotal (ii)	4,752.48	23.61	-	-	-	
	Total Derivative Financial Instruments (i)+(ii)	9,504.96	23.61	94.19	-	-	
	Part II						
	Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
	(i) Fair value hedging:						
	-Currency derivatives	-	-	-	-	-	
	-Interest Rate derivatives	-	-	-	-	-	
	Subtotal (i)	-	-	-	-	-	
	(i) Cash flow hedging:						
	-Currency derivatives	4,752.48	-	-	-	-	
	-Interest Rate derivatives	4,752.48	-	-	-	-	
	Subtotal (ii)	9,504.96	23.61	94.19	-	-	
	Total Derivative Financial Instruments (i)+(ii)	9,504.96	23.61	94.19	-	-	

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

15	Trade payables	As at March 31, 2022	As at March 31, 2021
	Total outstanding dues of creditors other than micro enterprises and small enterprises	230.80	205.70
	Total	230.80	205.70

15.1 Trade Payable aging schedule for the year ending March 31, 2022 summarised as below:

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	205.43	7.44	10.13	-	223.00
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	0.06	0.05	7.69	-	7.80
Total	205.49	7.49	17.82	-	230.80

15.2 Trade Payable aging schedule for the year ending March 31, 2021 summarised as below:

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	185.51	20.19	-	-	205.70
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	185.51	20.19	-	-	205.70

16	Other payables	As at March 31, 2022	As at March 31, 2021
	Employee related payable	51.90	21.46
	Payable to OFB Tech Pvt. Ltd. (Holding Company) (Refer note 39)	211.54	-
	Total	263.44	21.46

17	Debt Securities	As at March 31, 2022	As at March 31, 2021
	At amortised cost		
	Unsecured		
	Commercial paper (Refer note 17a)	6,328.58	-
	Accrued interest on commercial paper	61.19	-
		6,389.77	-

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

Secured		
Debentures (Refer note 17b)	31,446.53	31,200.00
Accrued interest on debentures	1,426.45	1,460.79
	32,872.98	32,660.79
Less: Unamortised processing fees on borrowings	131.21	192.69
	32,741.77	32,468.10
Total	39,131.54	32,468.10
Debt securities in India	39,131.54	32,468.10
Debt securities outside India	-	-
Total	39,131.54	32,468.10

17a Commercial papers (Gross): Unsecured

Repayment Terms	Tenure	Interest Range (At March 31,2022)	Interest Range (At March 31,2021)	As at March 31,2022	As at March 31,2021
Bullet	Upto 1 year	6.95% to 8.90%	-	6,500.00	-
Total				6,500.00	-

Particulars	As at March 31, 2022	As at March 31, 2021
Face Value	6,500.00	-
Unamortised Discount on Commercial Paper	110.23	-
Total	6,389.77	-

17b Security and terms of repayment for redeemable non-convertible debenture (NCD)*

Repayment Terms	Tenure	Interest Range (At March 31,2022)	Interest Range (At March 31,2021)	As at March 31,2022	As at March 31,2021
Listed NCD:					
6,200 NCD's of ₹1,00,000/- each (Previous year 5,800 NCD's of ₹100,000/- each)	Upto 2 years	10.99% to 14.95%	12.62% to 14.05%	6,200.00	5,800.00
864 NCD's of ₹1,00,000/- each (Previous year 475 NCD's of ₹1,00,000/- each)	Upto 3 years	8.65% to 9.00%	9.92% to 12.65%	8,640.00	4,750.00
500 NCD's of ₹250,000/- each# (Previous year 500 NCD's of ₹1,00,000/- each)	Upto 1 year	10.00%	10.00%	1,250.00	5,000.00
100 NCD's of ₹250,000/- each# (Previous year 100 NCD's of ₹1,00,000/- each)	Upto 1 year	10.00%	10.00%	250.00	1,000.00
100 NCD's of ₹400,000/- each# (Previous year 100 NCD's of ₹1,00,000/- each)	Upto 1 year	10.00%	10.00%	400.00	1,000.00
480 NCD's of ₹750,000/- each (Previous year Nil)	Upto 2 years	9.30%	-	3,600.00	-
5,000 NCD's of ₹4,000/- each# (Previous year 5,000 NCD's of ₹12,000/- each)	Upto 1 year	12.71%	12.71%	200.00	600.00
				20,540.00	18,150.00

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

Unlisted NCD:					
519 NCD's of ₹1,000,000/- each (Previous year 600 NCD's of ₹1,000,000/- each)	Upto 4 years	11.24%	10.20% to 13.80%	5,190.00	6,000.00
2,500 NCD's of ₹33,328/- each# (Previous year 2,500 NCD's of ₹100,000/- each)	Upto 1 years	11.20%	11.20%	833.20	2,500.00
2,825 NCD's of ₹66,666.67/- each# (Previous year 2,825 NCD's of ₹100,000/- each)	Upto 2 years	12.29%	12.29%	1,883.33	2,825.00
30,000 NCD's of ₹10,000/- each (Previous year Nil)	Upto 2 years	9.50%	-	3,000.00	-
Current year NIL (Previous year 230 NCD's of ₹750,000/- each)	Upto 3 years	-	11.50%	-	1,725.00
				10,906.53	13,050.00
Total				13,050.00	31,200.00
*Non-convertible redeemable debentures of ₹ 31,446.53 Lakhs (previous year ₹ 31,200.00 Lakhs) are secured by first and exclusive charge over the specific identified book debts/loan receivables of the Company and by first pari passu charge on the immovable property being freehold land situated at Mappedu Village, Tiruvallur taluk and district, Chennai, Tamil Nadu. Non-convertible redeemable debentures of ₹ 13,173.33 lakhs (previous year ₹ 31,200.00 Lakhs) are secured by corporate guarantee also from the Holding Company, OFB Tech Private Limited.					
#Non-convertible redeemable debentures ("NCD") are redeemed during the year by reducing the face value of the NCD					
The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall; (a) 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 (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.					
The Company does not have any charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period.					

18	Borrowings (other than debt securities)	As at March 31, 2022	As at March 31, 2021
	At amortised cost		
	Secured		
	External commercial borrowings (Refer note 18a)	4,752.33	-
	Term loans from banks (Refer note 18b)	1,06,146.73	40,316.62
	Term loans from financial institutions (Refer note 18c)	50,269.44	40,055.85
	Accrued interest on term loans	533.42	265.75
		1,61,701.92	80,638.22
	Loans repayable on demand (secured)		
	Cash credit and bank overdraft (Refer note 18d)	934.20	3,968.53
		934.20	3,968.53
		1,62,636.12	84,606.75
	Less: Unamortised processing fees on borrowings	288.93	237.28
		1,62,347.19	84,369.47
	Borrowings (other than debt securities) in India	1,57,594.86	84,369.47
	Borrowings (other than debt securities) outside India	4,752.33	-
	Total	1,62,347.19	84,369.47

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

18a Security and terms of repayment of External commercial borrowings in foreign currency ^

Repayment Terms	Tenure	Interest Range (At March 31,2022)	Interest Range (At March 31,2021)	As at March 31,2022	As at March 31,2021
Bullet	Upto 5 Years	9.99%	-	4,752.33	-
Listed NCD:				4,752.33	-

^ The company had availed total External Commercial Borrowing (ECBs) of USD 6.5 million for financing prospective borrowers as per the ECB guidelines issued by Reserve Bank of India ("RBI") from time to time. The borrowing had a maturity of five years. In terms of RBI guidelines, borrowings have been swapped into rupees and fully hedged for the entire maturity by way of cross currency swaps.

18b Security and terms of repayment for secured term loans from banks^^

Repayment Terms	Tenure	Interest Range (At March 31,2022)	Interest Range (At March 31,2021)	As at March 31,2022	As at March 31,2021
Bullet	Upto 1 Years	7.00% to 9.25%	10.97% to 12.47%	42,000.00	18,362.50
Quarterly	Upto 3 Years	6.85% to 9.25%	11.98% to 12.94%	9,250.00	500.00
Monthly	Upto 4 Years	8.05% to 13.00%	11.50% to 13.53%	54,896.73	21,454.12
Listed NCD:				4,752.33	40,316.62

^^ Term loans from bank are secured by first and exclusive charge on specific identified receivables of the Company. Term loans from banks of ₹ 14,308.72 lakhs (previous year ₹40,316.62 lakhs) are secured by corporate guarantee also by holding Company.

18c Security and terms of repayment for secured term loans from financial institutions#

Repayment Terms	Tenure	Interest Range (At March 31,2022)	Interest Range (At March 31,2021)	As at March 31,2022	As at March 31,2021
Bullet	Upto 1 Years	8.50% to 8.90%	11.35% to 13.00%	2,500.00	2,500.00
Half Yearly	Upto 1 Years	12.00%	12.00%	833.33	2,500.00
Quarterly	Upto 2 Years	9.10% to 11.60%	11.50% to 12.50%	7,375.00	3,375.00
Monthly	Upto 3 Years	8.70% to 12.25%	10.60% to 13.25%	39,561.11	31,680.85
Total				50,269.44	40,055.85

Term loans from financial institutions are secured by first and exclusive charge on specific identified receivables of the Company. Term loans from financial institutions of ₹14,987.47 lakhs (previous year ₹ 40,055.85 lakhs) are secured by corporate guarantee also by holding Company.

18d Security and terms of repayment for secured Loans repayable on demand (Cash credit and bank overdraft)^^^

Repayment Terms	Tenure	Interest Range (At March 31,2022)	Interest Range (At March 31,2021)	As at March 31,2022	As at March 31,2021
Bullet	Upto 1 year	9.25%	9.25% to 11.95%	934.20	3,968.53
				934.20	3,968.53

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

^^^ Cash credit and bank overdraft are secured by first and exclusive charge on specific identified receivables of the Company and corporate guarantee by holding Company.

The Company does not have any charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period.

The Company's working capital sanctioned limits were in excess of Rs. 500 lakhs during the year, in aggregate, from banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company.

19	Other financial liabilities	As at March 31, 2022	As at March 31, 2021
	Margin money from borrowers	963.52	1,281.02
	Interest accrued but not due on margin money	1 7.94	32.60
	Loans pending disbursement (Refer note 39)	769.90	361.77
	Others	1.29	192.75
	Total	1,752.65	1,868.14
20	Current tax liabilities	As at March 31, 2022	As at March 31, 2021
	Provision for Tax [net of advance tax and tax deducted at source ₹ 2,450.57 Lakhs (Previous year net of advance tax and tax deducted at source ₹ 1,617.09 Lakhs)]	259.21	-
	Total	259.21	-
21	Provisions	As at March 31, 2022	As at March 31, 2021
	Provision for employee benefits:		
	Provision for gratuity [Refer note 36(b)]	213.34	136.60
	Provision for compensated absences	88.97	50.59
	Total	302.31	187.19
22	Other non-financial liabilities	As at March 31, 2022	As at March 31, 2021
	Provision for employee benefits:		
	Statutory remittances (Tax deducted at source, Employees provident fund, Goods and services tax, Labour welfare fund and Employee state insurance)	309.67	431.22
	Total	309.67	431.22

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

23 Equity share capital

(a) Equity Share Capital

(i) Share capital authorised, issued, subscribed and paid-up

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	(₹ in lakhs)	No. of Shares	(₹ in lakhs)
Authorised Equity share capital				
Equity shares of Rs.10 each	7,33,81,715	7,338.17	5,20,13,744	5,201.37
Total	7,33,81,715	7,338.17	5,20,13,744	5,201.37
Issued, subscribed and paid up Equity share capital				
Equity shares of Rs.10 each	5,14,77,209	5,147.72	5,01,03,388	5,010.34
	5,14,77,209	5,147.72	5,01,03,388	5,010.34

(ii) Terms/rights attached to equity shares

Each holder of equity shares is entitled to one vote per share and ranks pari passu. 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. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	(₹ in lakhs)	No. of Shares	(₹ in lakhs)
At the beginning of the year	5,01,03,388	5,010.34	4,77,47,970	4,774.80
Issued during the year:-				
OFB Tech Pvt Ltd				
- On right issue basis	10,80,263	108.03	23,55,418	235.54
- On private placement basis	2,93,528	29.35	-	-
Norwest Capital, LLC				
- On private placement basis	10	0.00	-	-
Creation Investments Social Ventures Fund, LP				
- On private placement basis	10	0.00	-	-
Internet Fund VII Pte. Ltd.				
- On private placement basis	10	0.00	-	-
Outstanding at the end of the period[^]	5,14,77,209	5,147.72	5,01,03,388	5,010.34

[^] Till last year Mr. Ruchi Kalra was holding 10 shares as nominee shareholder of OFB Tech Private Limited, which has now been transferred in her name as beneficiary shareholder.

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

(iv) Shareholding of promoters

The details of the shares held by promoters as at March 31, 2022 are as follows :

Particulars	No.of shares	% to total shares	%Change during the year
OFB Tech Private Limited (holding company)	5,14,77,159	100.00	2.74
Ruchi Kalra	20	0.00	100.00

(v) Equity shares in the Company held by the holding company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of holding	No. of Shares	% of holding
OFB Tech Private Limited (holding company)	5,14,77,159	100.00	5,01,03,388	100.00

(vi) Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of holding	No. of Shares	% of holding
OFB Tech Private Limited (holding company)	5,14,77,159	100.00	5,01,03,388	100.00

(b) Instruments entirely equity in nature

(i) Cumulative, mandatorily and compulsorily convertible preference shares ("CCPS")

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	(₹ in lakhs)	No. of Shares	(₹ in lakhs)
Authorised				
-Series A cumulative, mandatory and fully convertible preference shares of Rs. 10 each	1,43,82,874	1,438.29	-	-
-Series A optionally convertible and redeemable preference shares of Rs. 10 each	29,35,263	293.53	-	-
Total	1,73,18,137	1,731.82	-	-
Issued, subscribed and paid up Equity share capital				
-Series A cumulative, mandatory and fully convertible preference shares of Rs. 10 each	75,58,340	755.83	-	-
Total	75,58,340	755.83	-	-

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

(ii) Terms/rights attached to cumulative, mandatorily and compulsorily convertible preference shares ("CCPS")

During the year ended March 31, 2022, the Company has issued 7,558,340 Series A CCPS of Rs. 10 each on private placement basis between March 29, 2022 and March 31, 2022 with voting rights pari passu with the equity shares of the Company carrying preferential dividend @ 0.0001% per annum in such time preference shares are outstanding. Series A CCPS are initially convertible into equity shares of Rs. 10 each at such conversion price that one Series A CCPS shall convert into one equity share upon earlier of the following:

(a) in connection with an IPO, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under Applicable Laws, or

(b) at any time at the option of preference share holders, or

(c) one day prior to the expiry of 20 years from the date of issuance of preference shares and the Series A conversion price shall be subject to adjustment from time to time.

(iii) Reconciliation of cumulative, mandatorily and compulsorily convertible preference shares ("CCPS")

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	(₹ in lakhs)	No. of Shares	(₹ in lakhs)
At the beginning of the year	-	-	-	-
Issued during the year				
-Series A cumulative, mandatory and fully convertible preference shares of Rs. 10 each*	75,58,340	755.83	-	-
Outstanding at the end of the year	75,58,340	755.83	-	-

* During the year ended 31 March 2022, 7,558,340 Series A CCPS of Rs. 10 each fully paid up, issued at premium of Rs. 1,031.26 per share.

(iv) Details of shareholders holding of cumulative, mandatorily and compulsorily convertible preference shares ("CCPS")

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	(₹ in lakhs)	No. of Shares	(₹ in lakhs)
Norwest Capital, LLC	27,88,515	36.89	-	-
Creation Investments Social Ventures Fund, LP	14,67,634	19.42	-	-
Internet Fund VII Pte. Ltd.	33,02,191	43.69	-	-

24 Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium reserve	1,19,110.04	33,259.58
Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1934)	2,686.66	1,317.52

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

Deemed equity contribution	780.91	216.19
Retained Earnings- Remeasurement of post employment benefit obligations	(35.16)	-
Retained earnings - Other than remeasurement of post employment benefit obligations	10,722.58	5,158.02
Employee stock Options Outstanding Account	112.98	-
Cash flow hedges reserve	(52.82)	-
Total	1,33,325.19	39,951.31

(i) Securities premium reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	33,259.58	24,497.35
Add: Securities premium on issue of Series A-CCPS	77,946.14	-
Add: Amount received pursuant to issue of equity shares	7,919.32	8,764.46
Less: Share issue expenses	15.00	-
Less: Stamp duty on issue of equity shares	-	2.23
Closing balance	1,19,110.04	33,259.58

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1934)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	1,317.52	519.03
Add: Transferred from retained earnings	1,369.14	798.49
Closing balance	2,686.66	1,317.52

This reserve is maintained in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934 wherein every nonbanking financial company shall create a reserve fund the transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of profit and loss and before any dividend is declared.

(iii) Retained Earnings- Remeasurement of Post Employment Benefit Obligations

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	-	-
Add: Transferred from other comprehensive income	(35.16)	-
Closing balance	(35.16)	-

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Statement of changes in equity for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

(iv) Cash flow hedges reserves		
Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	-	-
Add: Transferred from other comprehensive income	(52.82)	-
Closing balance	(52.82)	-

(v) Deemed equity contribution		
Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	216.19	109.52
Add: Share based payment expense as per the statement of profit and loss (Refer note 31)	564.72	106.67
Closing balance	780.91	216.19

This related to the stock options granted by the Holding Company to Company's employees under an employee stock options plan. For further information about the share based payments to employees is set out in note 44.1.

(vi) Employee stock Options Outstanding Account		
Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	-	-
Add: Share based payment expense as per the statement of profit and loss (Refer note 44.2 & 31)	112.98	-
Closing balance	112.98	-

(vii) Retained earnings - Other than remeasurement of post employment benefit obligations		
Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	5,158.02	1,964.05
Add: Profit for the year	6,933.70	3,992.46
Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934 [^]	(1,369.14)	(798.49)
Closing balance	10,722.58	5,158.02

[^] Transfer to statutory reserve u/s 45-IC of the reserve bank of india act, 1934 calculated on the total comprehensive income for the current year and previous year

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

25	Interest income (on financial assets measured at amortised cost)	Year ended March 31, 2022	Year ended March 31, 2021
	Interest on loans*	28,663.85	18,884.87
	Interest income from investments	1,099.23	233.35
	Interest on deposits with banks	74.58	132.03
	Total	29,837.66	19,250.25
*includes income from related parties amounting ₹ 1,022.30 lakhs (Refer note 39)			
26	Fee and commission income	Year ended March 31, 2022	Year ended March 31, 2021
	Service and other fees	1,244.66	403.75
	Subvention charges*	94.34	10.58
	Total	1,339.00	414.33
* includes ₹ 75.79 lakhs from related party. (Refer note 39)			
27	Net gain on Fair Value Changes	Year ended March 31, 2022	Year ended March 31, 2021
	-On Alternative investment funds	109.92	88.39
	-On Mutual fund investments	10.63	-
	Total	120.55	88.39
	Fair value changes:		
	-Realised (Including reinvested)	117.54	88.39
	-Unrealised	3.01	-
Total	120.55	88.39	
28	Other income	Year ended March 31, 2022	Year ended March 31, 2021
	Interest on income tax refund	-	3.56
	Ex-Gratia Grant Received	19.64	-
	Miscellaneous Income	6.91	-
	Net gain on derecognition of property, plant and equipment	-	0.64
Total	26.55	4.20	
29	Finance costs	Year ended March 31, 2022	Year ended March 31, 2021
	Interest expenses on financial liabilities measured at amortised cost:		
	Borrowings:		
	-On Loans from banks	5,128.31	2,942.47
-On Loans from financial institutions	5,164.24	3,098.93	

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

Debt securities		
-On Debentures	3,728.54	2,720.94
-On Commercial paper	224.85	203.20
Others:		
-On security deposits	50.92	56.39
Total	14,296.86	9,021.93

30	Impairment on financial instruments	Year ended March 31, 2022	Year ended March 31, 2021
	Impairment on financial instruments measured at amortised cost		
	Impairment allowance on loans (Refer note 45)	690.33	713.28
	Impairment allowance on investment	6.15	8.43
	Impairment on account of COVID-19	-	245.50
	Loss on loans & advances written off	670.97	609.26
	[Net off recovery ₹ 6.9 lakhs (Previous year ₹ 41.25)]		
	Total	1,367.45	1,576.47

31	Employees benefit expense	Year ended March 31, 2022	Year ended March 31, 2021
	Salaries and wages*	3,712.39	2,763.28
	Contribution to provident and other fund [Refer note 36(a)]	78.30	59.39
	Share based payment to employees (Refer note 44.1 & 44.2)	677.70	106.67
	Gratuity [Refer note 36(b)]	87.21	54.57
	Staff welfare expense	22.06	11.57
	Total	4,577.66	2,995.48
	*includes cost allocation made and received from related parties amounting to ₹ 82.65 lakhs and ₹ 29.30 lakhs respectively (Refer note 39)		

32	Other Expenses	Year ended March 31, 2022	Year ended March 31, 2021
	Rates and taxes	177.25	130.43
	Communication costs	14.82	10.02
	Printing and stationery	1.35	0.59
	Auditor remuneration:		
	- For statutory audit	15.00	14.00
	- For limited review	6.00	5.50
	- For tax audit	3.00	2.50
	- For other certification and reporting	3.90	5.78
	- For out of pocket expenses	0.30	0.26
	Legal and professional	205.96	107.85
	Insurance	17.47	15.75

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

Travelling and conveyance*	186.27	113.27
Information technology expenses#	216.72	156.68
Corporate social responsibility expenses (Refer note 51)	60.00	23.60
Loss on sale of bonds	1.74	-
Loss on derecognition of financial assets	290.46	-
Loss on sale of Investment property	-	1.04
Business auxiliary services (Refer note 39)	314.89	146.43
Bank charges	6.58	7.93
Directors' sitting fees	8.00	5.00
Miscellaneous	10.09	8.54
Total	1,539.80	755.17
*Travelling and conveyance includes net cost allocation received from related party amounting ₹ 34.61 lakhs (Refer note 39)		
#Information technology expenses includes cost allocation received from related party amounting ₹ 147.07 lakhs (Refer note 39)		

33 Tax expense

Income tax expense recognised in Statement of profit and loss

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
In respect of the current year	2,709.78	1,538.43
	2,709.78	1,538.43
Deferred tax charge/ (benefits)		
In respect of the current year	(132.49)	(150.44)
	(132.49)	(150.44)

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate and the reported tax expense in statement of profit and loss, is as follows:-

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	9,510.99	5,381.68
Domestic tax rate	25.168%	25.168%
Expected tax expense [A]	2,393.73	1,354.46
Tax effect of adjustments to reconcile expected income tax expense		
Non deductible expenses	183.91	36.24
Others	(0.35)	(2.71)
Total adjustments [B]	183.56	33.53

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

Actual tax expense [C=A+B]	2,577.29	1,387.99
Tax expense comprises:		
Current tax expense	2,709.78	1,538.43
Deferred tax credit	(132.49)	(150.44)
Tax expense recognized in profit or loss [D]	2,577.29	1,387.99
Income tax expense recognized in other comprehensive income		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income tax relating to remeasurement gains/(losses) on defined benefit plans	11.82	0.41
Movement in cash flow hedge reserve	17.76	-
	29.58	0.41
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	11.82	0.41
Items that will be reclassified to profit or loss	17.76	-
	29.58	0.41
34 Earnings per share		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Basic earnings per share	13.66	8.29
b) Diluted earnings per share	13.52	8.29
c) Reconciliations of earnings used in calculating earnings per share		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Basic earnings per share		
Profits attributable to the equity holders of the company used in calculating basic earnings per share	6,933.70	3,993.69
Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	6,933.70	3,993.69

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

d) Weighted average number of shares used as the denominator		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	5,07,66,525	4,81,96,747
Adjustments for calculation of diluted earnings per share	5,14,173	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	5,12,80,698	4,81,96,747

35 Change in liabilities arising from financing activities

Particulars	Debt securities	Borrowings (Other than debt securities)	Total
As at April 1, 2020	14,529.07	47,720.49	62,249.56
Cash flows:			
Proceeds from debt securities/borrowings	30,299.94	1,00,406.90	1,30,706.84
Repayment of debt securities/borrowings	(12,360.91)	(63,757.92)	(76,118.83)
As at March 31, 2021	32,468.10	84,369.47	1,16,837.57
Cash flows:			
Proceeds from debt securities/borrowings	36,044.25	2,79,116.91	3,15,161.16
Repayment of debt securities/borrowings	(29,380.81)	(2,01,139.19)	(2,30,520.00)
As at March 31, 2022	39,131.54	1,62,347.19	2,01,478.73

36 Disclosures under Ind AS 19 (Employee benefits)

(a) Defined contribution plans:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Employees' Provident Fund and Employees' State Insurance schemes, which are defined contribution plans. The Company has no obligation other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

Amount recognized as an expense towards defined contribution plans

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Contribution to employee provident fund	78.06	58.71
Contribution to employee state insurance scheme	0.24	0.68
Total	78.30	59.39

(b) Defined benefit plans:

The Company operates a funded gratuity benefit plan wherein every employee is entitled to a benefit equivalent to 15 days salary (includes dearness allowance) last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death, whichever is earlier. The benefit vests after five years of continuous service. Gratuity benefits are valued in accordance with the Payment of Gratuity Act, 1972.

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

The gratuity plan of the company is funded gratuity plan. The trust named "Oxyzo Financial Services Private Limited Employee Group Gratuity Trust" was formed on March 25, 2022 to manage the employee gratuity fund, approval of which in Income Tax is awaited.

These plans typically expose the Company to actuarial risks such as: Interest rate risk, Liquidity risk, Salary escalation risk, demographic risk, regulatory risk

Interest rate risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
Liquidity risk	This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
Salary escalation risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Demographic risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Regulatory Risk	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000).

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at March 31, 2022 by Mr. Khushwant Pahwa (FIAI M.No. 04446), Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method

Principal assumptions:	Gratuity	
	As at March 31,2022	As at March 31,2021
Discount rate (per annum)	7.30%	6.75%
Salary growth rate (per annum)	9.00%	8.00%
Retirement age	60 Years	60 Years
Withdrawal rate based on age: (per annum)		
Upto 30 years	5.00%	12.00%
31-44 years	2.00%	5.00%
Above 44 years	0.00%	0.00%
In service mortality	IALM 2012-14	IALM 2012-14
Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows :-		
Particulars	Gratuity	
	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	77.38	49.29
Past service cost and (gain)/Loss from settlements	-	-

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

Net interest cost/ (Income) on the Net Defined Benefit/(Liability)/Asset	9.83	5.28
Component of defined benefit cost recognised in profit or loss	87.21	54.57
Remeasurement on the net defined benefit liability:		
Actuarial (gains)/ losses arising from changes in demographic assumptions	21.97	2.43
Actuarial (gains)/ losses arising from changes in financial assumptions	8.35	0.44
Actuarial (gains)/ losses arising from experience adjustment	17.64	(1.23)
Return on plan assets , excluding amount recognised in net interest expense	(0.98)	-
Component of defined benefit cost recognised in Other comprehensive Income	46.98	1.64

The Current Service Cost and the net interest expense for the year are included in the Employee benefits expenses line items in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the Company obligation in respect of its defined benefits plan is as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Present value of funded / unfunded defined benefit obligation	280.81	136.60
Fair value of plan assets	(67.47)	-
Net liability arising from defined benefit obligation	213.34	136.60

Changes in the Fair Value of Plan Assets

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Fair Value of Plan Assets as at the beginning	-	-
Investment Income	-	-
Employer's Contribution	66.49	-
Employee's Contribution	-	-
Employee's Contribution	-	-
Return on plan assets , excluding amount recognised in net interest expense	0.98	-
Transfer In / (Out)	-	-
Fair Value of Plan Assets as at the end	67.47	-

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

Movements in the present value of the defined benefit obligation are as follows :-		
Particulars	Gratuity	
	Year ended March 31, 2022	Year ended March 31, 2021
Present value of obligation as at the beginning	136.60	78.07
Current service cost	77.38	49.29
Interest cost	9.82	5.28
Re-measurement (or Actuarial) (gain) / loss arising from:		
- changes in demographic assumptions	21.97	2.43
- changes in financial assumptions	8.35	0.44
- experience adjustment	17.64	(1.23)
- Others	-	-
Past service cost	-	-
Benefits paid	-	-
Transfer in/(out)	9.05	2.32
Present value of obligation as at the end.	280.81	136.60
Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.		

Particulars	31-Mar-22		31-Mar-21	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	351.02	226.84	164.03	115.13
(% change compared to base due to sensitivity)	25.00%	-19.20%	20.10%	-15.70%
Salary Growth Rate (-/+ 1%)	239.96	325.40	117.73	157.81
(% change compared to base due to sensitivity)	-14.50%	15.90%	-13.80%	15.50%
Attrition Rate (-/+ 50% of attrition rates)	289.70	272.66	149.39	125.68
(% change compared to base due to sensitivity)	3.20%	-2.90%	9.40%	-8.00%
Mortality Rate (-/+ 10% of mortality rates)	280.82	280.82	136.62	136.57
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%
Sensitivity Analysis				
The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There is no change in the method of valuation for the prior period.				

**Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)**

Other disclosures		
Maturity profile of defined benefit obligation		
Particulars	As at March 31,2022	As at March 31,2021
Weighted average duration (based on discounted cashflows)	23 Years	19 Years
Expected cash flows over the next (valued on undiscounted basis):		
1 year	3.13	2.69
2-5 years	25.47	26.89
6-10 years	37.40	35.50
More than 10 years	1,675.48	523.24
(c) Other long-term benefits:		
The actuarial valuation of compensated absences has been carried out by an independent actuary. The obligation of compensated absences in respect of employees of the Company as at 31 March 2022 amounts to ₹ 88.97 Lakhs (previous year ₹ 50.59 Lakhs).		

**Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)**

37	Segment reporting			
	The Company is engaged primarily in the business of financing and all its operations are in India only. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.			
38	Cost allocation			
	OFB Tech Private Limited, the holding company, allocates common costs viz. rent, cost of utilities, payroll, technical support etc. to the Company on an appropriate basis, mutually agreed between the two companies. During the current year, personnel costs and administrative and other costs amounting to ₹ 555.60 Lakhs (previous year ₹ 477.00 Lakhs) have been allocated by OFB Tech Private Limited to the Company on account of the above.			
	Further, pursuant to cost sharing arrangement, the Company has also allocated common costs related to Payroll and other expenses to OFB Tech Private Limited, OFG Manufacturing Businesses Private Limited (Formerly known as Ofcons Projects And Services Private Limited and Oagri Farm Private Limited (fellow subsidiary). The costs allocated by the Company during the current year is ₹ 112.72 Lakhs (previous year ₹ 26.65 Lakhs).			
39	Disclosure as required by Ind AS -24 on "Related Party Disclosure" notified under the companies (Indian Accounting Standard) Rules, 2015:			
	List of related parties and relationship:			
	Name of related party	Nature of Relationship		
	OFB Tech Private Limited	Holding company		
	OFG Manufacturing Businesses Private Limited (Formerly known as Ofcons Projects And Services Private Limited)	Fellow subsidiary company		
	Oagri Farm Private Limited	Fellow subsidiary company		
	Samruddhi Organic Farm (India) Private Limited	Fellow subsidiary company (w.e.f. November 08, 2021)		
	E-Mox Manufacturing Private Limited	Fellow subsidiary company (w.e.f. February 01, 2022)		
	Key management personnel			
	Ruchi Kalra	Whole-time director and Chief financial officer		
	Vasant Sridhar	Executive director		
	Asish Mohapatra	Non-executive director		
	Sathyan David	Independent director		
	Akshat Vikram Pande	Independent director		
	Rohit Kapoor	Independent director		
	Brij Kishore Kiradoo	Company Secretary		
	Pinki Jha	Company Secretary (w.e.f May 26, 2022)		
	Transactions with the related parties and key management personnel during the year:			
	Particulars	Nature of transaction	Year ended March 31, 2022	Year ended March 31, 2021
	OFB Tech Private Limited	Issue and allotment of equity share capital	8,056.38	8,999.99
		Purchase of property, plant and equipment	-	8.25
		Sale of property, plant and equipment	0.60	11.58
		Business auxiliary services (cost allocation received)	315.36	152.49

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

	Business auxiliary services (cost allocation made)	-	5.14
	Employee costs and reimbursements (cost allocation received)*	29.30	165.05
	Employee costs and reimbursements (cost allocation made)#	82.65	20.57
	Information technology expenses (On allocation basis)	147.07	126.88
	Interest and other Income	1,052.32	301.38
	Travelling and other expenses (cost allocation received)	63.87	32.58
	Travelling and other expenses (cost allocation made)	27.02	-
	Gratuity and leave encashment recoverable	16.68	2.65
	Gratuity and leave encashment payable	1.43	-
	Payment on behalf of borrowers	1,07,189.27	39,082.53
	Deemed equity contribution (Employee stock options)	564.72	106.67
OFG Manufacturing Businesses Private Limited (Formerly known as Ofcons Projects And Services Private Limited)	Business auxiliary services (cost allocation received)	0.63	0.56
	Loan Given	224.00	-
	Loan Repaid	11.62	-
	Employee costs and reimbursements (cost allocation made)	-	0.02
	Gratuity recoverable		
	Leave encashment recoverable		
	Sale of property, plant and equipment	2.19	1.93
	Interest and other income	13.87	6.89
	Gratuity and leave encashment recoverable	3.39	0.59
	Gratuity and leave encashment payable	2.52	0.47
	Travelling and other expenses (cost allocation made)	1.95	-
	Payment on behalf of borrowers	1,019.63	1,933.33
Samruddhi Organic Farm (India) Private Limited	Interest and other income	20.00	-
	Loan Given	200.88	-
	Loan Repayment receipt (Including interest and other income)	860.93	-
E-Mox Manufacturing Private Limited	Interest and other income	5.54	-
	Loan Given	146.43	-
	Loan Repaid	140.54	-
Oagri Farm Private Limited	Business auxiliary services (cost allocation made)	-	0.36
	Business auxiliary services (cost allocation received)	0.16	-
	Sale of property, plant and equipment	-	3.25
	Purchase of property, plant and equipment	0.60	-

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

	Travelling and other expenses (cost allocation made)	0.47	-
	Travelling and other expenses (cost allocation received)	0.18	-
	Interest Income	6.36	18.67
	Payment on behalf of borrowers	184.77	-
	Gratuity and leave encashment payable	4.29	0.88
Ruchi Kalra	Managerial remuneration	26.65	24.78
		26.65	24.78
Vasant Sridhar	Managerial remuneration	38.70	38.01
	Employee stock option compensation expense	368.22	4.68
		406.92	40,055.85
Brij Kishore Kiradoo	Remuneration	16.15	11.92
	Employee stock option compensation expense	144.40	2.00
		160.55	13.92
Sathyan David	Directors sitting fees	5.25	3.25
Akshat Vikram Pande	Directors sitting fees	1.75	1.00
Rohit Kapoor	Directors sitting fees	1.00	0.75
* Includes KMP salary cross charged amounting ₹ 29.30 Lakhs (previous year ₹ 14.20 Lakhs)			
# Includes KMP salary cross charged amounting ₹ 10.14 Lakhs (previous year ₹ 9.15 Lakhs)			
Balance outstanding at year end			
Name of related party	Nature	As at March 31, 2022	As at March 31, 2021
OFB Tech Private Limited	Payables	211.54	-
	Receivable	-	95.24
	Payable- loan pending disbursement	769.90	361.77
OFG Manufacturing Businesses Private Limited (Formerly known as Ofcons Projects And Services Private Limited)	Receivable	5.61	4.07
	Receivable against loan given	221.62	-
Oagri Farm Private Limited	Receivable	-	15.28
	Payable	4.75	-
E-Mox Manufacturing Private Limited	Receivable against loan given	214.09	-
Guarantee given to lenders by holding Company for Loan outstanding as at March 31, 2022 ₹ 43,403.72 lakhs and March 31, 2021 ₹ 112,740.99 lakhs			

**Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)**
40 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Repayment Terms	March 31, 2022			March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	53,820.78	-	53,820.78	19,900.71	-	19,900.71
Bank balances other than (a) above	868.66	-	868.66	908.76	-	908.76
Derivative financial instruments	23.61	-	23.61	-	-	-
Trade Receivable	110.31	-	110.31	-	-	-
Loans*	2,28,799.80	25,212.09	2,54,011.89	1,25,505.70	10,146.75	1,35,652.45
Investments	32,827.53	820.56	33,648.09	6,204.75	764.80	6,969.55
Other financial assets	25.12	-	25.12	274.15	20.83	294.98
Non-financial assets						
Current tax assets (Net)	-	397.85	397.85	-	78.66	78.66
Deferred tax assets (Net)	-	663.60	663.60	-	501.53	501.53
Investment Property	-	149.92	149.92	-	149.92	149.92
Property, Plant and Equipment	-	84.18	84.18	-	35.08	35.08
Other non-financial assets	115.73	-	115.73	21.29	-	21.29
Total Assets	3,16,591.54	27,328.20	3,43,919.74	1,52,815.36	11,697.57	1,64,512.93
LIABILITIES						
Financial liabilities						
Derivative financial instruments	94.19	-	94.19	-	-	-
Trade Payables						
(i) Total outstanding dues to micro and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	230.80	-	230.80	205.70	-	205.70
Other payables						
(i) Total outstanding dues to micro and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	263.44	-	263.44	21.46	-	21.46
Debt securities	18,562.08	20,569.46	39,131.54	12,807.09	19,661.01	32,468.10
Borrowings (Other than debt securities)	1,06,354.18	55,993.01	1,62,347.19	60,871.17	23,498.30	84,369.47
Other financial liabilities	1,752.65	-	1,752.65	1,868.14	-	1,868.14
Non-Financial Liabilities						

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

Current tax liabilities	259.21	-	259.21	-	-	-
Provisions	5.39	296.92	302.31	6.50	180.69	187.19
Other financial liabilities	309.67	-	309.67	431.22	-	431.22
Total Liabilities	1,27,831.61	76,859.39	2,04,691.00	76,211.28	43,340.00	1,19,551.28
Net equity	1,88,759.93	(49,531.19)	1,39,228.74	76,604.08	(31,642.43)	44,961.65
* Loans is net of impairment loss allowance on loans considering realisability, the amount recoverable from Stage-3 assets is classified under after 12 months.						

**Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)**

41 Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI. The Company has complied in full with all its externally imposed capital requirements over the reported period.

41.1 Capital management

The capital management objectives of the Company are:

- to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios
- to ensure the ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of debt less cash and bank balances as presented on the face of balance sheet.

Management assesses the capital requirements of the Company in order to maintain an efficient overall financing structure. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return on capital to shareholders, issue new shares, or sell assets to reduce debt. The Company has a target gearing ratio of 3.00 to 3.50 determined as a proportion of net debt to total equity.

41.2 Regulatory capital

As contained in RBI Master Directions - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (hereinafter referred to as "RBI Master Directions"), the Company is required to maintain a capital ratio consisting of Tier I and Tier II capital not less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items. Out of this, Tier I capital shall not be less than 10%. The BoDs regularly monitors the maintenance of prescribed levels of Capital Risk Adjusted Ratio (CRAR).

Capital Adequacy Ratio (CAR) and other key financial parameters are as under:

Particulars	As at 31st March 2022	As at 31st March 2021
Capital Adequacy ratio - Tier I	47.99%	31.34%
Capital Adequacy ratio - Tier II	0.38%	0.98%
	48.38%	32.32%

42 Categories of financial instruments

42.1 The Carrying value of financial assets and liabilities are as follows :-

As at March 31, 2022				
Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	-	-	53,820.78	53,820.78
Bank balances other than above	-	-	868.66	868.66
Derivative financial instruments	-	23.61	-	23.61
Trade Receivables	-	-	110.31	110.31
Loans	-	-	2,54,011.89	2,54,011.89

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

Investments	30,001.51	-	3,646.58	33,648.09
Other financial assets	-	-	25.12	25.12
Total financial assets	30,001.51	23.61	3,12,483.34	3,42,508.46
Financial liabilities				
Derivative financial instruments	-	94.19	-	94.19
Trade payables	-	-	230.80	230.80
Other payables	-	-	263.44	263.44
Debt Securities	-	-	39,131.54	39,131.54
Borrowings (Other than debt securities)	-	-	1,62,347.19	1,62,347.19
Other financial liabilities	-	-	1,752.65	1,752.65
Total financial liabilities	-	94.19	2,03,725.62	2,03,819.81
As at March 31, 2021				
Particulars	Fair value through P&L	Fair value through OCI	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	-	-	19,900.71	19,900.71
Bank balances other than above	-	-	908.76	908.76
Derivative financial instruments	-	-	-	-
Trade Receivables	-	-	-	-
Loans	-	-	1,35,652.45	1,35,652.45
Investments	3,057.25	-	3,912.30	6,969.55
Other financial assets	-	-	294.98	294.98
Total financial assets	3,057.25	-	1,60,669.20	1,63,726.45
Financial liabilities				
Derivative financial instruments	-	-	-	-
Trade payables	-	-	205.70	205.70
Other payables	-	-	21.46	21.46
Debt Securities	-	-	32,468.10	32,468.10
Borrowings (Other than debt securities)	-	-	84,369.47	84,369.47
Other financial liabilities	-	-	1,868.14	1,868.14
Total financial liabilities	-	-	1,18,932.87	1,18,932.87

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

43 Fair value measurement of financial assets and liabilities

Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed out in the following table, the management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

As at March 31, 2022		Carrying amount			Fair Value		
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets							
Cash and cash equivalents*	-	-	53,820.78	53,820.78	-	-	-
Bank balances other than above*	-	-	868.66	868.66	-	-	-
Derivative financial instruments	-	23.61	-	23.61	-	23.61	-
Trade Receivable	-	-	110.31	110.31	-	-	-
Loans*	-	-	2,54,011.89	2,54,011.89	-	-	2,54,011.89
Investments	30,001.51	-	3,646.58	33,648.09	30,001.51	-	-
Other financial assets	-	-	25.12	25.12	-	-	-
Total Assets	30,001.51	23.61	3,12,483.34	3,42,508.46	30,001.51	23.61	2,54,011.89
Financial liabilities							
Derivative financial instruments#	-	94.19	-	94.19	-	94.19	-
Trade payables*	-	-	230.80	230.80	-	-	-
Other payables*	-	-	263.44	263.44	-	-	-
Debt Securities	-	-	39,131.54	39,131.54	-	-	39,131.54
Borrowings (Other than debt securities)	-	-	1,62,347.19	1,62,347.19	-	-	1,62,347.19
Other financial liabilities*	-	-	1,752.65	1,752.65	-	-	-
Total financial liabilities	-	94.19	203,725.62	2,03,819.81	-	94.19	2,01,478.73
As at March 31, 2021		Carrying amount			Fair Value		
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets							
Cash and cash equivalents*	-	-	19,900.71	19,900.71	-	-	-
Bank balances other than above*	-	-	908.76	908.76	-	-	-
Loans*	-	-	1,35,652.45	1,35,652.45	-	-	1,35,652.45
Investments	3,057.25	-	3,912.30	6,969.55	3,057.25	-	-
Other financial assets	-	-	294.98	294.98	-	-	-
Total Assets	3,057.25	-	1,60,669.20	1,63,726.45	3,057.25	-	1,35,652.45
Financial liabilities							

**Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)**

Trade payables*	-	-	205.70	205.70	-	-	-
Other payables*	-	-	21.46	21.46	-	-	-
Debt Securities	-	-	32,468.10	32,468.10	-	-	32,468.10
Borrowings (Other than debt securities)	-	-	84,369.47	84,369.47	-	-	84,369.47
Other financial liabilities*	-	-	1,868.14	1,868.14	-	-	-
Total financial liabilities	-	-	1,18,932.87	1,18,932.87	-	-	1,16,837.57
*Cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables, other payables and other financial liabilities: approximate their carrying amounts largely due to the short-term maturities of these instruments.							
#The fair values disclosed are only in respect of investment classified at FVTPL and derivative financial instruments classified at FVTOCI.							

44.1 Share based payments

Employee Stock Option Plan ("ESOP Plan")

OFB Tech Private Limited ('OFB'), the holding company, had framed an OfBusiness Stock Options Plan, 2016 ('ESOP 2016 Plan'), which was duly approved by the Shareholder of the OFB in the Extraordinary General Meeting held on 8 April 2016. ESOP 2016 Plan will be administered by Compensation committee and in the absence of such committee Board of Directors of the OFB shall ensure the administration of the ESOP 2016 Plan. The stock options granted are categorized as equity settled and have a graded vesting. The options vest at various dates over the period of one to four year from the date of grant. The options expires within 3 years from the date of last vesting.

During the year OFB had sub-divided its shares in the ratio of 1:10 on Jun 25, 2021. Further the OFB had made bonus issuance in the ratio of 1:2120 on July 05, 2021.

Pursuant to incorporation of the Company, certain employees of OFB were transferred to the Company. To align the interest of employees, it was determined that transferred employees of the Company may continue to participate in the ESOP 2016 Plan of OFB and accordingly they are entitled to shares of OFB.

Particular's	Grant Date	Number of options granted
Grant-I (FY 16-17)	08-Apr-16	7,21,140
Grant-II to Grant-IV (FY 17-18)	08-Apr-17 to 28-Feb-18	19,72,530
Grant-V to Grant-VI (FY 18-19)	02-Jul-18 to 05-Jul-18	24,17,940
Grant-VII to Grant-X (FY 19-20)	01-Apr-19 to 05-Jul-19	32,87,550
Grant-XII to Grant-XIII (FY 20-21)	01-Oct-20 to 01-Mar-21	32,87,550
Grant-XVI to Grant XXVIII (FY 21-22)	01-Apr-21 to 01-Jan-22	63,27,367
Vesting Period - As determined by Compensation Committee subject to minimum of 1 year and maximum of 4 years from the grant date.		
Exercise Period - The options vest at various dates over the period of one to four year from the date of grant. The options expire within 3 years from the date of last vesting.		
Exercise Price - Exercise price shall be determined by Compensation Committee and specified in Grant letter's but it shall not be less than the face value of shares of the Company.		
Vesting Conditions - Vesting of option is a function of achievement of performance criteria or any other criteria as specified by Compensation committee and communicated in the grant letter. Further, the vesting takes place on staggered basis over the respective vesting period		

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Expense arising from share-based payment transactions (Refer note 31)	564.72	106.67
Total expense arising from share-based payment transactions recognised in Statement of Profit and Loss	564.72	106.67

The details of activity under the ESOP Plans have been summarised below:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Shares arising out of Options	Weighted average exercise price (in ₹)	Shares arising out of Options	Weighted average exercise price (in ₹)
Outstanding at the beginning of the year	78,90,120	22.48	332	2,77,040.00
Granted during the year	63,27,367	74.24	155	7,10,628.44
Options granted prior to transfer date in respect of employees transferred from holding company during the year	-	-	-	-
Exercised during the year	(12,46,300)	15.84	(108)	2,12,225.00
Vested for transferred employees before respective transfer date	-	-	-	-
Forfeited during the year ^	(3,81,780)	25.83	(7)	2,64,626.00
Outstanding at the end of the year	1,25,89,407	49.05	372	4,76,752.60
Exercisable at the end of the year	9,38,330	7.36	9	1,33,107.09
Weighted average remaining contractual life of the options outstanding at the end of the year	6.07 years	-	6.59 years	-

^ Unvested options forfeited in accordance with terms prescribed under the respective ESOP Schemes.

Fair value of options granted

The weighted average fair value of stock options granted during the year pertaining to ESOP 2016 plan is ₹ 15.23 (previous year ₹ 12.91). The fair value at grant date is determined using the Black-Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The following tables list the inputs used for fair valuation of options for the ESOP plans.

Particulars	For options granted during the year ended	
	31-Mar-22	31-Mar-21
Dividend yield (%)	0.0%	0.0%
Expected volatility (%)	33.50% - 36.30%	36.30% - 39.50%
Risk free interest rate (%)	5.70% - 6.10%	5.30% - 5.70%
Expected life of share options (in years)	4.80	4.75
Fair value of options at grant date (in Rupees)	8.19 - 138.71	173,774 - 307,923
Fair value of share at grant date (in Rupees)	49.84 - 231.24	651,044 - 878,717
Exercise price (in Rupees)	48.17-347.21	649,002-1,627,574

**Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)**

Share based payments

Employee Stock Option Plan ("ESOP Plan")

Oxyzo Financial Services Private Limited ('Oxyzo'), the company, had framed an Oxyzo Stock Options Plan, 2021 ('ESOP 2021 Plan'), which was duly approved by the Shareholder of the Oxyzo in the Extraordinary General Meeting held on 22 November 2021, created an ESOP pool and further expanded the same in the Extraordinary General Meeting held on 10 March 2022. ESOP 2021 Plan will be administered by Compensation committee and in the absence of such committee Board of Directors of the Oxyzo shall ensure the administration of the ESOP 2021 Plan. The stock options granted are categorized as equity settled and have a graded vesting. The options vest at various dates over the period of one to four year from the date of grant. All vested options not exercised as per exercise period shall lapse.

Particular's	Grant Date	Number of options granted
Grant-I	03-Jan-22	21,32,651

Vesting Period - As determined by Compensation Committee subject to minimum of 1 year and maximum of 4 years from the grant date.

Exercise Period - The options vest at various dates over the period of one to four year from the date of grant. All vested options not exercised as per exercise period shall lapse.

Exercise Price - Exercise price shall be determined by Compensation Committee and specified in Grant letter's but it shall not be less than the face value of shares of the Company.

Vesting Conditions - Vesting of option is a function of achievement of performance criteria or any other criteria as specified by Compensation committee and communicated in the grant letter. Further, the vesting takes place on staggered basis over the respective vesting period

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Expense arising from share-based payment transactions (Refer note 31)	112.98	-
Total expense arising from share-based payment transactions recognised in Statement of Profit and Loss	112.98	-

The details of activity under the ESOP Plans have been summarised below:

Particulars	31 March 2022		31 March 2021	
	Shares arising out of Options	Weighted average exercise price (in Rs.)	Shares arising out of Options	Weighted average exercise price (in Rs.)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	21,32,651	650	-	-
Options granted prior to transfer date in respect of employees transferred from holding company during the year	-	-	-	-

**Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)**

Exercised during the year	-	-	-	-
Vested for transferred employees before respective transfer date	-	-	-	-
Forfeited during the year ^	-	-	-	-
Outstanding at the end of the year	21,32,651	650	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life of the options outstanding at the end of the year	3.4 years	-	-	-

^ Unvested options forfeited in accordance with terms prescribed under the respective ESOP Schemes.

Fair value of options granted

The weighted average fair value of stock options granted during the year pertaining to ESOP 2022 plan is ₹ 50.80 (previous year ₹ Nil). The fair value at grant date is determined using the Black-Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The following tables list the inputs used for fair valuation of options for the ESOP plans.

Particulars	For options granted during the year ended	
	31-Mar-22	31-Mar-21
Dividend yield (%)	0.00%	-
Expected volatility (%)	38.00%	-
Risk free interest rate (%)	5.40%	-
Expected life of share options (in years)	3.40	-
Fair value of options at grant date (in Rupees)	50.80	-
Exercise price (in Rupees)	650.00	-

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

45 Financial risk management

i) Risk Management

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial company, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Company's Board of directors has overall responsibility for the establishment and oversight of the risk management framework. In accordance with the RBI guidelines to enable NBFCs to adopt best practices and greater transparency in their operations, the Board of Directors of the Company has constituted a Asset Liability Management Committee (ALCO) and Risk Management Committee. Risk Management Committee reviews risk management in relation to various integrated risks of the Company. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loan receivables, Cash and bank balances, financial assets measured at amortised cost	Expected loss analysis	Credit risk analysis, diversification of customers/ asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk- interest rate	non-current borrowings at variable rates	Sensitivity analysis	Change in interest rates

A) Credit risk

Credit risk arises from loans, cash and cash equivalents, bank balance other than cash and cash equivalents, investments and other financial assets. Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company has established various internal risk management process to provide early identification of possible changes in the creditworthiness of counterparties. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions. The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk arises from loans financing, cash and cash equivalents, investments and deposits with banks and financial institutions, as shown below:

Particulars	Balance as at March 31, 2022	Balance as at March 31, 2021
Loans	2,54,011.89	1,35,652.45
Investments	33,648.09	6,969.55
Trade Receivables	110.31	-
Cash and cash equivalents	53,820.78	19,900.71
Other bank balances	868.66	908.76
Other financials asset	25.12	294.98

The Company splits its exposure into smaller homogeneous portfolios, based on shared credit risk characteristics, as described below in the following order:

- Secured/unsecured i.e. based on whether the loans are secured
- Nature of security i.e. the nature of the security if the loans are determined to be secured
- Nature of loan i.e. based on the nature of loan

**Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)**

The credit risk management policy of the Company seeks to have following controls and key metrics that allows credit risks to be identified, assessed, monitored and reported in a timely and efficient manner in compliance with regulatory requirements.

- Standardize the process of identifying new risks and designing appropriate controls for these risks
- Maintain an appropriate credit administration and loan
- Establish metrics for portfolio monitoring
- Minimize losses due to defaults or untimely payments by borrowers
- Design appropriate credit risk mitigation techniques

Expected credit loss for loans

In order to mitigate the impact of credit risk in the future profitability, the Company makes reserves basis the expected credit loss (ECL) model for the outstanding loans as balance sheet date. In addition to ECL output, the Company has taken conservative view through specific provisions.

The below discussion describes the Company's approach for assessing impairment as stated in the significant accounting policies.

Expected credit loss for loans

In determining whether credit risk has increased significantly since initial recognition, the institution uses the days past due data and forecast information to assess deterioration in credit quality of a financial asset for all the portfolios. The Company considers its historical loss experience and adjusts this for current observable data. Ind AS 109 requires the use of macroeconomic factors.

Definition of default

The Company defines a financial instrument as in default, any borrower whose contractual payments are due for more than 90 days is termed as default, which is in line with RBI

Probability of Default ('PD')

PD is defined as the probability of whether the borrower will default on their obligation in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 a lifetime PD is required (equivalent to 12-month PD in the given case) while Stage 3 assets are considered to have a 100% PD. The loans have been segmented into three stages based on the risk profiles which reflect the general pattern of credit deterioration of a loan. The Company categories loans at the reporting date into stages based on the days past due ('DPD') status as under:

Stage 1: Low credit risk, i.e. 0 to 30 days past due

Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due

Stage 3: Impaired assets, i.e. more than 90 days past due

The company considered other variables such as Gross Domestic Product, Core Inflation and PMI index, however all these factors were found to be an aggregate of multiple underlying constituents of the economy i.e. Agriculture, Services and Manufacturing which were not in line with the customer mix of the company.

Loss Given Default ('LGD')

Loss given default (LGD) represents estimated financial loss the Company is likely to suffer in the event of default. LGD is calculated using recovery pattern and value of collateral (if applicable) in default accounts.

The company has added all costs incurred on actuals basis for recovery in all default cases to arrive at final LGD. The recovered amount in all default cases has been discounted for the weighted average of the number of days of default in all such cases to compute the final LGD.

Exposure at Default ('EAD')

**Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)**

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too. The company has considered cross default criteria while computing EAD i.e. If any customer defaults on one active loan then the customer has been marked as default on other loan (if any) as well.

While computing EAD for stage 1 accounts, the company has considered 75% commitments as per FIRB guidelines which are contractual on undrawn lines as the same does not require any pre-approval at the time of disbursement. For stage 2 and 3 accounts, the Company has not considered any commitment on the undrawn lines for EAD as the policy does not allow for any disbursement in case of any overdue.

The ECL is computed as a product of PD, LGD and EAD.

Collateral and other credit enhancements

Paragraph B5.5.22 states, financial instruments are not considered to have low credit risk when they are regarded as having a low risk of loss simply because of the value of collateral and the financial instrument without that collateral would not be considered low credit risk. Financial instruments are also not considered to have low credit risk simply because they have a lower risk of default than the entity's other financial instruments or relative to the credit risk of the jurisdiction within which an entity operates.

The loan portfolio of the Company has both secured and unsecured loans and they vary with the type of funding. Basis the past history of receipts against collateral, the overall ECL for the secured portfolio is net of collateral value.

Quantitative and qualitative factors considered along with quantification i.r.t loss rates

Impact of specific risk factors was taken into account while staging of accounts and computation of PD. The forecasted point in time (PIT) PDs have been estimated by establishing a link between through the cycle (TTC) PDs and macroeconomic variables i.e. growth rate prescribed by Index of Industrial Production ('IIP'). The macro-economic variables were regressed using a logical regression against systemic default ratio out of the impact of macro-economic variables on the system wide default rates.

As per the guidelines laid under the standard, the company has done probability weighted scenarios to arrive at the final ECL. These scenarios reflect a baseline, upturn and downturn in economic activity basis which ECL requirements could vary. The final ECL has subsequently been discounted.

**Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)**

Credit risk exposure and impairment loss allowance

	As at March 31, 2022		As at March 31, 2021	
	Exposure	Impairment allowance	Exposure	Impairment allowance
Credit impaired loan assets (Default event triggered) (Stage 3)	2,609.84	1,508.88	1,672.30	988.03
Loan assets having significant increase in credit risk (Stage 2)	2,126.76	249.87	4,390.74	324.43
Other loan assets (Stage 1)	2,53,116.40	1,104.38	1,32,345.45	660.72
Impairment on account of COVID-19	-	200.00	-	399.62
Total	2,57,853.00	3,063.13	1,38,408.49	2,372.80
	As at March 31, 2022		As at March 31, 2021	
Stage-1		0.44%		0.50%
Stage-2		11.75%		7.39%
Stage-3		57.82%		59.08%
Total		1.19%		1.71%
* Expected credit loss rate is computed ECL divided by EAD				
Specific Provision				
Company reviews and monitors all cases DPD 240+ and based on the recoverability and various other factors like client's situation, legal cases and others, makes provision in addition to ECL by using estimates and judgments in view of the inherent uncertainties and a level of subjectivity involved in measurement of items.				
Write off policy				
Financial assets are written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when, as at the reporting date, financial asset is overdue for 12 months or more and the Company determines that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write off. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.				
Impact of Covid-19				
The COVID-19 pandemic resulted in significant volatility in financial markets and a decrease in global and India's economic activities FY 2021 and early FY 2022. Consequent lockdowns and varying restrictions imposed by the central and various state governments had led to disruptions and dislocations of individuals and businesses. However, with the gradual lifting of the lock down restrictions during the year, the operations of the Company have returned to normal levels of activity. The Company has been lending actively to its customers.				
The overall financial metrics of the Company have improved from the prior year and the Company has made adequate expected credit loss provisions on its loan book in accordance with accounting principles in India, and accordingly, the provision for expected credit loss on financial assets as at 31 March 2022 aggregates ₹ 3,063.13 lakhs (as at 31 March 2021, ₹ 2,372.80 lakhs) which includes potential impact on account of the pandemic amounting to ₹ 200.00 lakhs (as at 31 March 2021, ₹ 399.62 lakhs).				

**Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)**

However, in view of the dynamic nature of the pandemic, the Company will continue to monitor future events/developments that may result in an adverse effect on the business and operations of the Company.

Disclosure as required under RBI notification no. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20 dated 17 April 2020 and RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020 on COVID-19 Regulatory Package - Asset Classification and Provisioning is not required to be disclosed for the quarter and year ended 31 March 2022.

B) Liquidity risk

Liquidity risk arises as Company has contractual financial liabilities that is required to be serviced and redeemed as per committed timelines and in the business of lending where money is required for the disbursement and creation of financial assets to address the going concern of Company. Liquidity risk management is imperative to Company as this allows covering the core expenses, market investment / creation of financial assets, timely repayment of debt commitments and continuing with their operations.

Management of the Company monitors forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows. The Asset Liability Management Policy aims to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The asset liability management policy involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

The Companies aim to maintain the level of its cash equivalents, un-utilized borrowing lines and cash inflow at an amount in excess of expected cash outflows on financial liabilities over the next one year. At March 31, 2022, the net of expected cash inflows and outflows within 12 months are ₹ 188,759.93 lakhs (March 31, 2021: ₹ 76,604.08 lakhs). Refer note 40 for Maturity analysis of assets and liabilities and note 48 (X) for asset liability management (ALM).

C) Market Risk

Market risk is the risk that the fair value or future cash flow of financial instrument will fluctuate due to changes in market variables such as interest rates, foreign exchange rates etc. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while maximising the return.

Interest rate risk

The Company uses a mix of cash and borrowings to manage the liquidity and fund requirements of its day-to-day operations. Further, certain interest bearing liabilities carry variable interest rates. Interest rate risk on variable borrowings is managed by way of regular monitoring borrowing rate.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at March 31,2022	As at March 31,2021
Variable rate borrowing	1,34,853.32	50,648.91
Fixed rate borrowing	66,625.41	66,188.66
Total borrowings	2,01,478.73	1,16,837.57
Sensitivity		
Below is the sensitivity of profit or loss and equity changes in interest rates.		

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest sensitivity		
Interest rates – increase by 100 basis points (March 31, 2021: 100 bps)	1,196.71	360.81
Interest rates – decrease by 100 basis points (March 31, 2021: 100 bps)	(1,196.71)	(360.81)

D) Foreign currency risk

There are no un-hedged liability or assets denominated in foreign currency with the Company as at March 31, 2022 (Previous year ₹ Nil).

46 Public Disclosure on liquidity risk

Background:

RBI has issued final guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019. As per the said guidelines, NBFC are required to publicly disclose the below information related to liquidity risk on a quarterly basis. Accordingly, the disclosure on liquidity risk as at 31st March, 2022 is as under:

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

S.No.	Number of Significant counterparties (Borrowings)	Amount (Rs. lakhs)	% of Total de- posits	% of Total Lia- bilities
1	10	99,325.70	NA	48.52%

Notes:

- A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

- Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

(ii) Top 20 large deposits (amount in Rs lakhs and % of total deposits) – Not Applicable

(iii) Top 10 borrowings (amount in Rs lakhs and % of Total borrowings)

S.No.	Number of Significant counterparties (Borrowings)	Amount (Rs. lakhs)	% of Total de- posits	% of Total Lia- bilities
1	10	99,325.70	NA	48.52%

Notes:

- Total Borrowing has been computed as comprising of Debt Securities, Borrowings and Interest accrued on these borrowings

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

(iv) Funding Concentration based on significant instrument/product

S.No.	Name of the Product	Amount (Rs. lakhs)	% of Total Liabilities
1	Non Convertible Debentures	32,741.77	16.00%
2	Commercial Paper	6,389.77	3.12%
3	Borrowings (Other than debt securities)	1,62,347.19	79.31%
	Total	2,01,478.73	98.43%

(v) Stock Ratios:

S.No.	Stock Ratio	% of Total Liabilities
	Commercial paper as a % of total public funds	
1	Commercial papers as a % of total liabilities	3.12%
2	Commercial papers as a % of total assets	1.86%
	Non-convertible debentures as a % of total public funds	
3	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	-
4	Non-convertible debentures (original maturity of less than one year) as a % of total assets	-
	Other short-term liabilities as a % of total public funds	
5	Other short-term liabilities as a % of total liabilities	1.38%
6	Other short-term liabilities as a % of total assets	0.82%

Notes:

- Commercial Paper and NCDs for stock ratio is the Gross outstanding as at 31st March, 2022 including the interest accrued.

- Other Short-term Liabilities has been computed as Total Short-term Liabilities less Commercial paper less Non-convertible debentures (Original maturity of less than one year)

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset-liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a year or more frequently as the Committee may determine to adequately fulfill the responsibilities outlined in the charter. The minutes of ALCO meetings are placed before the Board of Directors in its next meeting for its perusal/approval/ratification.

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

47

Schedule to the Balance Sheet of a non-deposit taking non-banking financial Company

(as required in terms of paragraph 19 of Non-banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016)

Particulars		As at March 31, 2022		As at March 31, 2021	
Liabilities side:					
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:	Amount out-standing	Amount overdue	Amount out-standing	Amount overdue
(a)	Debentures : Secured	32,741.77	-	32,468.10	-
	: Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
(b)	Deferred Credits	-	-	-	-
(c)	Term Loans	1,61,412.99	-	80,400.94	-
(d)	Inter-corporate loans and borrowing	-	-	-	-
(e)	Commercial Paper	6,389.77	-	-	-
(f)	Public Deposits	-	-	-	-
(g)	Other Loans (short term bank loan)	934.20	-	3,968.53	-
(2)	Breakup of (1)(f) above (Outstanding Public Deposit inclusive of interest accrued thereon but not paid:				
(a)	In the form of unsecured debentures	-	-	-	-
(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c)	Other Public Deposits	-	-	-	-
Assets side:		Amount out-standing		Amount out-standing	
(3)	Break-up of Loans and Advances including bills receivables [Other than those included in (4) below]:				
(a)	Secured (net of provision of ₹ 493.46 lakhs (previous year ₹ 255.63 lakhs))		1,94,673.23		1,04,957.34
(b)	Unsecured (net of provision of ₹ 2,569.67 lakhs (previous year ₹ 2,117.17 lakhs))		59,338.66		30,695.11
(4)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities				
(i)	Lease assets including lease rentals under sundry debtors:				
	(a) Financial lease		-		-
	(b) Operating lease		-		-
(ii)	Stock on hire including hire charges under sundry debtors:				
	(a) Assets on hire		-		-
	(b) Repossessed Assets		-		-
(iii)	Other loans counting towards AFC activities				
	(a) Loans where assets have been repossessed		-		-
	(b) Loans other than (a) above		-		-
(5)	Break-up of Investments:				
	Current Investments:				
1.	Quoted:				

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	1,800.87
	(iii) Units of mutual funds	30,001.51	-
	(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) Fixed deposit with bank (Including interest accrued on deposits)	7,500.90	-
	(vi) Pass through certificates	2,822.72	1,346.64
	(vii) Others (Alternative investment funds)	-	3,057.25
	Long Term 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 (net of provisions)	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds (net of provisions)	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Fixed deposit with bank (Including interest accrued on deposits)	868.66	908.76
	(vi) Pass through certificates	823.86	764.79

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:

Category	As at 31st March 2022			As at 31st March 2021		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	212.63	221.62	434.25	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties	1,94,460.60	59,117.04	2,53,577.64	1,04,957.34	30,695.11	1,35,652.45
Total	1,94,673.23	59,338.66	2,54,011.89	1,04,957.34	30,695.11	1,35,652.45

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

Category	As at 31st March 2022		As at 31st March 2021	
	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	33,648.09	33,648.09	6,969.55	6,969.55
Total	33,648.09	33,648.09	6,969.55	6,969.55

(8) Other information

Particulars	As at March 31st, 2022	As at March 31st, 2021
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	2,609.84	1,672.30
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	1,100.96	684.27
(iii) Assets acquired in satisfaction of debt	136.60	136.60

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

48 Disclosures required pursuant to Non-banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

I. Capital

Particulars	As at March 31, 2022	As at March 31st, 2021
(i) CRAR (%)	48.38%	32.32%
(ii) CRAR - Tier I Capital (%)	47.99%	31.34%
(iii) CRAR - Tier II Capital (%)	0.38%	0.98%
(iv) Amount of subordinated debt raised as Tier-II capital	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

II. Investments

Particulars	As at March 31, 2022	As at March 31st, 2021
1. Value of Investments		
(i) Gross Value of Investments		
(a) In India	33,662.67	6,977.98
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	14.58	8.43
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	33,648.09	6,969.55
(b) Outside India	-	-

2. Movement of provisions held towards depreciation on investments

(i) Opening balance	8.43	-
(ii) Add : Provisions made during the year	6.15	8.43
(iii) Less : Write-off / write-back of excess provisions during the year	-	-
(iv) Closing balance	14.58	8.43

III. Disclosure on Un-hedged Foreign Currency Exposure

The Company has no unhedged foreign currency exposure as on March 31, 2022 and March 31, 2021.

IV. Exchange traded interest rate(IR) derivatives

The Company has not undertaken any Exchange Traded Interest Rate (IR) Derivatives during the year as well as in the previous year ended March 31, 2021.

**Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)**

V. Disclosures on risk exposure in derivatives

Qualitative Disclosure

Financial Risk Management

The Company has to manage various risks associated with the lending business. These risks include liquidity risk, exchange risk, interest rate risk and counterparty risk. The Company has entered into interest rate swaps wherein it has converted floating rate linked to various benchmarks into fixed rate rupee liabilities. The currency risk on borrowings is actively managed through currency swaps.

Measurement and Accounting

All derivative contracts are recognised on the balance sheet and measured at fair value. Hedge accounting is applied to all the derivative instruments as per IND AS 109. Gain/loss arising on account of fair value changes are recognised in the Statement of Profit and Loss to the extent of ineffective portion of hedge instruments and hedged items. The gains/losses of effective portion of hedge instrument are offset against gain/losses of hedged items in Other Comprehensive Income.

Movements in the Cash flow hedge reserves are as follows (As per Ind AS Financials)

Particulars	As at March 31, 2022	As at March 31st, 2021
Opening Balance	-	-
Credit/(Debit) in cash flow hedge reserves	(52.82)	-
Closing Balance	(52.82)	-

Quantitative Disclosure

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)		
For hedging	4,752.48	4,752.48
(ii) Marked to Market Positions		
Asset (+)	-	23.61
Liability (-)	(94.19)	-
(iii) Credit Exposure	(94.19)	23.61
(iv) Unhedged Exposures	-	-

VI. Disclosures relating to securitisation

The Company does not have any securitised assets as at March 31, 2022 as well as in the previous year ended March 31, 2021.

VII. Details of financial assets sold to securitisation /reconstruction company for asset reconstruction

The Company has not sold any financial assets to securitisation /reconstruction company for asset reconstruction during the years ended March 31, 2022 and March 31, 2021

**Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)**

VIII. Details of assignment transaction undertaken by applicable NBFCs

The Company has not undertaken any assignment transaction during the years ended March 31, 2022 and March 31, 2021

IX. Details of non-performing financial assets purchased /sold

Disclosures pursuant to RBI Notification - RBI /DOR/2021-22/86 DOR.STR.REC.51 /21.04.048/2021-22 dated 24 September 2021

Particulars	To Asset Reconstruction		To permitted transferees	
	NPA	SMA	NPA	SMA
Number of accounts	-	-	36	-
Aggregate principal outstanding of loans transferred (Rs. In Lakhs)	-	-	512.72	-
Weighted average residual tenor of the loans transferred (in years)	-	-	1.02	-
Net book value of loans transferred (at the time of transfer) (Rs. In Lakhs)	-	-	559.10	-
Aggregate consideration (Rs. In Lakhs)	-	-	250.00	-

The Company has transferred stressed loans having net book value of ₹ 559.10 lakhs during the year. The Company has reversed provision for impairment loss of ₹ 390.04 lakhs by netting off from provision for impairment loss created during the year and booked loss of ₹ 290.46 Lakhs (Refer note 32) on derecognition of financials assets to the statement of profit and loss account.

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

X. Asset Liability Management											
Maturity pattern of certain items of assets and liabilities as at March 31, 2022											
Particulars	1 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities											
Debt securities	-	-	945.97	143.28	8,163.73	3,660.36	5,648.74	18,721.66	1,847.80	-	39,131.54
Borrowings (other than debt securities)	5,511.16	10,872.04	27,036.67	9,312.19	8,728.17	16,715.49	28,178.46	49,190.29	6,802.72	-	1,62,347.19
Total	5,511.16	10,872.04	27,982.64	9,455.47	16,891.90	20,375.85	33,827.20	67,911.95	8,650.52	-	2,01,478.73
Assets											
Loans given	6,848.68	5,099.36	16,268.72	43,495.92	57,489.15	86,195.28	13,402.69	22,228.04	2,580.80	403.25	2,54,011.89
Investment (net)	30,001.50	-	283.71	284.55	261.07	720.69	1,276.01	820.56	-	-	33,648.09
Total	36,850.18	5,099.36	16,552.43	43,780.47	57,750.22	86,915.97	14,678.70	23,048.60	2,690.45	391.22	2,87,659.98

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

XI. Exposure to real estate sector, both direct and indirect

Category	As at March 31st, 2022	As at March 31st, 2021
Direct Exposure		
(a) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.	4,691.75	2,415.01
(b) Commercial Real Estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multiple purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would not include non-fund based (NFB) limits.	3,540.95	1,390.68
(c) Investments in Mortgage Backed Securities (MBS) and other-securitised exposures:		
(i) Residential Mortgages	-	-
(ii) Commercial Real Estate	-	-
Total exposure to real estate sector	8,232.70	3,805.69

XII. Exposure to Capital Market

The Company does not have any exposure to capital market as at March 31, 2022 as well as in the previous year ended March 31, 2021.

XIII. Disclosure for "DETAILS OF SINGLE BORROWER LIMIT (SBL) / GROUP BORROWER LIMIT (GBL) EXCEEDED BY THE NBFC" need to be made

The Company does not exceeded any customer borrower limit as at March 31, 2022 as well as in the previous year ended March 31, 2021.

XIV. Details of financing of parent company's products

The Company has no product category where the customer is mandated to use the credit facility to buy products from a specific supplier (including the parent). Additionally, the parent is neither a manufacturer nor does it sell products under its own brand, hence reporting on financing of parent Company's products is not applicable.

XV. Miscellaneous

(a) Reserve Bank of India - Registration Number : N-14.03380

(b) Credit Rating

Instrument	Rating Agency	Rating As at March 31, 2022	Rating As at March 31, 2021
Non convertible debentures	ICRA Ltd	ICRA A+	BBB+ Stable
Commercial paper	ICRA Ltd	ICRA A1+	A2+
Bank Lines	ICRA Ltd	ICRA A+	BBB+ Stable
Principal Protected Market Linked Deben- ture	ICRA Ltd	PP-MLD ICRA A+	PP-MLD BBB+ Stable

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

Other Instruments	ICRA Ltd	-	A-(CE) Stable
Non convertible debentures	ICRA Ltd	-	A-(CE) Stable
Bank Lines	CARE	CARE A+	BBB+
Non convertible debentures	CARE	CARE A+	BBB+
Bank Lines	CRISIL	CRISIL A/Stable	-
Principal Protected Market Linked Deben- ture	CRISIL	CRISIL PP MLD A r / Stable	-
Non convertible debentures	CRISIL	CRISIL A/Stable	-
(c) No penalties have been levied by any regulator during the year as well as in the previous year ended March 31, 2022 as well as in the previous year ended March 31, 2021.			

XVI. Additional Disclosures

(a) Provisions and Contingencies

Break up of 'Provisions and Contingencies'shown under the head expenditure in statement of Profit and Loss:

Particulars	As at March 31, 2022	As at March 31st, 2021
Impairment allowance on loans	690.33	713.28
Impairment allowance on investment	6.15	8.43
Impairment on account of COVID-19	-	245.50
Provision made towards Income tax	2,709.78	1,538.43

XVII. Concentration of Deposits, Advances, Exposures and NPAs

(a) Concentration of Advances

Particulars	As at March 31, 2022	As at March 31st, 2021
Total Advances to twenty largest borrowers	52,721.56	34,722.14
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	20.76%	25.60%

(b) Concentration of Exposures

Particulars	As at March 31, 2022	As at March 31st, 2021
Total Exposure to twenty largest borrowers /customers	52,989.37	37,954.76
Percentage of Exposures to twenty largest borrowers / custom- ers to Total Exposure of the NBFC on borrowers / customers	20.86%	27.98%

(c) Concentration of NPAs

Particulars	As at March 31, 2022	As at March 31st, 2021
Total Exposure to top four NPA accounts	984.51	435.92

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

(d) Sector-wise NPAs		
Percentage of NPAs to total advances in that sector		

S. No	Sector	As at March 31, 2022	As at March 31st, 2021
(i)	Agriculture & allied activities	0.00%	0.00%
(ii)	MSME	1.31%	1.53%
(iii)	Corporate borrowers	0.19%	0.43%
(iv)	Services	0.00%	0.00%
(v)	Unsecured personal loans	0.00%	0.00%
(vi)	Auto loans	0.00%	0.00%
(vii)	Other personal loans	0.00%	0.00%

XVIII Movement of NPAs

Particulars	As at March 31st, 2022	As at March 31st, 2021
(i) Net NPAs to Net Advances (%)	0.43%	0.50%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	1,672.30	832.16
(b) Additions during the	1,941.55	1,153.07
(c) Reductions during the	1,004.01	312.93
(d) Closing balance	2,609.84	1,672.30
(iii) Movement of Net NPAs		
(a) Opening balance	684.27	257.51
(b) Additions during the	933.83	608.35
(c) Reductions during the	517.14	181.59
(d) Closing balance	1,100.96	684.27
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	988.03	574.64
(b) Provisions made during	1,007.72	544.73
(c) Write-off / write-back	486.87	131.34
(d) Closing balance	1,508.88	988.03

XIX The Company does not have any joint ventures and subsidiaries abroad as at March 31, 2022 as well as in the previous year ended March 31, 2021.

XX The Company does not have any SPVs sponsored as at March 31, 2022 as well as in the previous year ended March 31, 2021.

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

XXI Disclosure of Complaints

(a) Customer Complaints

Particulars	As at March 31st, 2022	As at March 31st, 2021
No. of complaints pending at the beginning of the year	Nil	Nil
No. of complaints received during the year	11	10
No. of complaints redressed during the year	11	10
No. of complaints pending at the end of the year	Nil	Nil

XXII Disclosure of restructured accounts as required by the NBFC Master Directions issued by RBI

Type of Restructuring-Others*		Standard	Sub-Standard	Doubtful	Loss	Total
Restructured accounts as on 1 April 2021	No. of borrowers	8	6	-	-	14
	Amount outstanding	81.49	124.37	-	-	205.87
Fresh restructuring during the year*	No. of borrowers	16	-	-	-	16
	Amount outstanding	651.86	-	-	-	651.86
Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
Write-offs/Settlements/Recoveries of restructured accounts during the FY	No. of borrowers	3	3	-	-	6
	Amount outstanding	32.44	57.39	-	-	89.83
Restructured accounts as on 31 March 2022	No. of borrowers	21	3	-	-	24
	Amount outstanding	700.91	66.98	-	-	767.89

*Since the disclosure of restructured advance ACCOUNT pertains to section 'Others', the First two sections, namely, 'Under CDR Mechanism' and 'Under SME debt Restructuring Mechanism' as per Format prescribed in the guidelines are not included above.

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

49 Disclose as required in terms of RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

Details of impairment loss allowance reserve as at 31 March 2022: -

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	2,53,116.40	1,304.38	2,51,812.02	1,029.47	274.91
	Stage 2	2,126.76	249.87	1,876.89	23.51	226.36
Subtotal		2,55,243.16	1,554.25	253,688.91	1,052.98	501.27
Non-Performing Assets (NPA)						
Substandard	Stage 3	2,040.67	1,026.90	1,013.77	204.07	822.83
Doubtful - up to 1 year	Stage 3	523.92	436.73	87.19	523.92	(87.19)
1 to 3 years	Stage 3	45.25	45.25	-	45.25	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		569.17	481.98	87.19	569.17	(87.19)
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		2,609.84	1,508.88	1,100.96	773.24	735.64
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	2,53,116.40	1,304.38	2,51,812.02	1,029.47	274.91
	Stage 2	2,126.76	249.87	1,876.89	23.51	226.36
	Stage 3	2,609.84	1,508.88	1,100.96	773.24	735.64
	Total	2,57,853.00	3,063.13	254,789.87	1,826.22	1,236.91

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

Details of impairment loss allowance reserve as at 31 March 2021: -

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	132,345.45	1,060.34	131,285.11	532.90	527.44
	Stage 2	4,390.74	324.43	4,066.31	17.56	306.87
Subtotal		136,736.19	1,384.77	135,351.42	550.46	834.31
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,244.17	631.20	612.97	130.60	500.60
Doubtful - up to 1 year	Stage 3	428.13	356.83	71.30	428.13	(71.30)
1 to 3 years	Stage 3			-	-	-
More than 3 years	Stage 3			-	-	-
Subtotal for doubtful		428.13	356.83	71.30	428.13	(71.30)
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		1,672.30	988.03	684.27	558.73	429.30
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	132,345.45	1,060.34	131,285.11	532.90	527.44
	Stage 2	4,390.74	324.43	4,066.31	17.56	306.87
	Stage 3	1,672.30	988.03	684.27	558.73	429.30
	Total	138,408.49	2,372.80	136,035.69	1,109.19	1,263.61

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

49.1 Disclosure as required in terms of RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

Details of accounts that are past due beyond 90 days but not treated as impaired

Number of accounts	Total amount outstanding as on 31 March 2022	Overdue amount as on 31 March 2022	Loss Allowances (Provisions) as on 31 March 2022
101	2,609.84	1,887.60	1,508.88

Disclosure as required in terms of RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

Details of accounts that are past due beyond 90 days but not treated as impaired

Number of accounts	Total amount outstanding as on 31 March 2022	Overdue amount as on 31 March 2022	Loss Allowances (Provisions) as on 31 March 2022
106	1,672.30	1,203.98	988.03

50 Disclosure in terms of RBI Circular No. RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 dated 07 April 2021 on Asset Classification and Income Recognition following the expiry of COVID-19 regulatory package

In accordance with the RBI Circular no. RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 dated 07 April 2021, during the financial year 2020-21 the company has refunded/adjusted amount of ₹ 19.64 Lakhs to its borrowers, which was initially charged as Interest on Interest amount during the moratorium Period of 01 March 2020 to 31 August 2020.

The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, had announced a scheme for COVID-19 Relief for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether moratorium as per RBI regulatory package was availed or not. The Company had implemented the Scheme and credited the accounts of or remitted amounts to the eligible borrowers as per the Scheme, amounting to ₹ 19.64 lakhs. The Company has filed its revised supplementary claim for ₹ 19.64 lakhs for the ex-gratia with State Bank of India on September 23, 2021, as per the Scheme. Subsequently, the Company has received ₹ 19.64 lakhs in the month of December 2021.

51 Expenditure on Corporate Social Responsibility

Particulars	31-Mar-22	31-Mar-21
(a) Gross amount required to be spent	59.20	23.54
(b) Amount spent:	-	-
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	60.00	23.60
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Administrative expenses	-	-

Nature of CSR activities:

Social welfare activities such as free education for unprivileged children; adult education, protection, promotion & advancement of women, children, old-aged, handicapped, orphans and widows.

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

52 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:-

Particulars	As at 'March 31, 2022	As at 'March 31, 2021
(a) The principal amount remaining unpaid to any supplier as at the end of the year;	-	-
(b) The interest due on principal amount remaining unpaid to any supplier as at the end of the year;	-	-
(c) The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount 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 have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the year; and	-	-
(f) 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	-	-

53 Disclosure in compliance with amendment in Schedule III (Division III) to the companies act, 2013 dated 24th March 2021

(i) The Company has not entered any transactions with companies that were struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act,
(ii) The Company is in compliance with number of layers of companies, as prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017
(iii) During the year, no scheme of arrangements in relation to the Company has been approved by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013. Accordingly, aforesaid disclosure are not applicable, since there were no transaction.
(iv) The Company does not have any transactions which were not recorded in the books of accounts, but offered as income during the year in the income tax assessment.
(v) The Company has not traded or invested in crypto currency or Virtual Currency during the financial year.
(vi) Ratios

**Notes forming part of the Ind AS financial statements for the year ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)**

Particulars	Computation	As at	
		March 31, 2022	March 31, 2021
(a) Capital to risk-weighted assets ratio (CRAR)	Total Net owned funds / Adjusted value of funded risk assets on balance sheet items	48.38%	32.32%
(b) Tier I CRAR	Total Net owned funds/Adjusted value of funded risk assets on balance sheet items	47.99%	31.34%
(c) Tier II CRAR	ECL Stage-I provision/Adjusted value of funded risk assets on balance sheet items	0.38%	0.98%
(d) Liquidity Coverage Ratio	Current assets/Current liabilities	2.48	2.01

54 Disclosures pursuant to RBI Notification - RBI /DOR/2021-22/86 DOR.STR.REC.51 /21.04.048/2021-22 dated 24 September 2021

(a) The company has not transfer any standard loans through assignment during the financial year ended 31 March 2022.

(b) The company has not acquired any loans through assignment during the financial year ended 31 March 2022.

(c) Details of stressed loans transferred during the financial year ended 31 March 2022.

Particulars	To Asset Reconstruction Companies		To permitted transferees	
	NPA	SMA	NPA	SMA
Number of accounts	-	-	36	-
Aggregate principal outstanding of loans transferred (₹ In Lakhs)	-	-	512.72	-
Weighted average residual tenor of the loans transferred (in years)	-	-	1.02	-
Net book value of loans transferred (at the time of transfer) (₹ In Lakhs)	-	-	559.10	-
Aggregate consideration (₹ In Lakhs)	-	-	250.00	-

(d) During the financial year ended 31 March 2021, the Company did not transfer any stressed loans.

(e) The Company has transferred stressed loans having net book value of ₹ 559.10 lakhs during the year. The Company has reversed provision for impairment loss of ₹ 390.04 lakhs by netting off from provision for impairment loss created during the year and booked loss of ₹ 290.46 Lakhs on derecognition of financials assets to the profit and loss account.

55 The Company does not have any pending litigations which would impact its financial position.

56 The Company has not declared or paid any dividend during the current and previous financial year.

57 The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses need to be provided as required under any law / accounting standards.

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the year ended March 31, 2022 (All amounts in Lakhs of ₹ unless otherwise stated)

58	There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
59	There were no disputed dues in respect of Goods and Services Tax and Income tax which have not been deposited.
60	Contingent liabilities and commitments The Company has no contingent liability and commitment as at 31 March 2022 and 31 March 2021.
61	The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in the period in which said code becomes effective and the rules formed thereunder are published.
62	Figures for the previous year have been regrouped/re-classified to confirm to the figures of the current year.
63	Pursuant to RBI Circular DOR.STR.REC.85/21.04.048/2021-22 dated February 15,2022 related to extension of Para 10 with respect to upgradation of account classified as NPA of Circular DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021 , the company has opted for the deferment till September 30,2022 to put in place the necessary system to implement/ further strengthen.
64	The above financial statements have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 26 May 2022.

As per our report of even date attached
For S.N. DHAWAN & CO LLP
Chartered Accountants
Firm Registration No. 000050N/N500045

**For and on behalf of the Board of Directors of Oxyzo
Financial Services Private Limited**

SD/-
Rahul Singhal
Partner
Membership No: 096570

SD/-
Ruchi Kalra
Whole-time director and
Chief Financial Officer
DIN: 03103474

SD/-
Asish Mohapatra
Director
DIN: 06666246

SD/-
Pinki Jha
Company Secretary
M.No.: F10683
Place: Gurugram
Date : 26 May 2022

Place : Gurugram
Date : 26 May 2022

BOARDS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Sixth Annual Report on the performance of your Company along with Audited Financial Statements of the Company for the period ended on 31st March 2022.

FINANCIAL RESULTS

Amount in Lakhs

Particulars	As on 31st March, 2022	As on 31st March, 2021
Revenue from Operations	31,297.21	19,752.97
Other Income	26.55	4.20
Total Income	31,323.76	19,757.17
Expenses	21,812.77	14,375.49
Profit/(Loss) before tax and prior period Adjustments	9,510.99	5,381.68
Profit/(Loss) before tax	9,510.99	5,381.68
Tax Expenses	2,577.29	1,387.99
Profit/(Loss) for the year	6,933.70	3,993.69

STATE OF COMPANY'S AFFAIRS, OPERATING RESULTS AND PROFITS

During the period under review, the company has earned revenue from operation of **Rs. 31,297.21 lakhs** however, the company has incurred expenses of **Rs. 21,812.77 lakhs**. The Directors are hopeful that in view of these financial results the efforts will be enhanced by the Company for promoting its services, the business of the company would further augment in the coming years. The Company has earned Profit of the year of **Rs. 6,933.70 Lakhs which is higher than previous year**.

WEB ADDRESS OF THE COMPANY

The Company is having website i.e- <https://www.oxyzo.in/>

DIVIDEND

Looking at the current and future Fund requirement, the Board of Directors of the Company think it prudent not to recommend dividend for the Financial Year 2021-22.

RESERVE AND SURPLUS

During the period under review, the company has transferred INR 6,933.70 Lakhs to Reserve and Surplus.

CHANGE IN NATURE OF BUSINESS

Your Company, NBFC sector (NBFC-ND) has grown in size and complexity over the years and our industry is maturing and achieving high scale, though nature of business is certain and unmodified. The Company has been registered with the Reserve Bank of India ('RBI') as a Non-Banking Financial Institution (Non-Deposit taking). As per the RBI circular dated 22 February 2019 namely 'harmonisation of different categorisation of NBFC's', the Company being a Systemically Important Non-Deposit taking Company has been categorised as an NBFC- Investment and Credit Company.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

No dividend was declared during the period, hence, no unclaimed dividend was required to be transferred to Investor Education and Protection Fund in terms of Section 125 of the Companies Act, 2013.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, the Annual Return for the Financial Year ended March 31, 2022 made under the provisions of Section 92 of the Act is to be placed at web address of the Company i.e. www.oxyzo.in at <https://www.oxyzo.in/investor-relation/annual-return>

CAPITAL STRUCTURE

Authorized Share Capital:

As on the date of this report, the Authorised Share Capital of the Company is Rs. 90,69,98,520/- (Rupees Ninety Crore Sixty-Nine Lakh Ninety Eight Thousand Five Hundred and Twenty Only) divided into 7,33,81,715 (Seven Crores Thirty-Three Lakh Eighty One Thousands Seven Hundred and Fifteen) Equity Shares of Rs. 10/- each and 1,73,18,137 (One Crore Seventy-Three Lakhs Eighteen Thousand One Hundred and Thirty-Seven) Preference Shares of Rs. 10/- each.

Issued, Subscribed and Paid-Up Capital:

As on the date of this report, the Issued, Subscribed and Paid-up Capital of the Company is Rs. 68,79,53,600/- (Rupees Sixty-Eight Crore Seventy-Nine Lakh Fifty-Three Thousand and Six Hundred only) divided into 5,36,78,676 (Five Crore Thirty-Six Lakh Seventy-Eight Thousand Six Hundred and Seventy Six only) Equity shares Rs. 10/- each and 1,51,16,684 (One Crore Fifty-One Lakh Sixteen Thousand Six Hundred and Eighty-Four Only) Preference Shares of Rs. 10 /- each.

Changes in Shares Capital during the period under review

Authorized Share Capital

During the period under review and as on the date of the report the Authorised share capital of the company has been increased in following order:

Change during the period under review and till the date of report.

i) The Authorized Share Capital of the company was increased from Rs. 52,01,37,440/- (Rupees Fifty- Two Crore One Lakh Thirty-Seven Thousand Four Hundred and Forty Only) divided into 5,20,13,744 (Five Crore Twenty Lakh Thirteen Thousand Seven Hundred and Forty-Four) Equity Shares of Rs. 10/- each. to Rs. 90,69,98,520/- (Rupees Ninety Crore Sixty-Nine Lakh Ninety-Eight Thousand Five Hundred and Twenty Only) divided into 7,33,81,715 (Seven Crores Thirty-Three Lakh Eighty-One Thousands Seven Hundred and Fifteen) Equity Shares of Rs. 10/- each and 1,73,18,137 (One Crore Seventy-Three Lakhs Eighteen Thousand One Hundred and Thirty-Seven) Preference Shares of Rs. 10/- each. w.e.f. March 10, 2022.

Hence, the Authorized Share capital at present is Rs. 90,69,98,520/- (Rupees Ninety Crore Sixty-Nine Lakh Ninety-Eight Thousand Five Hundred and Twenty Only).

Paid-up Share Capital

As on the date of the report the Paid-up capital of company is Rs. 68,79,53,600/- (Rupees Sixty-Eight Crore Seventy-Nine Lakh Fifty-Three Thousand and Six Hundred only) divided into 5,36,78,676 (Five Crore Thirty-Six Lakh Seventy-Eight Thousand Six Hundred and Seventy-Six only) Equity shares Rs. 10/- each and 1,51,16,684 (One Crore Fifty-One Lakh Sixteen Thousand Six Hundred and Eighty-Four Only) Preference Shares of Rs. 10/- each.

During the period under review and as on the date of the report the Paid-up Capital of your Company has been increased in following order:

S. No.	Date of Allotment	No. of Shares	Name of Allottee	Total Consideration in Rs.	Mode of Issue		
EQUITY SHARES							
1	03.09.2021	10,80,263	OFB Tech Private Limited	49,99,99,730	Right issue		
2	29.03.2022	10	Norwest Capital, LLC	10,412.60	Private Placement		
3	30.03.2022	10	Creation Investments Social Ventures Fund V, LP	10,412.60	Private Placement		
4	30.03.2022	2,93,528	OFB Tech Private Limited	30,56,38,965.28	Private Placement		
5	31.03.2022	10	Internet Fund VII Pte. Ltd.	10,412.60	Private Placement		
6	05.04.2022	9	Matrix Partners India Investments III, LLC	9,371.34	Private Placement		
7	05.04.2022	1	Matrix Partners India III AIF Trust	1041.26	Private Placement		
8	06.04.2022	10	Alpha Wave Ventures II LP	10,412.60	Private Placement		
COMPULSORILY CONVERTIBLE REDEEMABLE PREFERENCE SHARES (CCRPS)							
1	29.03.2022	27,88,515	Norwest Capital, LLC	2,90,35,69,128.90	Private Placement		
2	30.03.2022	14,67,634	Creation Investments Social Ventures Fund V, LP	1,52,81,88,578.84	Private Placement		
3	31.03.2022	33,02,191	Internet Fund VII Pte. Ltd.	3,43,84,39,400.66	Private Placement		
4	05.04.2022	3,54,794	Matrix Partners India Investments III, LLC	36,94,32,800.44	Private Placement		
5	05.04.2022	12,107	Matrix Partners India III AIF Trust	1,26,06,534.82	Private Placement		
6	06.04.2022	54,30,276	Alpha Wave Ventures II LP	5,65,43,29,187.76	Private Placement		
7	06.08.2022	10,27,351	Matrix Partners India Investments IV, LLC	1,06,97,39,502.26	Private Placement		
OPTIONALLY CONVERTIBLE REDEEMABLE PREFERENCE SHARES (OCRPS)							
1	06.04.2022	29,35,263	Ruchi Kalra	-	Bonus Issue		
CONVERSION OF OCRPS							
1	11.04.2022	22,01,447	Ruchi Kalra	-	Conversion into equity shares		
DETAIL OF TRANSFER							
S. No.	Transferor	Transferee	No of shares	Date of transfer	Mode of transfer	Cosnsideration	Valuation price
1	OFB	Ruchi Kalra	10	25-02-22	Demat	4628.5	462.85

DEBT STRUCTURE AND OTHER SECURITIES

Change during the period under review and till the date of report.

Non- Convertible Debentures: (for the financial year 2021-22 and as on date)

- Listed Market Linked Non- Convertible Debentures of Rs. 26.4 Crores to individuals as listed below on March 31, 2022 which are secured by first ranking exclusive and continuing charge on specific identified loan receivables. (The amount of Rs. 26.4 Crores is outstanding during the period under review.)

Name of Investor	No. of Units allotted	Total Consideration
Vrinda Rajgarhia	10	Rs. 1,00,00,000/-
Prasad Agent Pvt Ltd	10	Rs. 1,00,00,000/-
Capricon Realty Limited	30	Rs. 3,00,00,000/-
SK Finance Limited	120	Rs. 12,00,00,000/-
Dropadi Jiandram Chandna And Narayan Jain-dram Chandna	02	Rs. 20,00,000/-
Reeta Gupta And Lalit Kumar Gupta	05	Rs. 50,00,000/-
Sandip Sen	07	Rs. 70,00,000/-
Madhuri Sapru	02	Rs. 20,00,000/-
Kalpesh Kikani	10	Rs. 1,00,00,000/-
Anoop Krishna Mathur & Atula Anoop Mathur	08	Rs. 80,00,000/-
Mavjibhai Shamjibhai Patel	20	Rs. 2,00,00,000/-
Leena Walia & Jiby Thomas James	10	Rs. 1,00,00,000/-
S Chand Properties Pvt Ltd	10	Rs. 1,00,00,000/-
Vishal Malhotra	12	Rs. 1,20,00,000/-
Shalini Malhotra	08	Rs. 80,00,000/-
TOTAL	264	Rs. 26,40,00,000/-

- Unlisted Non-Convertible Redeemable Debentures of Rs. 30 Crores to UNIFI AIF on March 16, 2022, which are secured by first and exclusive charge on specific identified receivables and by corporate guarantee from the Holding Company, OFB Tech Private Limited. (The amount of Rs. 30 Crores is outstanding during the period under review)

- Listed Non-Convertible Redeemable Debentures of Rs. 25 Crores to Bank of India on November 26, 2021, which are secured by first ranking, exclusive & continuing charge on identified receivables of standard nature and by corporate guarantee from the Holding Company, OFB Tech Private Limited (The amount of Rs. 25 Crores is outstanding during the period under review)

- Listed Non-Convertible Redeemable Market Linked Debentures of Rs.35 Crores to Northern Arc Capital limited on September 24, 2021, which are secured by first and exclusive charge on specific identified loan receivables. (The amount of Rs. 35 Crores is outstanding during the period under review)

- Listed Non-Convertible Redeemable Debentures of Rs.48 Crores to AU Small Finance Bank on July 22, 2021 which are secured by first and exclusive charge on specific identified receivables (Redeemed on several dates, the amount of Rs. 24 Crores outstanding during the period under review.)

- Listed Non-Convertible Redeemable Debentures of Rs. 50 Crores to Bank of India on June 29, 2020, which are secured by first and exclusive charge on specific identified Loan receivables and by corporate guarantee from the Holding Company, OFB Tech Private Limited redeemed on April 12, 2021.

- Listed Non-Convertible Redeemable Debentures of Rs. 26 Crores to UNIFI AIF (Series 1, Series 2 and Series 3) on March 13, 2020, which are secured by first and exclusive charge on specific identified Loan receivables and by corporate guarantee from the Holding Company, OFB Tech Private Limited. (Series-1 and Series-2 redeemed on May 13, 2021 and March 11, 2022 respectively, Series-3 amounting to 8 Crores is outstanding as on date)
- Listed Non-Convertible Redeemable Debentures of Rs. 22 Crores to UNIFI AIF (Series 1 and Series 2, of 11 Cr. each) on June 16, 2021, which are secured by first and exclusive charge on specific identified Loan receivables. (The amount outstanding as on date is 22 Crores)
- Unlisted Non-Convertible Redeemable Debentures of Rs.51.9 Crores to Global Access Fund LP on June 28, 2021, which are secured by first and exclusive charge on specific identified Loan receivables and by corporate guarantee from the Holding Company, OFB Tech Private Limited. (The amount of Rs. 51.9 Crores is outstanding during the period under review)
- Unlisted Non-Convertible Redeemable Debentures of Rs. 25 Crores to AK Capital on March 30, 2021, which are secured by first and exclusive charge on specific identified receivables (Redeemed on multiple dates, 1.39 Crores outstanding as on date)
- Unlisted Non-Convertible Redeemable Debentures of Rs. 28.25 Crores to Vivriti India Impact Bond on March 30, 2020, which are secured by first and exclusive charge on specific identified receivables and by corporate guarantee from the Holding Company, OFB Tech Private Limited (The amount of 18.83 Crores outstanding as on date)
- Listed Non-Convertible Redeemable Debentures of Rs. 15 Crores to Vivriti Samarth Bond on December 18, 2020, which are secured by first and exclusive charge on specific identified receivables and by corporate guarantee from the Holding Company, OFB Tech Private Limited (The amount of 15 Crores outstanding as on date)
- Listed Non-Convertible Redeemable Debentures of Rs. 10 Crores to Scient Capital Private Limited on January 24, 2020, which are secured by first and exclusive charge on specific identified receivables and by corporate guarantee from the Holding Company, OFB Tech Private Limited were redeemed on July 28, 2022.
- Listed Non-Convertible Redeemable Debentures of Rs. 25 Crores to Bandhan Bank Limited on June 15, 2020, which are secured by first and exclusive charge on specific identified Book debts and by corporate guarantee from the Holding Company, OFB Tech Private Limited were redeemed on June 29, 2021.
- Listed Non-Convertible Redeemable Debentures of Rs. 10 Crores to Punjab National bank on December 10, 2020, which are secured by first and exclusive charge on specific identified receivables were redeemed on June 30, 2022.
- Listed Non-Convertible Redeemable Debentures of Rs. 60 Crores to Bank of Baroda and Punjab National bank on December 10, 2020, which are secured by first and exclusive charge on specific identified receivables and by corporate guarantee from the Holding Company, OFB Tech Private Limited were redeemed on June 10, 2022.

- Listed Non-Convertible Market Linked Redeemable Debentures of Rs. 17 Crores to IFMR on September 24, 2020 which were secured by first and exclusive charge on specific identified receivables and by corporate guarantee from the Holding Company, OFB Tech Private Limited were redeemed on June 28, 2022.
- Unlisted Non-Convertible Redeemable Debentures of Rs. 10 Crores to IFMR on July 09, 2019 were redeemed on July 22, 2021.
- Unlisted Non-Convertible Redeemable Debentures of Rs. 23 Crores to AU Small Finance Bank on June 24, 2020 were early redeemed on June 24, 2021.

2. Commercial Paper

As on the date of the report no Commercial Paper is outstanding. Following Commercial papers have been redeemed during the period under review and as on date.

- Commercial paper of Units 500 having face value of Rs 5,00,000/-each to NORTHERN ARC MONEY MARKET ALPHA TRUST on August 25 ,2021 (Redeemed at its maturity date i.e. January 24, 2022)
- Commercial Paper of Units 400 having face value of Rs 5,00,000/- each to NORTHERN ARC MONEY MARKET ALPHA TRUST on November 02, 2021. (Redeemed at its maturity date i.e. March 29, 2022)
- Commercial Paper of Units 300 having face value of Rs 5,00,000/- each to NORTHERN ARC MONEY-MARKET ALPHA TRUST on November 02, 2021. (Redeemed at its maturity date i.e. June 29, 2022)
- Commercial Paper of Units 500 having face value of Rs 5,00,000/- each to NORTHERN ARC MONEY MARKET ALPHA TRUST on March 22, 2022. (Redeemed at its maturity date i.e. July 04, 2022)
- Commercial Paper of Units 500 having face value of Rs 5,00,000/- each to NORTHERN ARC MONEY MARKET ALPHA TRUST on March 22, 2022. (Redeemed at its maturity date i.e. June 16, 2022)

Contact Details of Debenture Trustee are as under:

Particulars	Name of Debenture Trustee		
	Catalyst Trusteeship Limited	Axis Trustee Services Limited	IDBI Trusteeship Services Limited
Name of the Contact Person	Mr. Umesh Salvi	Mr. Rajat Gupta	Mr. Munjal.K.G.Dhanani / Ms. Sheetal Mehta
Address	Windsor, 6 th floor, OfficeNo.604, C.S.T Road, Kalina, Santacruz (East) Mumbai-400098	The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai-400 028	Asian Building, Ground Floor, 17. R.Kamani Marg, Ballard Estate, Mumbai – 400001
Email	Suhani.merchant@ctltrustee.com	debenturetrustee@axistrustee.in	itsl@idbitrustee.com
Contact No.	022-49220555	022-62300451	022-40807000

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company, being NBFC engaged in the business of financing Industrial enterprises, is exempted to comply with the provisions of Section 186 except Subsection (1) of Companies Act, 2013 as per Section 186 (11) of Act.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the transactions/contracts/arrangements of the nature as specified in Section 188(1) of the Companies Act, 2013 entered by the Company during the year under review with related party(ies) are in ordinary course of business and on arm's length. The details of such transactions/contracts/arrangements which are material in nature are contained in the **Annexure-I** attached hereto in form AOC-2.

The Company has formulated a Policy on Related Party Transactions and the same is available on Company's website at: www.oxyzo.in.

Salient Feature:

The Policy intends to ensure that proper approval, reporting and disclosure processes are in place for all transactions between the Company and related parties. This Policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All the Related Party Transactions entered during the financial year ended March 31, 2022, in the Ordinary Course of Business and at Arm's Length were reviewed and approved by the Audit Committee. All Related Party Transactions are placed before the Audit Committee for its review on a quarterly basis.

SUBSIDIARY COMPANIES/ JOINT VENTURE/ ASSOCIATE COMPANIES

Your Company is undergoing the growth phase and has undertaken the structuring activities. During the period under review and as on the date of the report the following wholly owned Subsidiary Companies have been formed:

Name of the Entity	Date of Incorporation	Functions Envisaged
OXYZO Finvest Private Limited	18 th July 2022	The Company will be housing the NBFC Business of OXYZO Financial Services Private Limited.
OXY B Securities Private Limited	20 th June 2022	The Company will house the Merchant Banking activities for OXYZO Financial Services Private Limited
OXYZO Investment Manager Private Limited	13 th July 2022	The Company will house the Investment/Fund Manager activities for OXYZO Investment Trust
OXY Ventures Private Limited	26 th April 2022	The company envisages to house the Fintech business activities

Since all above subsidiaries have been incorporated in recent time, hence no such contribution are played by such companies to the overall performance of OXYZO. The Company does not have any joint venture or associate companies during the period under review.

NUMBER OF MEETINGS OF THE BOARD

The Board has met Seventeen (17) times during the period ended on 31 st March 2022 and not more than one hundred and twenty days (120) intervened between two consecutive meetings of the Board.

The List of Board Meeting is as under:

20-04-2021, 24-05-2021, 07-06-2021, 14-06-2021, 16-06-2021, 28-06-2021, 12-07-2021, 22-07-2021, 06-08-2021, 03-09-2021, 08-09-2021, 23-09-2021, 09-11-2021, 29-11-2021, 04-02-2022, 21-03-2022, 24-03-2022.

The attendance of the Directors is as follows:

S. No.	Date of the Meeting	Ruchi kalra	Asish Mohapatra	Vasant Sridhar	Akshat Vikram Pande	Sathyan David	Rohit Kapoor
1	20-Apr-21	Y	Y	Y	N	N	N
2	24-May-21	Y	Y	Y	N	N	N
3	07-June-21	Y	Y	Y	Y	Y	Y
4	14-Jun-21	Y	Y	Y	N	N	N
5	16-Jun-21	Y	Y	Y	N	N	N
6	28-Jun-21	Y	Y	Y	N	N	N
7	12-Jul-21	Y	Y	Y	N	N	N
8	22-Jul-21	Y	Y	Y	N	N	N
9	06-Aug-21	Y	Y	Y	N	N	N
10	03-Sep-21	Y	Y	Y	N	N	N
11	08-Sep-21	Y	Y	Y	Y	Y	N
12	23-Sep-21	Y	Y	Y	N	N	N
13	09-Nov-21	Y	Y	Y	Y	Y	Y
14	29-Nov-21	Y	Y	Y	Y	Y	Y
15	04-Feb-22	Y	Y	Y	Y	Y	Y
16	21-March-22	Y	Y	Y	Y	Y	N
17	24-March-22	Y	Y	N	Y	N	N

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information under Section 134(3)(m) of The Companies Act, 2013 read with the Rule 8(3) of Companies (Accounts) Rules, 2014 for the financial year ended 31 st March 2022

(A) Conservation of Energy

As Company's operations, do not involve any process of manufacture or production, no specific steps could be taken for conservation of energy.

(B) Technology Absorption

A. Research & Development

Company is investing in analytics and artificial intelligence capabilities to

- a) be able to connect to the customer in a hyper-personalised manner.
- b) improve credit decision process.
- c) Company is investing in building algorithms to:
 - i) Identify credit risk more effectively.
 - ii) Analyse repayment behaviors helping in rotation and cross-selling.

B. Technology Absorption, Adaptation & Innovation:

a) Efforts made towards technology Absorption, Adaptation & Innovation at Oxyzo:

1. Use of Lead management system to maintain and manage all the client leads
2. Use of Loan Management System to automate all pre sanction and post sanction business workflows. Essential modules like ALM, risk, hypothecation, lender management, collections etc to aid multiple teams in their operations.
3. Customer website and app where customers can request disbursements, manage ledgers, pay their dues, and manage their profile.
4. Automation of various flows across departments to increase efficiency and controls.
5. Integration with third party software as part of business workflows to enrich information or provide new offerings.

b) Benefits derived as a result of the above efforts:

1. Technology is making business operations and expansion much easier as the cost of administration becomes lower.
2. Reduction in data errors and TAT.
3. reduction in cost of acquiring new segments and servicing existing customers

c) There is no Imported Technology during the period under review.

d) There is no expenditure incurred on Research & Development during the period under review.

(C) Foreign Exchange Earnings and Outgo

Outgo -The company had availed total External Commercial Borrowing (ECBs) of USD 6.5 million in May 2021, for financing prospective borrowers as per the ECB guidelines issued by Reserve Bank of India ("RBI") from time to time. In terms of RBI guidelines, borrowings have been swapped into rupees and fully hedged for the entire maturity by way of cross currency swaps.

The terms and conditions are referred in Audited Financial Statement as note no 18a.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSON

The Board of Directors and Key Managerial Person of the Company as on date of this report comprise as follows:

S. No.	Name	Designation
1	Ruchi Kalra	CFO & WTD (KMP)
2	Vasant Sridhar	Director
3	Asish Mohapatra	Director
4	Rohit Kapoor	Independent Director
5	Sathyan David	Independent Director
6	Praveen Bhambani	Additional Director-Independent
7	Pinki Jha	Company Secretary (KMP)

As per Company Law and Company's Articles of Association none of the directors retire by rotation and none of directors of the Company are disqualified from being appointed as Director of the Company pursuant to Section 164 of the Companies Act, 2013 and this fact has been affirmed by the auditors in their report.

The changes in the Directors and KMP during the period under review and till the date of report is as follows:

S. No.	Name	Designation	Change	Date of Change
1	Akshat Vikram Pande	Independent Director	Resignation	13.05.2022
2	Brij Kishore Kiradoo	Company Secretary (KMP)	Resignation	17.05.2022
3	Pinki Jha	Company Secretary (KMP)	Appointment	26.05.2022
4	Praveen Kumar Bhambani	Additional Director-Independent	Appointment	06.08.2022

STATEMENT ON INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING PROFICIENCY) OF INDEPENDENT DIRECTORS

Integrity, Expertise and Experience:

Mr. Akshat Pande: Akshat is the Founder and Managing Partner of Alpha Partners, a corporate and commercial law firm based in Delhi NCR. Akshat has an experience of 15 years in the field of corporate and commercial law. He completed his law graduation from Delhi University (2005) and post-graduation from University of East Anglia, Norwich, UK (2006). He is also a member of the Institute of Company Secretaries of India (2002). (Though, resigned w.e.f May 13, 2022)

Mr. Rohit Kapoor: Rohit is currently the Chief Executive Officer - Food Market Place at Swiggy. Rohit was previously CEO - India & South East Asia at OYO and Executive Director at MAX Healthcare. Rohit was also a consultant with McKinsey & Company and holds an PGP from Indian School of Business, Hyderabad.

Mr. Sathyan David: Sathyan was previously the Chief General Manager, Department of Non- Banking Supervision, Reserve Bank of India and has designed regulatory frameworks over the entire NBFC sector. In 35 years with RBI, David has served as a member / chair of various committees and was RBI's Nominee Director at Indian Bank and Karur Vysya Bank. Dr David holds a Masters in Economics from the Birla Institute of Technology and Science, Pilani, a Diploma in Risk Management in Banking from INSEAD, Paris and a Doctorate in International Economics from the University of Madras.

Mr. Praveen Kumar Bhambani: Praveen was partner in the Deals Platform of PwC (up to January 2022) and withdrew after a 21-year stint with the firm. In his role at PwC, worked on over 250 engagements of corporate restructuring and reorganization, domestic and cross border M&A, transaction advisory, inbound and outbound structuring, joint venture formation/exit, due diligence/business plan reviews etc. He has served a variety of clients including large multinational and public, private & family-owned companies.

He had also led the Private & Entrepreneurial business for PwC in India, focusing on owner-led, private, family controlled and entrepreneurial companies.

Post PwC, he is now the core member of Ymira Consulting where he is actively involved in strategizing corporate restructuring, transactions and also advise business families, other businesses and their boards as a senior advisor/ mentor.

He owns a Bachelor of Commerce degree from Jiwaji University (1991) and is also a fellow member of the Institute of Chartered Accountants of India (1994).

Proficiency:

In compliance with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014, all the IDs of the Company have registered themselves with the Indian Institute of Corporate Affairs (IICA), Manesar and have included their names in the databank of Independent Directors within the statutory timeline. Mr. Rohit Kapoor and Mr. Sathyan David are covered under exemption to take the Proficiency test, and your Company have received the exemption declaration from both the Directors regarding the same.

Board Committees:

The Board of Directors is in compliance with the requirements of various laws applicable to the Company, as a part of good Corporate Governance practices and for operational convenience, has constituted several committees to deal with specific matters and has delegated powers for different functional areas to different committees.

The Board of Directors has amongst others constituted:

- Audit Committee,
- Asset Liability Management Committee,
- Risk Management Committee,
- Nomination & Remuneration Committee,
- IT Strategy Committee,
- IT Steering Committee,
- Investment Committee
- CSR Committee
- Borrowing and resource
- Management committee
- Operational Committee
- Internal complaint committee

Details with respect to the composition of the Committee as on the date of Report are as follows:

AUDIT COMMITTEE:

S.No	Name of Director	Designation at Company	Designation at Committee Meeting
1	Mr. Rohit Kapoor	Independent Director	Chairman
2	Mr. Sathyan David	Independent Director	Member
3	Ms. Ruchi Kalra	CFO & WTD	Member

NOMINATION AND REMUNERATION COMMITTEE:

S.No	Name of Director	Designation at Company	Designation at Committee Meeting
1	Mr. Rohit Kapoor	Independent Director	Chairman
2	Mr. Sathyan David	Independent Director	Member
3	Mr. Asish Mohapatra	Director	Member

RISK MANAGEMENT COMMITTEE:

S.No	Name of Director	Designation at Company	Designation at Committee Meeting
1	Mr. Sathyan David	Independent Director	Chairman
2	Ms. Ruchi Kalra	CFO & WTD	Member
3	Mr. Asish Mohapatra	Director	Member

ASSETS LIABILITY COMMITTEE:

S.No	Name of Director	Designation at Company	Designation at Committee Meeting
1	Ms. Ruchi Kalra	CFO and WTD	Chairperson

2	Mr. Prashant Roy Sharma	Head - New Initiatives	Member
3	Mr. Vasant Sridhar	Director	Member

IT STEERING COMMITTEE:

S.No	Name of Director	Designation at Company	Designation at Committee Meeting
1	Ms. Ruchi Kalra	WTD & CFO (Business Owner)	Member
2	Mr. Dhruva Shree Agrawal	IT development- CIO and CTO	Member
3	Mr. Asish Mohapatra	Director	Member

IT STRATEGY COMMITTEE:

S.No	Name of Director	Designation at Company	Designation at Committee Meeting
1	Mr. Sathyan David	Independent Director	Chairman
2	Mr. Dhruva Shree Agrawal	CTO & CIO - IT development	Member
3	Mr. Asish Mohapatra	Director	Member

INVESTMENT COMMITTEE:

S.No	Name of Director	Designation at Company	Designation at Committee Meeting
1	Ms. Ruchi Kalra	WTD & CFO	Member
2	Mr. Asish Mohapatra	Director	Member
3	Mr. Prashant Roy Sharma	Head - New Initiatives	Member

CSR COMMITTEE

S.No	Name of Director	Designation at Company	Designation at Committee Meeting
1	Mr. Asish Mohapatra	Director	Member
2	Ms. Ruchi Kalra	WTD & CFO	Member
3	Mr. Rohit Kapoor	Independent Director	Member

POSH COMMITTEE

S.No	Name of Director	Designation at Company	Designation at Committee Meeting
1	Ms. Ruchi Kalra	WTD & CFO	Presiding Officer
2	Ms. Gunjan Bairolia	Member	Internal Member
3	Ms. Ayushi Agarwal	DM- Legal & Secretarial	Internal Member
4	Ms. Tanuja Abburi	NGO Member-Beyond Pinks	External Member

BORROWING AND RESOURCE COMMITTEE

S.No	Name of Director	Designation at Company	Designation at Committee Meeting
1	Ms. Ruchi Kalra	WTD & CFO	Member
2	Mr. Asish Mohapatra	Director	Member
3	Mr. Prashant Roy Sharma	Head - New Initiatives	Member

MANAGEMENT COMMITTEE

S.No	Name of Director	Designation at Company	Designation at Committee Meeting
1	Ms. Ruchi Kalra	WTD & CFO	Member
2	Mr. Asish Mohapatra	Director	Member
3	Mr. Vasant Sridhar	Director	Member
4	Mr. Bhubneshwar Jha	AGM-Finance and Accounts	Member

OPERATIONAL COMMITTEE

S.No	Name of Director	Designation at Company	Designation at Committee Meeting
1	Ms. Ruchi Kalra	WTD & CFO	Member
2	Mr. Asish Mohapatra	Director	Member
3	Mr. Vasant Sridhar	Director	Member

TERM OF REFERENCE OF THE BOARD COMMITTEES:

The term of reference of the Board Committees like Audit Committee, Nomination and remuneration committee, Risk Management committee, ALCO Committee, IT Strategy committee, IT Steering Committee, Investment Committee, CSR Committee etc. are provided in the Corporate Governance Guidelines. The Guidelines are available at the Website of the Company www.oxyzo.in.

Key Managerial Personnel (“KMP”):

During the period under review there were following changes in the KMP of the Company.

The Company Secretary and Compliance Officer, Mr. Brij Kishore Kiradoo resigned w.e.f. 17.05.2022 and Ms. Pinki Jha was appointed as the Company secretary and Compliance Officer w.e.f. 26.05.2022. Following are the KMPs of the Company as on date of this Board's Report:

1	Ms. Ruchi Kalra	- Whole-time Director & Chief Financial Officer
2	Ms. Pinki Jha	- Company Secretary & Compliance Officer

Your Company has adopted a **‘Policy on Selection Criteria/ “Fit & Proper” Person Criteria’** inter-alia setting out parameters to be considered for appointment of Directors and Key Managerial Personnel of the Company

RBI DIRECTIONS

Your Company complies with the direction(s), circular(s), notification(s) and guideline(s) issued by the Reserve Bank of India as applicable to your company as a systemically important non-deposit taking non-banking financial company.

Your Company has complied with the provision of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 with respect to the downstream investments made by it during the year under review and FEMA regulation w.r.t Securities issued to foreign Investors.

The Company continues to fulfill all the norms and standards laid down by RBI pertaining to non-performing assets, capital adequacy, statutory liquidity assets, etc. As against the RBI norm of 15%, the capital adequacy ratio of the Company was 48.38% as on 31 March 2022. In line with the RBI guidelines for Asset Liability Management (ALM) system for NBFCs, the Company has an Asset Liability Management Committee, which meets yearly once to review its ALM risks and opportunities. The Company is in compliance with the NBFC – Corporate Governance (Reserve Bank) Directions, 2015.

TERM OF REFERENCE OF THE BOARD COMMITTEES:

The term of reference of the Board Committees like Audit Committee, Nomination remuneration committee, Risk Management committee, ALCO Committee, IT Strategy committee, IT Steering Committee, Investment Committee, CSR Committee etc. are provided in the Corporate Governance Guidelines. The Guidelines are available at the Website of the Company www.oxyzo.in.

Key Managerial Personnel (“KMP”):

During the period under review there were following changes in the KMP of the Company.

The Company Secretary and Compliance Officer, Mr. Brij Kishore Kiradoo resigned w.e.f. 17.05.2022 and Ms. Pinki Jha was appointed as the Company secretary and Compliance Officer w.e.f. 26.05.2022. Following are the KMPs of the Company as on date of this Board’s Report:

1	Ms. Ruchi Kalra	- Whole-time Director & Chief Financial Officer
2	Ms. Pinki Jha	- Company Secretary & Compliance Officer

Your Company has adopted a ‘**Policy on Selection Criteria/ “Fit & Proper” Person Criteria**’ inter-alia setting out parameters to be considered for appointment of Directors and Key Managerial Personnel of the Company

RBI DIRECTIONS

Your Company complies with the direction(s), circular(s), notification(s) and guideline(s) issued by the Reserve Bank of India as applicable to your company as a systemically important non-deposit taking non-banking financial company.

Your Company has complied with the provision of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 with respect to the downstream investments made by it during the year under review and FEMA regulation w.r.t Securities issued to foreign Investors

The Company continues to fulfill all the norms and standards laid down by RBI pertaining to non-performing assets, capital adequacy, statutory liquidity assets, etc. As against the RBI norm of 15%, the capital adequacy ratio of the Company was 48.38% as on 31 March 2022. In line with the RBI guidelines for Asset Liability Management (ALM) system for NBFCs, the Company has an Asset Liability Management Committee, which meets yearly once to review its ALM risks and opportunities. The Company is in compliance with the NBFC – Corporate Governance (Reserve Bank) Directions, 2015.

COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of Section 118 (10) of the Act, your company is in compliance with Secretarial Standards (SS-1) on Meetings of the Board of Directors and Secretarial Standards (SS-2) on General Meeting specified by the Institute of Company Secretaries of India constituted under Section 3 of the Company Secretaries Act, 1980.

CREDIT RATING(S)

The ICRA Limited (ICRA) and CARE Rating have assigned following ratings to your company during the period under review:

Instrument	Rating Agency	Rating as on March 31, 2022
Non Convertible debentures	ICRA Ltd	ICRA A+
Commercial paper	ICRA Ltd	ICRA A1 +
Bank Lines	ICRA Ltd	ICRA A+
Principal Protected Market Linked Debenture	ICRA Ltd	PP-MLD ICRA A+
Other Instruments	ICRA Ltd	-
Non convertible debentures	ICRA Ltd	-
Bank Lines	CARE	CARE A+
Non convertible debentures	CARE	CARE A+
Bank Lines	CRISIL	CRISIL A/Stable
Principal Protected Market Linked Debenture	CRISIL	CRISIL PP MLD A r /Stable
Non convertible debentures	CRISIL	CRISIL A/Stable

DECLARATION BY INDEPENDENT DIRECTOR

The independent directors have submitted the declaration of independence, as required pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in section 149(6) of the said Act.

PUBLIC DEPOSITS

During the year under review, your company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

REMUNERATION POLICY, DISCLOSURE OF REMUNERATION & PARTICULARS OF EMPLOYEES

The Provision of Section 197 of Companies Act, 2013 and rules thereunder, are not applicable on our Company, being private and unlisted company as per MCA. Also, there is no pecuniary relationship or transactions of the non-executive directors vis-à-vis the company except sitting fees to Independent Director as disclosed note no. 39 of notes to accounts.

The remuneration details in terms of the provisions of Rules 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as part of this report at Annexure-II.

Remuneration Policy's Salient Feature:

The Board of Directors adopted a "Remuneration Policy" inter-alia setting out the directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of Companies Act, 2013.

This Policy on Remuneration was prepared pursuant to Non-Banking Financial Company –Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, Annex XIII and Section 178 of the Companies Act, 2013 and any other applicable provisions (including any statutory modifications or re-enactments thereof, for the time being in force). The policy was approved by the Board of Directors and made effective from 21 August 2019 and reviewed time to time by the Board/ committee. The update policy is placed at Company's website "www.oxyzo.in"

STATUTORY AUDITOR

S.N. Dhawan & Co LLP (Firm Reg. 000050N/N500045)- Deloitte Haskins and Sells, Chartered Accountant (Firm Reg. No.015125N) was appointed as Statutory Auditors of the company by the Members 's consent from

the conclusion of Fourth Annual General Meeting held on December 07, 2020 till the conclusion of the 8th Annual General Meeting with respect to the financial years beginning from April 1, 2020 and ending on March 31, 2024. Post their resignation letter dated 02 September 2021, S.N. Dhawan & Co LLP (Firm Reg. 000050N/N500045) was appointed as Statutory Auditors of the company by the Members 's consent in the AGM dated September 28, 2021 to continue till the conclusion of the AGM to be held for the Financial Year 2022-23.

AUDITORS REPORT

Statutory Auditor Report:

The Statutory Auditor's in their report dated May 26, 2022, on the financial statements of your Company for Financial Year ended have not submitted any reservations, qualifications, adverse remarks.

As stated in note 45 to the financial statements, which describes that the Company has recognised impairment on financial assets to reflect the adverse business impact and uncertainties arising from the COVID 19 pandemic. Such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic. Apart from this, there is no adverse remark from Auditor.

During the year under review, the Statutory Auditors have not reported any instances of fraud in the Company committed by officers or employees of the company to the Audit Committee.

Secretarial Auditor Report:

In terms of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014, **M/s Abhinav Agarwal & Associates, Company Secretaries (FCS-10972, COP-15639)** Company Secretaries has been appointed as Secretarial Auditor of the company for F.Y. 2021-22.

M/s Abhinav Agarwal & Associates, Company Secretaries, Practicing Company Secretary in their report on Secretarial audit of your company for the Financial Year ended March 31, 2022, has submitted the following observations:

i)The Annual Report on Corporate Social Responsibility activities, for FY 2020-21, was not annexed to the Board report / Annual Report for FY 2020-21. However, the same is kept in record with the Company and also available on its website.

Your directors acknowledges the observation and it is hereby affirmed that it was merely an instance of oversight in compilation of Annual Report/Board Report due to clerical error. Going forward the compliance will be ensured.

ii)The Company has obtained post facto approvals for corporate social responsibility expenditure for FY 2021-22.

Your Company acknowledges the observation and will ensure compliance going forward.

iii)Apart from certain irregular / delayed:

- (a) intimations to stock exchange and other stakeholders; and
- (b) NBFC return filings with the Reserve Bank of India,

The Company has generally complied with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable RBI Regulations for an NBFC Company. The Company is further advised to send annual reports to the non-convertible debenture holders in addition to the current practice of sending the same to Debenture Trustees.

Your Company acknowledgess the above observations and is already in the process of standardizing the Compliance function to enhance the overall effectiveness of the process.

Information Technology and General Control (IS Audit):

M/s Aumyaa Consulting Services LLP, an external agency has been appointed as the IT/IS audit of your company for F.Y. 2021-22. The Information System Audit approach relies extensively on automated controls and therefore on the effectiveness of control over the IT System. The IS Auditor in their report on Information Technology and General Control of your company for the Financial Year ended March 31, 2022, identified risk based IT/IS audit scope; and assesses the inherent risk in the processes and activities of IT departments to ensure that appropriate risk management limits, control mechanisms and mitigation strategies are in place. The observations made by the Auditor and the compliances thereof are placed before the Board and Audit Committee for their discussion and actions (The Report will be made available on request).

The Board gives suggestions / recommendations and control directives to mitigate the shortcomings and make the process, procedure, systems and functions more robust, accountable, reliable and compliant.

INTERNAL FINANCIAL CONTROLS

Your Company's well-defined organizational structure, documented policies, defined authority matrix and internal controls ensure the efficiency of operations, compliance with internal systems/policies and applicable laws. The Internal Control system/policies of your company are supplemented with internal audits, regular reviews by management and checks by external auditors. The Audit Committee and the Board of Directors monitor the internal control systems/policies of your company. The Risk Management Committee and/or the Audit Committee periodically review various risk associated with the business of the Company along with the risk mitigants and ensure that they have an integrated view of risks faced by the company. The Board of Directors are of the view that your Company's internal control systems are commensurate with the nature of its business, size and complexity of its operations.

Mr. Sachin Garg- employee of the Company, has been appointed as Internal Auditor of your company on September 08, 2021 for F.Y.2021-22.

The Internal Audit approach relies extensively on internal control, processes & policies laid down by management and the regulations. The Auditor in their report identified internal audit scope and assesses the inherent risk in the processes and activities of all departments to ensure that appropriate control mechanisms and mitigation strategies are in place. The suggestions made by the Auditor and the compliances thereof are placed before the Audit Committee for their discussion and actions.

The Board give suggestions / recommendations and control directives to mitigate the shortcomings and make the process, procedure, systems and functions more robust, accountable, reliable and compliant.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") is mentioned under Annexure B of Independent Auditor's Report

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted a CSR Committee in accordance with Section 135 of the Act. The details of the CSR Policy of the Company, its development and initiatives taken by the Company on CSR during the year as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as **Annexure III** to this Report.

The Company primarily worked through the "**Kartavya Janhit Foundation**" a Not-for-Profit Organisation towards supporting the projects aimed at educating the Children and the activities so undertaken are covered under clause (ii) of Schedule VII of the Act. A detailed report on the CSR activities and expenditure is appended as **Annexure III**

RISK MANAGEMENT FRAMEWORK

Your Company has in place a mechanism to identify, assess, monitor and mitigate various risk associated with the business of the Company. Major risk identified by the business and functions, if any, systematically addressed through mitigating actions on a continuing basis. The Board of Directors have adopted a 'Risk Management Policy' which inter-alia integrates various elements of risk management into a unified enterprise-wide policy.

The Risk Management Committee of the Company has not identified any elements of risk which in their opinion may threaten the existence of your company except as disclosed as note no 45 of notes to account (Page no -30 of Financial statement)

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Your company promotes the ethical behavior and has put in place a mechanism for reporting illegal or unethical behavior. Your company has a "**Vigil Mechanism and Whistle-blower policy**" under which the employees are free to report violations of applicable laws and regulations and the code of conduct. Employees may report their genuine concerns to Ashish Kumar (HR Head). In exceptional case, the vigil mechanism shall provide direct access to the Chairperson of the Audit Committee. During the year under review, no employee accessed HR Head or Audit Committee for the subject matter.

The details of establishment of such mechanism has been disclosed on the website- <https://www.oxyzo.in/whistle-blower-policy>

KEY AWARD AND RECOGNITION

Awards	Month	Year	Reference Link
Oxyzo has entered the unicorn club.	March	2022	https://yourstory.com/2022/03/oxyzo-profitable-women-led-unicorn-ofbusiness-ajmera-group-goldsetu/amp
Oxyzo(Best BFSI Brands 2022 by ET)	March	2022	https://www.youtube.com/watch?v=bgQZFMM9pas
Emerging Startup of 2022 - B2B E- Commerce	May	2022	https://tracxn.com/d/emerging-startups/top-b2b-e-commerce-startups-2022

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Consistent with its core values, your company is committed to create an environment in which all individuals are treated with respect and dignity and to promote a gender sensitive and safe work environment. Accordingly, the Board of Directors adopted a "**POSH Policy**" and also constituted an Internal Complaints Committee, in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Considering the geographic diversification throughout the country and increase in number of employees, the Board of Directors also constituted Regional Internal Complaints Committees for respective regions. During the year under review, no complaints related to sexual harassment were received by the Internal Complaints Committee and the Regional Internal Complaints Committees.

DETAILS OF APPLICATION / ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review only one case has been initiated by your company, the details are :

S. No.	Entity	Court//Fo- rum/	Case No.	Case Type	Borrower Name	Filing Date	LDOH	NDOH	Status
1	OXYZO	NCLT-CHENNAI	CP(IB)/340/2021	NCLT	Saarp Non Woven India Private Limited	23/12/21	26/08/22	12/09/22	26.08.2022: Petitioner submitted the memo to the court and submitted all the payment receipt of Rs. 50 Lakhs Payments, NDOH 12.09.2022.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

There is no one-time settlement during the year under review

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

During the period under review, your company signify following material changes affecting the financial position of the company:

1. Turned into Unicorn:

Your Company, the lending arm of business-to-business (B2B) commerce startup OfBusiness, has raised its first external funding of \$200 million, in what is the largest series-A funding ever for an Indian startup. With a valuation of \$1 billion after the funding, Oxyzo is the latest addition to India's growing list of unicorns. The new financing was co-led by Alpha Wave Global and Tiger Global with participation from Norwest Venture Partners, Matrix Partners and Creation Investments.

2. Employee stock option plan:

Your Company, had framed an Oxyzo Stock Options Plan, 2021 ('ESOP 2021 Plan'), which was duly approved by the Shareholder of the Oxyzo in the Extraordinary General Meeting held on 22 November 2021, created an ESOP pool and further expanded the same in the Extraordinary General Meeting held on 10 March 2022. ESOP 2021 Plan will be administered by Compensation committee and in the absence of such committee Board of Directors of the Oxyzo shall ensure the administration of the ESOP 2021 Plan. The stock options granted are categorized as equity settled and have a graded vesting. The options vest at various dates over the period of one to four year from the date of grant. All vested options not exercised as per exercise period shall lapse. The detail particular are captured as note no 44.2 of Notes to account.

3. Impact of Covid -19

The COVID-19 pandemic resulted in significant volatility in financial markets and a decrease in global and India's economic activities FY 2021 and early FY 2022.

Consequent lockdowns and varying restrictions imposed by the central and various state governments had led to disruptions and dislocations of individuals and businesses.

However, with the gradual lifting of the lock down restrictions during the year, the operations of the Company have returned to normal levels of activity. The Company has been lending actively to its customers.

The overall financial metrics of the Company have improved from the prior year and the Company has made adequate expected credit loss provisions on its loan book in accordance with accounting principles in India, and accordingly, the provision for expected credit loss on financial assets as at 31 March 2022 aggregates ₹ 3,063.13 lakhs (as at 31 March 2021, ₹ 2,372.80 lakhs) which includes potential impact on account of the pandemic amounting to ₹ 200.00 lakhs (as at 31 March 2021, ₹ 399.62 lakhs). However, in view of the dynamic nature of the pandemic, the Company will continue to monitor future events/ developments that may result in an adverse effect on the business and operations of the Company.

Apart from above there have been no material changes and commitments that would affect the financial position of the company in the financial year of the company to which the financial statements related and the date of the director's report.

DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

(a) in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed and no material departures have been made from the same ;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PERFORMANCE EVALUATION

In terms of the provisions of Section 134 of the Companies Act, 2013, Performance appraisal framework was formulated by the Nomination and Remuneration Committee (NRC) and adopted by the Board. NRC has evaluated the performance of the Board as a whole and the Committees of the Board. The Board in consultation with the NRC has evaluated the performance of the Individual Directors (including Independent Directors and Non-Executive Directors). The main criteria on which the evaluations were carried out were the contribution of the Director in the various deliberations and discussions at the Board and its Committee meetings on matters related to strategy, risk, business performance and growth as well as awareness on norms relating to Corporate Governance, disclosure and legal compliances and contribution of new insights and ideas on business management and growth.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

Auditor of a company in the course of the performance of his duties as auditor, has no reason to believe that an offence of fraud involving such amounts as prescribed under the Act , has been committed in the company by its officers or employees, and no such report made to the Central Government.

Further, to apprise you that there is no such matter on which auditors have reported frauds to the audit committee or the Board but not reported to the Central Government.

SIGNIFICANT AND MATERIAL ORDER PASSED BY REGULATOR

RBI Inspection was carried out in the Company premises from February 28, 2022, to March 04, 2022, with reference to the financial position of the company as on March 31, 2021. The physical Inspection was followed by

an Inspection Report, Risk Assessment Report along with annexures, issued on April 8, 2022. The Company has duly submitted a point wise reply of the concerns raised by RBI.

The submission made by the Company was duly taken on record by RBI with the direction to implement the Risk Mitigation Plan. Pursuant to RBI direction, the company got the required policies approved from the Board and other necessary action as required by regulator.

Further, your company has complied with the relevant byelaws/regulation/circular/notices/guidelines as may be issued by the Regulatory Authority from time to time.

COST RECORDS

For the purposes of sub-section (1) of section 148 of the Act. The Company is neither engaged in the production of the goods or providing services as specified in the Act and nor having an overall turnover from all its products and services of rupees thirty-five crore or more during the immediately preceding financial year, hence Company is not required to include cost records for any product or services in their books of account.

DETAILS OF MONEY ACCEPTED FROM DIRECTOR

During the period under review the Company has not accepted money in the form of unsecured loan from the director or relative of the director of the Company.

REVENUE RECOGNITION

During the year under review there were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

COMPLIANCE WITH CODE OF CONDUCT

All Board members and Senior Management Personnel have affirmed their compliance with the Company's Code of Conduct for Financial Year 2022. A declaration to this effect signed by the CFO & WTD is included in this Annual Report.

ACKNOWLEDGEMENTS

The Directors take this opportunity to express their appreciation to all stakeholders of the Company including the Reserve Bank of India, the Ministry of Corporate Affairs, the Securities Exchange Board of India, the Government of India and other Regulatory Authorities, the BSE Limited, the Depositories, Bankers, Financial Institutions We thank our customers, business associates for their continued support during the financial year. We also place on record our sincere appreciation for the enthusiasm and commitment of Company's employees for the growth of the Company and look forward to their continued involvement and support.

For and on behalf of Board of Directors
OXYZO Financial Services Private Limited

SD/- Ruchi Kalra	SD/- Asish Mohapatra
CFO and WTD	Director
DIN:03103474	DIN : 06666246
Add: Shop No. G-22 C (UGF) D-1 (K-84) Green Park, Main New Delhi, South Delhi -110016	Add: Shop No. G-22 C (UGF) D-1 (K-84) Green Park, Main New Delhi, South Delhi -110016
Dated : 19 September, 2022	
Place : Gurgaon, Haryana	

ANNEXURE I

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis and in ordinary course of business

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any	Amount paid as advances, if any
OFB Tech-Private Limited (Holding Company)	1. Inter company Loan Agreement with OFB 2. Technical Support Agreement with OFB 3. Common Sharing Agreement with OFB	Effective from November 01, 2017 and shall remain in full force and effect until it is terminated in accordance with the terms of Agreement.	1. Working Capital Loan repayable on demand. 2. Information Technology Services to OXYZO 3. a) Shared Services: The OXYZO Financial Services Private Limited shall use the following facilities on a cost to cost basis: - Office space and its maintenance; - Electricity; -Telecommunication etc.	To share general nature of activities between company	27-03-2018	NA

OFB Manufacturing Business Private Limited (Fellow Subsidiary)	1. Loan given 2. Common expenses sharing basis on actual cost as per TP study	1. Sanction letter dated 13-12-2021 (30 months Term Loan). 2. shall remain in full force and effect until it is terminated	1. Loan given as part of Ordinary course of Business. 2. Shared Services: The OXYZO Financial Services Private Limited and OFB Manufacturing shares few common expenses (refer note 39 of Financial)		Since, the related party transactions are in ordinary course of business and are at arm's length basis, approval of the Board is not applicable. However, necessary approvals were granted by the Audit Committee	Loan given 224 lakhs (repaid 11.62 lakhs).
Oagri Farm Private Limited (Fellow Subsidiary)	Common expenses sharing basis on actual cost as per TP study	shall remain in full force and effect until it is terminated	Shared Services: The OXYZO Financial Services Private Limited and Oagri farm few common expenses (refer note 39 of Financial)			NA
Samruddhi Organic Farm (India) Pvt. Ltd. (Fellow Subsidiary w.e.f 08/11/2021)	Master Facility agreement -Bill Discounting facility	12 months	Sale Invoice Discounting	For Sale invoice discounting	Since, the related party transactions are in ordinary course of business and are at arm's length basis, approval of the Board is not applicable. However, necessary approvals were granted by the Audit Committee	NA
E-Mox Manufacturing Private Limited	Master Facility Agreement – Semi secured purchase financing	12 month, enhanced time to time	Purchase Financing	For Purchase Financing	Same as above point	NA

Value of Transaction:	(Amount in Lakhs)n
Nature of Transaction	Value as at 31-03-2022 (INR)
Common Sharing Agreement (Including Technical Support) with OFB Tech Private Limited	Rs.2301.02/-
Inter Company Loan Agreement with OFB Tech Private Limited	Rs.107,189.27/-
Issue of Share Capital to OFB Tech Private Limited	Rs. 8,056.99/-
Guarantee given to lenders by holding Company on behalf of the company	Rs.43,403.72/-
Transaction with Ofcons Projects and Services Private Limited (Fellow Subsidiary)	Rs.1,279.80/-
Transaction with Oagri Farm Private Limited (Fellow Subsidiary)	Rs. 196.83/-
Samruddhi Organic Farm (India) Private Limited (Fellow Subsidiary)	Rs. 1081.81/-
E-Mox Manufacturing Private Limited (Fellow Subsidiary)	Rs. 292.51/-

For OXYZO Financial Services Private Limited

SD/- Ruchi Kalra	SD/- Asish Mohapatra
CFO and WTD	Director
DIN:03103474	DIN : 06666246
Add: Shop No. G-22 C (UGF) D-1 (K-84) Green Park, Main New Delhi, South Delhi -110016	Add: Shop No. G-22 C (UGF) D-1 (K-84) Green Park, Main New Delhi, South Delhi -110016
Dated : 19 September, 2022	
Place : Gurugram	

Annexure II

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF [THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

The Company being an Unlisted Company (debt listed) is exempted as per the Companies (Amendment) Act, 2020, Notification dated 28th September, 2020, Amendment Effective from 22nd January 2021, issued by the Ministry of Corporate Affairs, Govt. of India, to furnish information as required under Section 197 of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

In terms of the provisions of Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the name of the top ten employees in term of remuneration drawn as set out in the said Rules are to be shared with members, If any, member is interested in obtaining a copy thereof, such member may write to compliance@oxyzo.in

Further, the name of every employee, who-

(i) If employed throughout the financial year ended on March 31, 2022, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees: **NA**

(ii) If employed for a part of the financial year ended on March 31, 2022, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month: **NA**

(iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: **NA**

(iv) the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above; **NA**

(v) whether any such employee is a relative of any director or manager of the company: **No**

For OXYZO Financial Services Private Limited

SD/- Ruchi Kalra	SD/- Asish Mohapatra
CFO and WTD	Director
DIN:03103474	DIN : 06666246
Add: Shop No. G-22 C (UGF) D-1 (K-84) Green Park, Main New Delhi, South Delhi -110016	Add: Shop No. G-22 C (UGF) D-1 (K-84) Green Park, Main New Delhi, South Delhi -110016
Dated : 19 September 2022	
Place : Gurugram	

Annexure-III

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2021-22

1. Brief outline on CSR Policy of the Company.

- The Company's CSR mission is to contribute to the social and economic development of the community through a series of interventions in the area of Health, Education, Environment, Poverty etc.
- The Company's strategy is to integrate its activities in community development, social responsibility and environmental responsibility and encourage each business unit or function to include these considerations into its operations.

2. Composition of CSR Committee*:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Asish Mohapatra	Director	1	1
2.	Ruchi Kalra	CFO & WTD	1	1
3.	Akshat Vikram Pande	Director	1	1

*Though, composition has been changed in May 2022 as following-

Corporate Social Responsibility Committee reconstitution –

1. Mr. Asish Mohapatra
2. Mr. Rohit Kapoor
3. Ms. Ruchi Kalra

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website(www.oxyzo.in) of the company.

CSR Committee: <https://www.oxyzo.in/about-us/team/company-committees>

CSR Policy: <https://www.oxyzo.in/policy/disclaimer>

CSR projects approved (Annual Action plan): <https://www.oxyzo.in/investor-relation/financial-reports>

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1.	2020-2021	5500.87	NIL
	TOTAL	5500.87	NIL

6. Average net profit of the company as per section 135(5). INR 29,59,93,596/-

- a. Two percent of average net profit of the company as per section 135(5): **INR 59,19,871/-**
- b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years. **NIL**
- c. Amount required to be set off for the financial year, if any: **NIL**
- d. Total CSR obligation for the financial year (7a+7b-7c). **INR 59,19,871/-**

e. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year.(In Rs.)	Amount Unspent (in Rs.) : NIL				
	Total Amount transferred to unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
60,00,000/-	NIL	NA	NA	NIL	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: **NA**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Project Duration	Amount allocated for the Project.	Amount spent in the Current Financial Year (in Rs.)	Amount Transferred to unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing
				State Dist.						Name. CSR Reg. No.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing
				State District			Name. CSR Reg. No.
1	To promote Children education	(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	Delhi Delhi	60,00,000	No	Kar-tavya Janhit Foundation CSR00006674
	TOTAL				60,00,000		

(d) Amount spent in Administrative Overheads: **NA**

(e) Amount spent on Impact Assessment, if applicable: **NA**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **INR 60,00,000/-**

(g) Excess amount for set off, if any: NIL

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	59,19,871
(ii)	Total amount spent for the Financial Year	60,00,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	80,129
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	80,129

(h) Details of Unspent CSR amount for the preceding three financial years: **NIL**

S. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration,	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s) :NA

(b) Amount of CSR spent for creation or acquisition of capital asset.: NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) :NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) :NA

SD/- Ruchi Kalra	
CFO and WTD	
DIN:03103474	
Dated : 19 September, 2022	
Place : Gurugram	

Details of Debenture Trustee

PURSUANT TO REGULATION 53 (E) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

S.No.	Details of Debenture Trustee
1.	Catalyst Trusteeship Limited Office No.-83-87, 8th Floor, Mittal Tower, B Wing, Nariman Point, Mumbai, Maharashtra-400021 Tel: 022-49220506 Fax: 022-49220505 Email id: deeshatrivedi@ctltrustee.com
2.	Axis Trustee Services Limited Registered office: The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai-400 028 Tel : 022-62300451 Email: debenturetrustee@axistrustee.in
3.	IDBI Trusteeship Services Limited Address- Asian Building, Ground Floor, 17. R. Kamani Marg, Ballard Estate, Mumbai – 400001 Contact Person: Deepak Avasthi Tel.: 022 40807000 Email: itsl@idbitrustee.com

For and on behalf of Board of Directors
OXYZO Financial Services Private Limited

SD/-
Ruchi Kalra
CFO and WTD
DIN:03103474
Add: Shop No. G-22 C (UGF) D-1 (K-84)
Green Park, Main New Delhi, South Delhi -110016

SD/-
Asish Mohapatra
Director
DIN : 06666246
Add: Shop No. G-22 C (UGF) D-1 (K-84)
Green Park, Main New Delhi, South Delhi -110016

Dated : 19 September 2022

Place : Gurugram

Related Party Disclosure

PURSUANT TO REGULATION 53 (F) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND ANNEX XIV OF RBI MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON- DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016

1. The Company is in compliance with the Accounting Standard on "Related Party Disclosures"- Disclosure as required by Ind AS -24 on "Related Party Disclosure" notified under the companies (Indian Accounting Standard) Rules, 2015: **Please refer note no. 39 of Note to Account of Annual Accounts.**

2. A. The disclosure requirements are as follows:

Sr. no.	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.
1.	Holding Company	<ul style="list-style-type: none">Loans and advances in the nature of loans to subsidiaries by name and amount. - NALoans and advances in the nature of loans to associates by name and amount- NALoans and advances in the nature of loans to firms/companies in which directors are interested by name and amount. -NA
2.	Subsidiary	Same disclosures as applicable to the parent company in the accounts of subsidiary company. -NA
3.	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan- NA

B. Disclosures of transactions of OXYZO Financial Services Private Limited with **OFB Tech Private Limited**, holding more than 10 % in OXYZO Financial Services Pvt. Ltd: **Please refer note no. 39 of Note to Account of Annual Accounts or Annexure – I (AOC-2) of Board report.**

**For and on behalf of Board of Directors
OXYZO Financial Services Private Limited**

SD/-

Ruchi Kalra

CFO and WTD

DIN:03103474

**Add: Shop No. G-22 C (UGF) D-1 (K-84)
Green Park, Main New Delhi, South Delhi -110016**

SD/-

Asish Mohapatra

Director

DIN : 06666246

**Add: Shop No. G-22 C (UGF) D-1 (K-84)
Green Park, Main New Delhi, South Delhi -110016**

Dated : 19 September 2022

Place : Gurugram

Declaration by Management

Declaration by the Management under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding compliance with Code of Conduct.

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended time to time and other law for the time being in force, I Ruchi Kalra, CFO and WTD of the Company, hereby confirm on behalf of the Company that all Board Members and Senior Management Personnel of the Company have adhered with the Code of Conduct as applicable to them for the Financial Year ended March 31, 2022.

**By order of the Board of Director
For OXYZO Financial Services Private Limited**

**SD/-
Ruchi Kalra
CFO and WTD
DIN: 03103474**


**Dated : 19 September 2022
Place: Gurugram**

Corporate Governance Report


I. Company's Philosophy on Corporate Governance

OXYZO Financial Services Private Limited (hereinafter referred to as 'OXYZO' or 'Company'), believes that Corporate Governance is an essential element of business, which helps the Company to fulfil its responsibilities to all its stakeholders. OXYZO is committed to adopting global best practices in Governance and Disclosure. OXYZO believes that highest standards of Corporate Governance are essential to enhance long term value of the Company for its stakeholders and practice the same at all levels of the organization. Ethical business conduct, integrity and commitment to values, which enhance and retain stakeholders' trust are the traits of your Company's Corporate Governance. Good Governance practices stem from the culture and mindset of the organization. Your Company considers fair and transparent Corporate Governance as one of its core management tenets. Your Company follows the best governance practices with highest integrity, transparency and accountability.


Salient features of OXYZO's Corporate Governance Philosophy




Act in the spirit of law
and not just the letter
of law



Do what is right and
not what is convenient



Provide complete
transparency on our
operations



Follow openness in
our communication to
all our stakeholders

The Corporate Governance Structure of OXYZO can be described through three layers namely:

- Shareholders appoint Board of Directors and entrust them necessary powers;
- Board leads strategic management and appoints various Committees to handle specific areas of responsibilities;
- The Executive Management and the Committees take up specific responsibilities and day to day affairs as set by the Board.

OXYZO's Values

OXYZO strongly believes in integrity and transparency in its operations and stakeholders' communication. All employees are expected to adhere to the highest standards of integrity. Employees are guided by the values of collaborative spirit, unrelenting dedication and expert thinking. These values are core to all our operations.

II. The Board of Directors (The Board)

The Board of Directors and its Committees, provide leadership and guidance to the Company's Management while discharging its fiduciary responsibilities, directs as well as review business objectives, management strategic plans and monitor the performance of the Company.

The Company has a professional Board with the right mix of knowledge, skills and expertise in diverse areas with an optimum combination of Executive and Non-Executive Directors including Independent Directors. Besides having financial literacy, vast experience, leadership qualities and the ability to think strategically, the Directors are committed to ensure highest standards of corporate governance.

(a) Composition

As on March 31, 2022, The Board comprised of Six (6) Directors consisting of two Executive, one Non-Executive and Three Non-Executive and Independent Directors. The composition of the Board was in accordance with Companies Act, 2013. Number of Directorships held by Executive, Non-Executive and Independent Directors are within the permissible limits under Companies Act, 2013 & as per RBI Directions.

(b) Attendance of Board Meetings and Second Annual General Meeting (AGM)

The Attendance Record of the Directors at the Board Meetings (Financial Year 2021-22) and at the Fifth AGM are as follows:

Name of Director	*Attendance at Board Meeting (Number of Total Board Meeting is 17)	Attendance at Fifth AGM (Yes / No)
Ruchi Kalra	17	Yes
Vasant Sridhar	16	Yes
Asish Mohapatra	17	Yes
Rohit Kapoor	04	No
Akshat Vikram Pande	07	No
Sathyan David	06	No

*Meetings attended includes attendance through audio visual means/video conferencing.

(c) Number of Directorship / Committee position of Director as on March 31, 2022

Name of Director	Directorship			Committee positions in listed and unlisted public limited companies	
	In Listed Company	In unlisted Public Company	In Private Company (Excluding OXYZO)	As Member	As Chairman
Ruchi Kalra	Nil	Nil	2	NA	NA
Asish Mohapatra	Nil	Nil	7	NA	NA
Vasant Sridhar	Nil	Nil	2	NA	NA
Akshat Vikram Pande	Nil	Nil	NIL	NA	NA
Rohit Kapoor	Nil	Nil	NIL	NA	NA
Sathyan David	Nil	Nil	2	NA	NA

(d) Number of Board Meeting held

The Board has met Seventeen (17) times during the period ended on 31st March 2022. The necessary quorum was present for all the Board Meetings. The maximum interval between any two Board Meetings was well within the maximum allowed gap of one hundred and twenty days. After each Board Meeting, your Company has a well-articulated system of follow up, review and reporting on actions taken by the Management on the decisions of the Board.

The List of Board Meeting is as detailed under Director's Report

(e) Relationship between Director inter-se;

The Board Members are not related to each other Except Mr. Asish Mohapatra and Ms. Ruchi Kalra are Husband and wife.

(f) Number of Shares and Non-convertible Instrument held by Non- Executive Director

No shares or Non-convertible Instruments are held by the Non-Executive Director

(g) Familiarization Programme for Independent Directors

Your Company is a debt Listed Company, hence Regulation 25 (7) of Securities and Exchange Board of India

(Listing Obligations and Disclosure Requirements) Regulations, 2015, is not applicable on your Company.

(h) Chart/Matrix relating to skills /expertise /competence of the Board Directors

Skill Areas	Ruchi Kalra	Asish Mohapatra	Vasant Sridhar	Akshat Vikram Pande	Rohit Kapoor	Sathyan David
Leadership qualities	✓	✓	✓	✓	✓	✓
Business & Strategic planning	✓	✓	✓	✓	✓	✓
Industry & Knowledge and experience	✓	✓	✓	✓	✓	✓
Governance, Compliance and Audit purview	✓	✓	✓	✓	✓	✓
Information Technology	✓	✓	✓		✓	✓
Risk Management	✓	✓	✓	✓	✓	✓

(i) Independent Directors

Independent Director is a Non-Executive Director, who fulfils the criteria as laid down under Listing Regulations and Companies Act, 2013, including any amendments thereto. The Company has issued formal letter of appointment to its Independent Directors. The brief profile of Independent Director is posted on Website of the Company i.e www.oxyzo.in. The Independent Director is not related to the Management of the Company in any aspect.

The appointment of Independent Directors is in accordance with the Companies Act, 2013 and RBI Master Director on Non – Deposit taking NBFC or other applicable law for the time being in force.

Declaration of independence The Company has received necessary declaration and confirmation from each of the Independent Directors confirming that they meet the criteria of independence as prescribed under the Act. Independent Directors have confirmed that they have registered their names in the Independent Directors' Databank. In the opinion of the Board, the Independent Directors continue to fulfil the criteria prescribed for an independent director as stipulated as per Section 149(6) of the Act and are independent of the management of the Company.

(j) No Resignation of Independent Director occurred during the Financial Year.

Mr. Akshat Vikram Pande resigned from the company w.e.f. 13.05.2022 and Mr. Praveen Kumar Bhambani was appointed on 06.08.2022 as Independent Director.

Committees of the Board

Your Company has duly constituted Board level Committees as per Companies Act, 2013, RBI Master Direction & SEBI Listing Regulation as applicable, all decisions pertaining to the constitution of Committees, appointment of members and terms of reference for Committee members are taken by the Board of Directors. Details pertaining to the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

Following are the committees of the board with their scope and composition:

Name of the Committee	Composition	SCOPE
Audit Committee	<ol style="list-style-type: none"> 1. Ruchi Kalra, Member 2. Sathyan David, Member 3. Rohit Kapoor, Chairman 	<ol style="list-style-type: none"> 1. Every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include, — <ol style="list-style-type: none"> (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the company; (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process; (iii) examination of the financial statement and the auditors' report thereon; (iv) approval or any subsequent modification of transactions of the company with related parties; Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed; (v) scrutiny of inter-corporate loans and investments; (vi) valuation of undertakings or assets of the company, wherever it is necessary; (vii) evaluation of internal financial controls and risk management systems; (viii) monitoring the end use of funds raised through public offers and related matters. 2. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company. 3. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) of section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company. 4. The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote. 5. Audit committee shall oversee the vigil mechanism, if exist , through the committee and if any of the members of the committee have a conflict of interest in a given case, they should recuse themselves and the others on the committee would deal with the matter on hand. 6. The Audit Committee must ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the applicable NBFCs. 7. Any other functions as Board/Management may decide time to time as per regulatory requirement
Nomination and Remuneration Committee	<ol style="list-style-type: none"> 1. Rohi Kapoor, chairman 2. Sathyan David, Member 3. Asish Mohapatra, Member 	<ol style="list-style-type: none"> 1. To ensure 'fit and proper' status of proposed/ existing directors. 2. The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. 3. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. 4. The Nomination and Remuneration Committee shall, while formulating the policy under sub-section (3) ensure that— <ol style="list-style-type: none"> (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully; (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals. 5. Any other function as Board/Management may decide time to time as per regulatory requirement

Risk Management Committee	1. Sathyan David, Chairman 2. Ruchi Kalra, Member 3. Asish Mohapatra, Member	1.To manage the integrated risk. 2. The Board of directors shall define the role and responsibility of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the committee and such other functions as it may deem fit [such function shall specifically cover cyber security].
Assets Liability Committee	1. Ruchi Kalra, Chairperson 2. Prashant Roy Sharma, Member 3. Vasant Sridhar, Member	1. Liquidity risk management 2. Management of market risks 3. Funding and capital planning 4. Profit planning and growth projection 5. Forecasting and analysing 'What if scenario' and preparation of contingency plans 6. Any other functions as Board/ Management may decide time to time as per regulatory requirement.
IT Strategy Committee	1. Sathyan David- Chairman 2. Dhruva Shree Agrawal- CTO and CIO, Member 3. Asish Mohapatra- Member	1.Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place; 2. Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business; 3.Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable; 4.Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources; 5. Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls. 6. Any other functions as Board/ Management may decide time to time as per regulatory requirement.
IT Steering Committee	1. Ruchi Kalra- Business owner, Member 2. Dhruva Shree Agrawal- Development Team, Member 3. Asish Mohapatra- Member	1.To provide oversight and monitoring of the progress of the project, including deliverables to be realized at each phase of the project and milestones to be reached according to the project timetable. 2.Any other functions as Management may decide time to time as per regulatory requirement.
Corporate Social Responsibility Committee	1. Mr. Asish Mohapatra 2. Mr. Rohit Kapoor 3. Ms. Ruchi Kalra	1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the company as per the Companies Act, 2013 2. To review and recommend the amount of expenditure to be incurred on the CSR related activities to be undertaken by the company 3. To institute a transparent monitoring mechanism for the implementation of the CSR projects, programs and activities undertaken by the Company from time to time 4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time

Following are the attendance of members in the committees of the board during the year:

Name of the Committee	Ruchi Kalra	Asish Mohapatra	Vasant Sridhar	Akshat Vikram Pande	Sathyan David	Rohit Kapoor	Dhruva Shree Agarwal
Audit Committee	5/5	5/5	NA	5/5	5/5	4/5	NA
Nomination and Remuneration Committee	NA	1/1	1/1	1/1	NA	1/1	NA
Risk Management Committee	2/2	2/2	NA	2/2	2/2	NA	NA

Assets Liability Committee	1/1	NA	1/1	1/1	NA	NA	NA
IT Strategy Committee	NA	2/2	NA	NA	2/2	NA	2/2
IT Steering Committee	1/1	1/1	NA	NA	NA	NA	1/1
Corporate Social Responsibility Committee	1/1	1/1	NA	1/1	NA	NA	NA

Performance Evaluation Criteria for the Independent Directors:

The performance of the independent directors was done by the entire Board excluding the director to be evaluated and the continuance or extension of the independent director was determined by the performance evaluation report.

The performance evaluation criteria for Independent Directors is based on various factors which includes participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgment.

(V) Remuneration paid to Directors

Remuneration by way of Sitting Fees to Independent Directors are in accordance with the Appointment letter and Terms and conditions mentioned thereunder.

Remuneration to Independent Directors and Non-Executive Directors, is fixed by the Board based on (i) the contribution they make to the decision making at the Board level and (ii) Industry standards/practice. No stock options have been granted to any Non- Executive and/or Independent Directors during the Financial Year 2021-22.

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive and/or Independent Directors apart from the remuneration and the transactions under the Related Party Transactions, as disclosed in the financial statements.

The details of the remuneration paid to Ms. Ruchi Kalra, CFO & WTD and Mr. Vasant Sridhar, Executive Director of the Company for the financial year ended March 31, 2022 are given below:

Particulars	Ruchi Kalra	Vasant Sridhar
Salary*	24,07,911	3,99,20,497
Period of Contract	Till notice	Till notice
Notice Period and Severance Fees	3 Months by company and 6 months by employee	3 Months by company and 6 months by employee
Employee Stock Options ("ESOP")	Nil	3,68,53,972

* Salary includes basic salary, perquisites and allowances, payment and expenses incurred on perquisites.

The sitting fees paid to the Non-Executive Directors is as follows:

Name of the Director	Sitting Fees Paid (in Lakhs)
Sathyan David	5.25
Akshat Vikram Pande	1.75
Rohit Kapoor	1.00
Asish Mohapatra	NIL

(VI) Stakeholder Grievance

Your Company has Investor Grievance Redressal mechanism, headed by Ms. Pinki Jha, Company Secretary & Compliance Officer.

Details of Investor/debenture holder Complaints for the FY 21-22:

No. of complaints received	NIL
No. of complaints not solved	NIL
No. of pending complaints at the end of the year	NIL

(VII) General Body Meeting

Annual General Meeting

Year	Date	Location	Time	Special Resolution Matter
2020-2021 (5th)	September 28, 2021	Shop No. G-22C (UGF) D-1 (K-84) Green Park Main, New Delhi-110016	10:00 A.M.	No such Business
2019-2020 (4th)	December 07, 2020	Shop No. G-22C (UGF) D-1 (K-84) Green Park Main, New Delhi-110016	10:00 A.M.	No such Business
2018-2019 (3rd)	September 30, 2019	Shop No. G-22C (UGF) D-1 (K-84) Green Park Main, New Delhi-110016	12:00 Noon	No such Business

* No meeting is conducted through Postal Ballot.

(VIII) Means of Communication

A separate dedicated section 'Investors' is maintained on the website of the Company for ease of the shareholders. The information required to be disseminated by the Company in terms SEBI Listing Regulations are uploaded on the website of the Company.

Quarterly, half-yearly, annual financial results & Annual Report are intimated to the BSE Limited. The Financial Results & Annual Report are also uploaded on the website of the Company. The Financial Results are generally published in leading business newspaper, namely, Financial Express (English) and simultaneously posted on the website of the Company.

(IX) General Shareholders' Information

Sixth Annual General Meeting

Day, Time and Date	Venue
September 26, 2022 (Monday) at 12:00 Noon (IST)	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

Financial Year: April 1, 2021 to March 31, 2022

Details of Dividend for the Financial Year 2021-22:

Your Directors have not declared any dividend for the FY 2021-2022

Listing on Stock Exchange:

The non-convertible securities of the Company are listed on the debt market segment of BSE Limited.

Name of Stock Exchange	Address
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001

Annual listing fees, as prescribed, have been paid to the said stock exchanges up to March 31, 2022.

Market Price Data: High, Low during each month in the Financial Year 2021-22

Not Applicable

Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc:

Not Applicable

Security Suspended

No such event is occurred during the period under review.

Registrar and Share Transfer Agent

All work related to Share Registry, both in physical form and electronic form, are handled by the Company's Registrar and Share Transfer Agent, KFin Technologies Limited The communication address of the Registrar and Share Transfer Agent is given hereunder:

KFin Technologies Limited

Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana India - 500 032

Share transfer system

KFin Technologies Limited is the common Share Transfer Agent for both physical and dematerialised mode. Transfer of shares in electronic form are processed and approved by National Securities Depository Limited ("NSDL") / Central Depository Services (India) Limited ("CDSL") through their Depository Participant without the involvement of the Company. Transfer of shares in physical form are registered and transferred to the respective transferees within the prescribed time as per the Listing Regulations/ Companies Act, 2013, after the confirmation from Registrar and Share Transfer Agent on the completeness of documentation.

Distribution of Shareholding as on March 31, 2022

S No	Category	Shareholding	
		No. of shares held	% of shareholding
A	Promoters' holding		
	Indian:		
1	Ruchi Kalra	20	0.00%
2	OFB Tech Private Limited	5,14,77,159	80.91%
	Sub Total (A)	5,14,77,179	80.91%
B	Non-Promoters' holding		
	Other Individual Investors	-	-
	Body Corporate:		
1	Indian Companies	-	-
2	Foreign Companies:	75,58,370	11.88%

	Sub Total (B)	75,58,370	11.88%
C	Non-Promoter and Non-Public Holdings	-	-
1	ESOP	45,86,348	7.21%
	Sub Total (C)	45,86,348	7.21%
	GRAND TOTAL(A+B+C)	6,36,21,897	100%

Dematerialization of Shares and Liquidity

Your Company's shares are admitted into both the Depositories i.e. NSDL and CDSL by the Company's Registrar and Share Transfer Agent, all the shares are in Demat Form.

Shares held in Physical Form

The Company does not have shares in the Physical Form

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

There are no outstanding GDRs / ADRs / Warrants / of the Company and hence, the same is not applicable to the Company.

However, the Company has issued Convertible Securities in the form of OCPRS/CCPS & the relevant details disclosed in the Director Report.

Commodity price risk or foreign exchange risk and hedging activities

Commodity price risk or foreign exchange risk and hedging activities as detailed in the Board Report.

Plant Locations of the Company

Not Applicable

Address for Correspondence

Shareholders can also send their correspondence to the Company with respect to their shares, dividend, request for annual reports and other grievances. The contact details are provided below:

Name of the officer	Ms. Pinki Jha
Designation	Company Secretary and Head Compliance
Postal address	6th Floor, Tower A, Global Business Park, M.G. Road, Gurugram-122001
Telephone Number	01140507973
Mobile Number	0124-4006603
Email ID	compliance@oxyzo.in

Credit Rating: The credit rating details are disclosed in the Directors Report forming part of this Annual Report.

(X) Other Disclosures

Whistle Blower Policy /Vigil Mechanism

The Company has in place a Whistle Blower Policy ('Policy') and has established the necessary vigil mecha-

nism for Directors and employees in confirmation with Section 177(9) of the Companies Act, to report concerns about unethical behavior.

The Policy provides a neutral and unbiased forum for any Director or employees of the Company to voice concerns in a responsible and effective manner, if they discover information, which they believe shows mal-practice, impropriety, abuse or violation of code of conduct, without fear of reprisal. The Policy is disclosed on Company's website at www.oxyzo.in.

The Audit Committee reviews the functioning of the Policy and ombudsman process. During the year, no Director or full-time employee of the Company was denied access to the Chairperson of the Audit Committee.

Disclosure of Related Party Transactions and weblink

Your Company has formulated a policy on materiality of related party transactions and on dealing with related party transactions in accordance with Companies Act, 2013 and Listing Regulations/ RBI Master Direction. During the Financial Year 2021-22, there were no materially significant related party transactions that may have potential conflict of interests of the Company at large. Related Party disclosures have been disclosed in Note 39 to the Standalone Financial Statements forming an integral part of the Annual Report.

The Policy disclosed on the website of the Company at www.oxyzo.in

Disclosure on Accounting treatment in preparation of Financial Statements

The Company has prepared financial statements in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable.

Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

No penalty or stricture was imposed by the Stock Exchanges or SEBI or any other authority, during the last 3 (three) years (including 2021-2022).

Details of compliance with mandatory and adoption of non-mandatory requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations as applicable to the Company being a Debt Listed Company. & the discretionary requirements is not applicable on the Company.

Reporting of Internal Auditor – The Internal auditor reports directly to the Audit Committee.

Audit Qualifications – The Company has unqualified financial statements. The Auditors of the Company, have issued Audit Reports with unmodified opinion on the standalone for the year ended March 31, 2022.

Disclosure of Subsidiaries

Your Company does not have any material subsidiary. as on March 31, 2022

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

Not Applicable.

Cases where board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year.

There has been no instance during the period under review where the Board has not accepted the recommendations of any mandatory committee.

Statutory Audit Fees

Payment to Auditor	OXYZO (in Lakhs)
Statutory Audit	15.00
Limited Review	6.00
Tax Audit	3.00
For other Certifications and Reporting	3.90
Out of Pocket Expenses	0.30

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company is committed to provide a safe and conducive work environment to its employees. The Company has complied with the provisions relating to the Constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

No. of complaints filed during the financial year	NIL
No. of complaints disposed of during the financial year	NIL
No. of complaints pending as on end of the financial year	NIL

Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

The details of such transactions are covered under note no. 39 of the Financial Statements of the company forming the part of the Annual Report

(XI) Compliance with Corporate Governance

Your Company has complied with Corporate Governance practice to the extent of applicability under the Law.

*Not Applicable provisions

Your Company registered on BSE as DEBT Listed is not required to comply with following clauses/points under Part C of Schedule V of SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

- Point -12 – Discretionary requirements as specified in Part E of Schedule II
- Point 13 – Disclosure as per Regulation 17 to 27 and clause (b) to (i) of Regulation 46 (2)

Disclosures with respect to demat suspense account/ unclaimed suspense account

No such accounts are existing to the Company.

For and on behalf of Board of Directors
OXYZO Financial Services Private Limited

SD/- Ruchi Kalra	SD/- Asish Mohapatra
CFO and WTD	Director
DIN:03103474	DIN : 06666246
Add: Shop No. G-22 C (UGF) D-1 (K-84) Green Park, Main New Delhi, South Delhi -110016	Add: Shop No. G-22 C (UGF) D-1 (K-84) Green Park, Main New Delhi, South Delhi -110016
Dated : 19 September, 2022	
Place : Gurugram	

CERTIFICATE OF CORPORATE GOVERNANCE

To,
The Members
OXYZO FINANCIAL SERVICES PRIVATE LIMITED

We have examined all the relevant records of OXYZO FINANCIAL SERVICES PRIVATE LIMITED (“the Company”) for the purpose of certifying compliance with the conditions of the Corporate Governance under Chapter - V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the financial year from April 01, 2021 to March 31, 2022.

The compliance with conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This Certificate is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Kundan Kumar Mishra & Associates
Company Secretaries**

SD/-
Kundan Kumar Mishra

Proprietor

M. No. F11769

CP. No. 19844

PR: 1019/2020

UDIN: F011769D000979835

Dated : 15/09/2022

Place : New Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
OXYZO FINANCIAL SERVICES PRIVATE LIMITED
(CIN: U65929DL2016PTC306174)
Shop No. G-22 C (UGF) D-1 (K-84)
Green Park Main, South Delhi 110016

1. That the debt securities of **OXYZO FINANCIAL SERVICES PRIVATE LIMITED** (herein after referred as "the Company") are listed on BSE Limited

2. I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of OXYZO FINANCIAL SERVICES PRIVATE LIMITED having CIN: U65929DL2016PTC306174 and having registered office at **Shop No. G-22 C (UGF) D-1 (K-84) Green Park Main, South Delhi 110016** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. In my opinion and to the best of my/our information and according to the verifications and examination of the disclosures under section 184, 189, 170, 164, 149 of the Companies Act, 2013 (the Act) and Directors Identification Number (DIN) status at the portal, www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the below named Directors on the Board of the Company as stated below for the Financial Year ending on 31 st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	RUCHI KALRA	03103474	21/09/2016
2	ROHIT KAPOOR	06529360	05/02/2019
3	ASISH MOHAPATRA	06666246	05/02/2019
4	VASANT SRIDHAR	07685035	26/12/2016
5	SATHYAN DAVID	08386521	11/04/2019
6	AKSHAT VIKRAM PANDE	03419636	05/02/2019*

***Mr. Akshat Vikram Pande has resigned from the Company w.e.f. 13th May, 2022.**

4. Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

5. This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

**For Kundan Kumar Mishra & Associates
Company Secretaries**

SD/- Kundan Kumar Mishra
Proprietor
M. No. F11769
CP. No. 19844
PR: 1019/2020
UDIN: F011769D000979945
Dated : 15/09/2022
Place : New Delhi

Form No. MR-3

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]*

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2022

To,
The Members,
OXYZO FINANCIAL SERVICES PRIVATE LIMITED
Reg. Off: Shop No. G-22 C (UGF) D-1 (K-84)
Green Park Main New Delhi - 110016

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Oxyzo Financial Services Private Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Oxyzo Financial Services Private Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **March 31, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2022** according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (**Not applicable to the Company during the Audit Period**);
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**Not applicable to the Company during the Audit Period**);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (**Not applicable to the Company during the Audit Period**);
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not applicable to the Company during the Audit Period**);



- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period); and
- vi) Other laws, specifically applicable to the company:
- Specific provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993;
 - RBI Regulations for NBFC Company; and
 - Other Laws including Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Labour Laws, etc. to the extent applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and
- The Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has generally complied, to the extent possible, with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- The annual report on corporate social responsibility activities, for FY 2020-21, was not annexed to the Board report / Annual Report for FY 2020-21. However, the same is kept in record with the Company and also available on its website.*
- The Company has obtained post facto approvals for corporate social responsibility expenditure for FY 2021-22.*
- Apart from certain irregular / delayed:*
 - intimations to stock exchange and other stakeholders; and*
 - NBFC return filings with the Reserve Bank of India,**the Company has generally complied with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable RBI Regulations for an NBFC Company. The Company is further advised to send annual reports to the non-convertible debenture holders in addition to the current practice of sending the same to Debenture Trustees.*

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice has been given to all directors to schedule the Board Meetings. Except where the meeting is scheduled at a shorter notice, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that in accordance with the information provided to us, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has:

- Approved the issue and allotment of 2200 (Two Thousand and Two Hundred) Non-Convertible Debentures of INR 1,00,000/- each, on private placement basis, at an issue price of INR 1,00,000/- per debenture;
- Approved the issue and allotment of 519 (Five Hundred and Nineteen) Non-Convertible Debentures of INR 10,00,000/- each, on private placement basis, at an issue price of INR 10,00,000/- per debenture;
- Approved the issue and allotment of 480 (Four Hundred and Eighty) Non-Convertible Debentures of INR 10,00,000/- each, on private placement basis, at an issue price of INR 10,00,000/- per debenture;
- Approved the issue and allotment of 350 (Three Hundred and Fifty) Non-Convertible Debentures of INR 10,00,000/- each, on private placement basis, at an issue price of INR 10,00,000/- per debenture;
- Approved the issue and allotment of 250 (Two Hundred and Fifty) Non-Convertible Debentures of INR 10,00,000/- each, on private placement basis, at an issue price of INR 10,00,000/- per debenture;
- Approved the issue and allotment of 30000 (Thirty Thousand) Non-Convertible Debentures of INR 10,000/- each, on private placement basis, at an issue price of INR 10,000/- per debenture;



- vii) Approved the issue and allotment of 264 (Two Hundred and Sixty-Four) Non-Convertible Debentures of INR 10,00,000/- each, on private placement basis, at an issue price of INR 10,00,000/- per debenture;
- viii) Approved the issue and allotment of 10,80,263 (Ten Lakh Eighty Thousand Two Hundred and Sixty-Three) equity shares of INR 10/- each, on rights basis, at an issue price of INR 462.85/- per share;
- ix) Approved the execution of Share Subscription Agreement dated March 23, 2022 executed by and among OXYZO Financial Services Private Limited, Alpha Wave Ventures II, LP, Internet Fund VII Pte. Ltd, Creation Investments Social Ventures Fund V, LP, Matrix Partners India Investments III, LLC, Matrix Partners India III AIF Trust, Norwest Capital, LLC, Ruchi Kalra and OFB Tech Private Limited;
- x) Approved the issue of 2,93,578 (Two Lakh Ninety-Three Thousand Five Hundred and Seventy-Eight) equity shares of INR 10/- each, on preferential basis (private placement), at an issue price of INR 1,041.26/- per share, out of which 2,93,558 (Two Lakh Ninety-Three Thousand Five Hundred and Fifty-Eight) equity shares have been allotted during the financial year under review;
- xi) Approved the issue of 1,43,82,868 (One Crore Forty-Three Lakh Eighty-Two Thousand Eight Hundred and Sixty-Eight) Series A cumulative, mandatorily and fully convertible preference shares ("Series A CCPS") of INR 10/- each, on preferential basis (private placement), at an issue price of INR 1,041.26/- per share, out of which 75,58,340 (Seventy-Five Lakh Fifty-Eight Thousand Three Hundred and Forty) Series A CCPS have been allotted during the financial year under review;
- xii) Approved the bonus issue of 29,35,263 (Twenty-Nine Lakh Thirty-Five Thousand Two Hundred and Sixty-Three) Series A Optionally Convertible and Redeemable Preference Shares ("Series A OCRPS") of INR 10/- each;
- xiii) Approved the external commercial borrowing facility for an aggregate amount of USD 6.5 million in the Board Meeting held on May 24, 2021, as per ECB guidelines issued by Reserve Bank of India;
- xiv) Approved the issue of commercial papers for an aggregate amount of INR 25,00,00,000/- (Rupees Twenty-Five Crore) in the Board Meeting held on August 06, 2021;
- xv) Approved the alteration of Articles of Association in the Extra-Ordinary General Meeting of the members of the Company held on August 07, 2021 and on October 18, 2021;
- xvi) Approved the issue of commercial papers for an aggregate amount of INR 60,00,00,000/- (Rupees Sixty Crore) in the Board Meeting held on September 03, 2021;
- xvii) Approved the Employee Stock Option Plan 2021 ("ESOP Plan") in the Extra-Ordinary General Meeting of the members of the Company held on November 22, 2021 and alteration to the ESOP Plan in the Extra-Ordinary General Meeting of the members of the Company held on March 10, 2022;
- xviii) Approved the appointment of M/s S. N. Dhawan & Co LLP-Chartered Accountants, as auditors in casual vacancy, in the Annual General Meeting of the members of the Company held on September 28, 2021, caused by the resignation of previous auditor in compliance to the RBI Circular Ref. No. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021;
- xix) Approved the formation of wholly owned subsidiary in the Board Meeting held on February 04, 2022;
- xx) Approved the increase in authorised capital by way of alteration of its Memorandum of Association in the Extra-Ordinary General Meeting of the members of the Company held on March 10, 2022;
- xxi) Approved the sanction limit for issuance of commercial papers security up to INR 200,00,00,000/- (Rupees Two Hundred Crore) in the Board Meeting held on March 21, 2022;

For and on Behalf of
Abhinav Agarwal & Associates
Company Secretaries & Registered Valuers (IBBI-SFA)



Abhinav Agarwal
07/09/22

RV FCS Abhinav Agarwal
Proprietor
FCS: 10972; C.P. No.: 15639
Firm Unique Code: I2015DE1372300

Place: New Delhi
Date: September 07, 2022
UDIN: F010972D000934389

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

Continuation Page | 3

Annexure to the Secretarial Audit Report

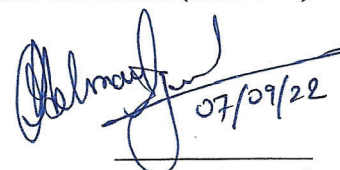
To,
The Members,
OXYZO FINANCIAL SERVICES PRIVATE LIMITED
Reg. Off: Shop No. G-22 C (UGF) D-1 (K-84)
Green Park Main New Delhi - 110016

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test-check basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have tried to verify the physical records, to the extent possible, for the period under review in order to verify the compliances, however, reliance was also placed on electronic records for verification.

For and on Behalf of
Abhinav Agarwal & Associates
Company Secretaries & Registered Valuers (IBBI-SFA)




07/09/22

RV FCS Abhinav Agarwal
Proprietor
FCS: 10972; C.P. No.: 15639
Firm Unique Code: I2015DE1372300

Place: New Delhi
Date: September 07, 2022
UDIN: F010972D000934389