

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 73.86% 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 walkthroughs 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>



		<ul style="list-style-type: none"> - 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; - We evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD. - 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. • 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. <p>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.</p>
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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.

The 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 it's 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)
 - v. (b). The Management has represented, that, to the best of it's 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.
- vi. 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)

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 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), UCBs 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.

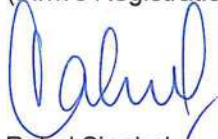
(xx) (a) The Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, provision of clause 3(xx)(a) of the Order is not applicable.

(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)



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 Sub-section 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 transactions and dispositions of the assets of the company;



- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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.

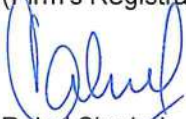
Opinion

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)



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 Balance other than included in (a) above	4	868.66	908.76
(c) Derivative financial instruments	14	23.61	-
(d) Trade Receivable	5	110.31	-
(e) Loans	6	254,011.89	135,652.45
(f) Investments	7	33,648.09	6,969.55
(g) Other financial assets	8	25.12	294.98
		342,508.46	163,726.45
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		343,919.74	164,512.93
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	162,347.19	84,369.47
(e) Other financial liabilities	19	1,752.65	1,868.14
		203,819.81	118,932.87
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	133,325.19	39,951.31
		139,228.74	44,961.65
TOTAL LIABILITIES AND EQUITY		343,919.74	164,512.93

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


Rahul Singhal
Partner

Membership No: 096570



Place : Gurugram
Date : 26 May 2022

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


Ruchi Kalra

Whole-time director and Chief Financial Officer
DIN: 03103474


Asish Mohapatra

Director
DIN: 06666246


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


Rahul Singh
Partner

Membership No: 096570

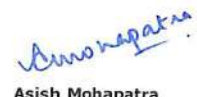


Place : Gurugram
Date : 26 May 2022

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


Ruchi Kalra

Whole-time director and Chief Financial Officer
DIN: 03103474


Asish Mohapatra

Director
DIN: 06666246


Pinki Jha
Company Secretary
M.No.: F10683
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	(120,011.20)	(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	(109,264.01)	(39,492.47)
Income- tax paid	(2,769.76)	(1,980.13)
Net cash flow from operating activities (A)	(112,033.77)	(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	-
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	282,151.25	98,248.81
Repayments of other borrowings	(201,139.19)	(63,757.92)
Proceeds from issue of share capital including share premium	86,743.67	8,997.77
Net cash flow from financing activities (C)	171,384.84	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

As per our report of even date attached

For **S.N. DHAWAN & CO LLP**

Chartered Accountants

Firm Registration No. 000050N/N500045


Rahul Singh

Partner
 Membership No: 096570



Place : Gurugram
 Date : 26 May 2022

1-64

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


Ruchi Kalra

Whole-time director and Chief Financial Officer
 DIN: 03103474


Asish Mohapatra

Director
 DIN: 06666246


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



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)

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	Balance at the end of the current reporting
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	Balance at the end of the current reporting
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	Balance at the end of the current reporting
-	-	-	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	Balance at the end of the current reporting
-	-	-	-	-

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	119,110.04	2,686.66	780.91	112.98	10,722.58	(35.16)	(52.82)	133,325.19

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

Rahul Singhal
Rahul Singhal
Partner
Membership No: 096570



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

Ruchi Kalra
Ruchi Kalra

Whole-time director and Chief Financial Officer
DIN: 03103474

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

Asish Mohapatra
Asish Mohapatra

Director
DIN: 06666246



Place: Gurugram
Date: 26 May 2022

1. Corporate Information

Oxyzo Financial Services 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 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.

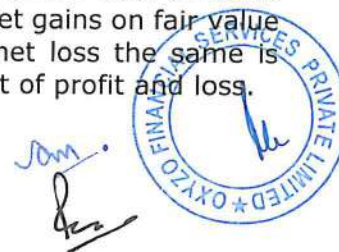
(ii) Fee and commission income:

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.

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.

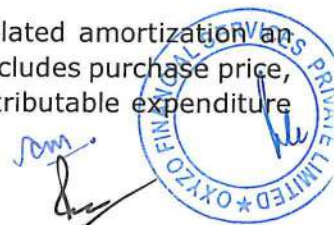
Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land)) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in case of assets where the useful life was determined by technical evaluation, 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 withdrawn 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:

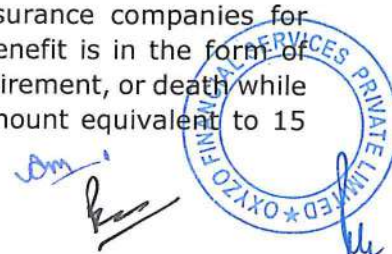
(i) **Short-term employee benefits:**

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.

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:**

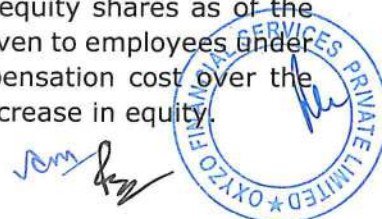
Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit is accepted or when the Company recognises the related restructuring costs whichever is earlier.

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.

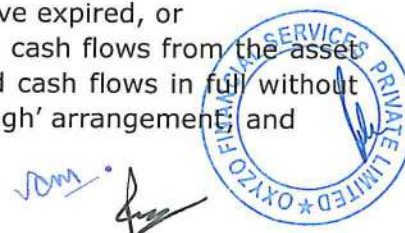
(d) Financial assets at fair value through profit or loss (FVTPL)

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:



Signature



- 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

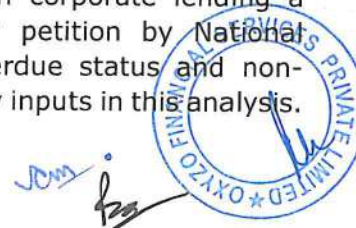
Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both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

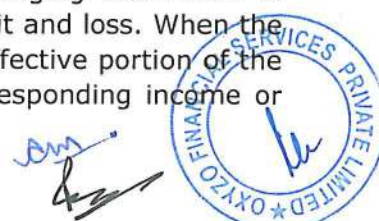
The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held include foreign exchange forward contracts, interest rate swaps and cross currency interest rate swaps. Derivatives are initially recognised at fair value 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:

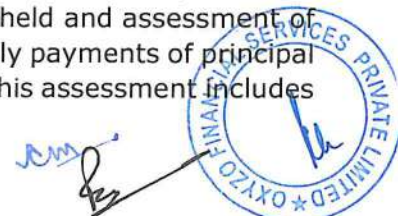
Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

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 period ended March 31, 2022

(All amounts in Lakhs of ₹ unless otherwise stated)

3	Cash and cash equivalents	As at	As at
		March 31, 2022	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	As at
		March 31, 2022	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	As at
		March 31, 2022	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	-	-
	Total	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	-	-	-	-	-	-

6	Loans	As at	As at
		March 31, 2022	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	200,911.35	118,237.80
	(v) Others (Staff Loans)	8.45	8.50
	(vi) Interest accrued on loans	306.90	184.75
	Total (A) – Gross	257,853.00	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	254,011.89	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	140,275.50	94,986.63
	(iii) Unsecured	62,686.31	33,195.52
	Total (B) – Gross	257,853.00	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	254,011.89	135,652.45
	(C) Loans in India**		
	(i) Public sector	-	-
	(ii) Others	257,853.00	138,408.49
	Total (C) – Gross	257,853.00	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	254,011.89	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 period 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 Mutual funds		
SBI Overnight Fund Direct Growth	15,000.81	-
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 liabilities		
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



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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-freehold	Total
Gross carrying amount (at cost)			
As at March 31, 2020	-	149.92	149.92
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	-	-	-
Charge for the year	-	-	-
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.



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(All amounts in Lakhs of ₹ unless otherwise stated)

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	26.25	26.25
Additions	26.07	26.07
Disposals	(15.73)	(15.73)
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	35.08	35.08
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	-	94.19	-	-	-
-Interest rate derivatives	4,752.48	23.61	-	-	-	-
Subtotal (ii)	9,504.96	23.61	94.19	-	-	-
Total Derivative Financial Instruments (i+ii)	9,504.96	23.61	94.19	-	-	-

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 summarized 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



OXYZO FINANCIAL SERVICES PRIVATE LIMITED

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

(All amounts in Lakhs of ₹ unless otherwise stated)

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	-
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 ₹1,000,000/- each (Previous year 475 NCD's of ₹1,000,000/- 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 ₹1,000,000/- 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 ₹1,000,000/- 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 ₹1,000,000/- 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
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				31,446.53	31,200.00



OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the period ended March 31, 2022
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*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)	106,146.73	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
	161,701.92	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
	162,636.12	84,606.75
Less: Unamortised processing fees on borrowings	288.93	237.28
	162,347.19	84,369.47
Borrowings (other than debt securities) in India	157,594.86	84,369.47
Borrowings (other than debt securities) outside India	4,752.33	-
Total	162,347.19	84,369.47

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	-
Total				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
Total				106,146.73	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

^^^ 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.



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	As at March 31, 2022	As at March 31, 2021
19 Other financial liabilities		
Margin money from borrowers	963.52	1,281.02
Interest accrued but not due on margin money	17.94	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		
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		
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		
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 period ended March 31, 2022

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23 Equity

(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	73,381,715	7,338.17	52,013,744	5,201.37
Total	73,381,715	7,338.17	52,013,744	5,201.37

Issued, subscribed and paid up Equity share capital

Equity shares of Rs.10 each	51,477,209	5,147.72	50,103,388	5,010.34
	51,477,209	5,147.72	50,103,388	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	50,103,388	5,010.34	47,747,970	4,774.80
Issued during the year:-				
OFB Tech Pvt Ltd				
- On right issue basis	1,080,263	108.03	2,355,418	235.54
- On private placement basis	293,528	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[^]	51,477,209	5,147.72	50,103,388	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.

(iv) Shareholding of promoters

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

Promoter name	No. of shares	% to total shares	% Change during the year
OFB Tech Private Limited (holding company)	51,477,159	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)	51,477,159	100.00	50,103,388	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)	51,477,159	100.00	50,103,388	100.00



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Notes forming part of the Ind AS financial statements for the period ended March 31, 2022
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(b) Instruments entirely equity in nature**(i) Cumulative, mandatorily and compulsorily convertible preference shares ("CCPS")**

Particulars	As at 31 March 2022		As at 31 March 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	14,382,874	1,438.29	-	-
-Series A optionally convertible and redeemable preference shares of Rs. 10 each	2,935,263	293.53	-	-
Total	17,318,137	1,731.82	-	-
Issued, subscribed and paid up				
-Series A cumulative, mandatory and fully convertible preference shares of Rs. 10 each	7,558,340	755.83	-	-
Total	7,558,340	755.83	-	-

(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 31 March 2022		As at 31 March 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*	7,558,340	755.83	-	-
Outstanding at the end of the year	7,558,340	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 31 March 2022		As at 31 March 2021	
	No. of shares	% of holding	No. of shares	% of holding
Norwest Capital, LLC	2,788,515	36.89	-	-
Creation Investments Social Ventures Fund, LP	1,467,634	19.42	-	-
Internet Fund VII Pte. Ltd.	3,302,191	43.69	-	-



OXYZO FINANCIAL SERVICES PRIVATE LIMITED

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

24 Other equity

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Securities premium reserve	119,110.04	33,259.58
Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)	2,686.66	1,317.52
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	133,325.19	39,951.31

(i) Securities premium reserve

Particulars	As at	As at
	March 31, 2022	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	119,110.04	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	As at
	March 31, 2022	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 non-banking 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	As at
	March 31, 2022	March 31, 2021
Opening balance	-	-
Add: Transferred from other comprehensive income	(35.16)	-
Closing balance	(35.16)	-

(iv) Cash flow hedges reserves

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

(v) Deemed equity contribution

Particulars	As at	As at
	March 31, 2022	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.

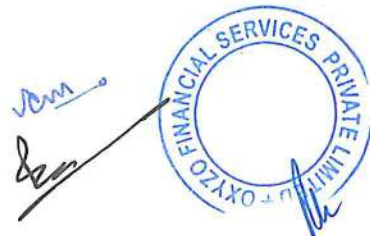
(vi) Employee stock Options Outstanding Account

Particulars	As at	As at
	March 31, 2022	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	As at
	March 31, 2022	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 period 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
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



OXYZO FINANCIAL SERVICES PRIVATE LIMITED

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

(All amounts in Lakhs of ₹ unless otherwise stated)

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 [Net off recovery ₹ 6.9 lakhs (Previous year ₹ 41.25)]	670.97	609.26
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
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

#Information technology expenses includes cost allocation received from related party amounting ₹ 147.07 lakhs (Refer note 39)



OXYZO FINANCIAL SERVICES PRIVATE LIMITED
Notes forming part of the Ind AS financial statements for the period ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

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
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



OXYZO FINANCIAL SERVICES PRIVATE LIMITED

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

(All amounts in Lakhs of ₹ unless otherwise stated)

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

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	50,766,525	48,196,747
Adjustments for calculation of diluted earnings per share	514,173	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	51,280,698	48,196,747

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	100,406.90	130,706.84
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	116,837.57
Cash flows:			
Proceeds from debt securities/borrowings	36,044.25	279,116.91	315,161.16
Repayment of debt securities/borrowings	(29,380.81)	(201,139.19)	(230,520.00)
As at March 31, 2022	39,131.54	162,347.19	201,478.73

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 employees provident fund	78.06	58.71
Contribution to employee state insurance schemes	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.

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.



OXYZO FINANCIAL SERVICES PRIVATE LIMITED

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

(All amounts in Lakhs of ₹ unless otherwise stated)

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	-	-
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



OXYZO FINANCIAL SERVICES PRIVATE LIMITED

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

(All amounts in Lakhs of ₹ unless otherwise stated)

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	-

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%) (% change compared to base due to sensitivity)	351.02 25.00%	226.84 -19.20%	164.03 20.10%	115.13 -15.70%
Salary Growth Rate (-/+ 1%) (% change compared to base due to sensitivity)	239.96 -14.50%	325.40 15.90%	117.73 -13.80%	157.81 15.50%
Attrition Rate (-/+ 50% of attrition rates) (% change compared to base due to sensitivity)	289.70 3.20%	272.66 -2.90%	149.39 9.40%	125.68 -8.00%
Mortality Rate (-/+ 10% of mortality rates) (% change compared to base due to sensitivity)	280.82 0.00%	280.82 0.00%	136.62 0.00%	136.57 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.

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).



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Notes forming part of the Ind AS financial statements for the period ended March 31, 2022
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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	Year ended
		March 31, 2022	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
	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	107,189.27	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 made)	0.63
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	-
	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



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Notes forming part of the Ind AS financial statements for the period ended March 31, 2022
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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	42.69
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

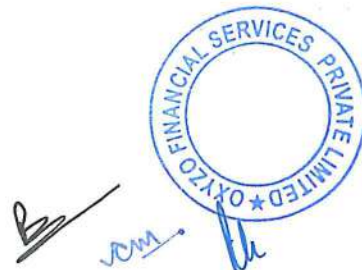
* Includes KMP salary cross charged amounting ₹ 29.30 Lakhs (previous year ₹ 14.20 Lakhs)

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



OXYZO FINANCIAL SERVICES PRIVATE LIMITED
Notes forming part of the Ind AS financial statements for the period ended March 31, 2022
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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.

Particulars	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*	228,799.80	25,212.09	254,011.89	125,505.70	10,146.75	135,652.45
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	316,591.54	27,328.20	343,919.74	152,815.36	11,697.57	164,512.93
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)	106,354.18	55,993.01	162,347.19	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						
Current tax liabilities	259.21	-	259.21	-	-	-
Provisions	5.39	296.92	302.31	6.50	180.69	187.19
Other non-financial liabilities	309.67	-	309.67	431.22	-	431.22
Total Liabilities	127,831.61	76,859.39	204,691.00	76,211.28	43,340.00	119,551.28
Net equity	188,759.93	(49,531.19)	139,228.74	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.



OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the period ended March 31, 2022
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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	-	-	254,011.89	254,011.89
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	312,483.34	342,508.46
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)	-	-	162,347.19	162,347.19
Other financial liabilities	-	-	1,752.65	1,752.65
Total financial liabilities	-	94.19	203,725.62	203,819.81

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 Receivable	-	-	-	-
Loans	-	-	135,652.45	135,652.45
Investments	3,057.25	-	3,912.30	6,969.55
Other financial assets	-	-	294.98	294.98
Total financial assets	3,057.25	-	160,669.20	163,726.45
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	-	-	118,932.87	118,932.87



OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Notes forming part of the Ind AS financial statements for the period 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 Particulars	Carrying amount			Fair Value			
	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 Receivables*	-	-	110.31	110.31	-	-	-
Loans	-	-	254,011.89	254,011.89	-	-	254,011.89
Investments#	30,001.51	-	3,646.58	33,648.09	30,001.51	-	-
Other financial assets*	-	-	25.12	25.12	-	-	-
Total financial assets	30,001.51	23.61	312,483.34	342,508.46	30,001.51	23.61	254,011.89

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)	-	-	162,347.19	162,347.19	-	-	162,347.19
Other financial liabilities*	-	-	1,752.65	1,752.65	-	-	-
Total financial liabilities	-	94.19	203,725.62	203,819.81	-	94.19	201,478.73

As at March 31, 2021 Particulars	Carrying amount			Fair Value			
	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	-	-	135,652.45	135,652.45	-	-	135,652.45
Investments#	3,057.25	-	3,912.30	6,969.55	3,057.25	-	-
Other financial assets*	-	-	294.98	294.98	-	-	-
Total financial assets	3,057.25	-	160,669.20	163,726.45	3,057.25	-	135,652.45

Financial liabilities							
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	-	-	118,932.87	118,932.87	-	-	116,837.57

*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	721,140
Grant-II to Grant-IV (FY 17-18)	08-Apr-17 to 28-Feb-18	1,972,530
Grant-V to Grant-VI (FY 18-19)	02-Jul-18 to 05-Jul-18	2,417,940
Grant-VII to Grant-X (FY 19-20)	01-Apr-19 to 05-Jul-19	3,287,550
Grant-XII to Grant-XIII (FY 20-21)	01-Oct-20 to 01-Mar-21	3,287,550
Grant-XVI to Grant XXVIII (FY 21-22)	01-Apr-21 to 01-Jan-22	6,327,367

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

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:

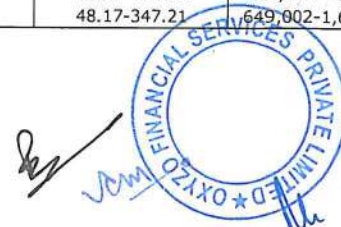
Particulars	31 March 2022		31 March 2021	
	Shares arising out of Options	Weighted average exercise price (in ₹)	Shares arising out of Options	Weighted average exercise price (in ₹)
Outstanding at the beginning of the year	7,890,120	22.48	332	277,040.00
Granted during the year	6,327,367	74.24	155	710,628.44
Options granted prior to transfer date in respect of employees transferred from holding company during the year	-	-	-	-
Exercised during the year	(1,246,300)	15.84	(108)	212,225.00
Vested for transferred employees before respective transfer date	-	-	-	-
Forfeited during the year ^	(381,780)	25.83	(7)	264,626.00
Outstanding at the end of the year	12,589,407	49.05	372	476,752.60
Exercisable at the end of the year	938,330	7.36	9	133,107.09
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	649,902-1,627,574



Oxyzo Financial Services Private Limited
Notes forming part of the Ind AS financial statements for the period ended March 31, 2022
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44.2 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
Grant-I	03-Jan-22	2,132,651

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	2,132,651	650	-	-
Options granted prior to transfer date in respect of employees transferred from holding company during the year	-	-	-	-
Exercised during the year	-	-	-	-
Vested for transferred employees before respective transfer date	-	-	-	-
Forfeited during the year ^	-	-	-	-
Outstanding at the end of the year	2,132,651	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	-



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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	254,011.89	135,652.45
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

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 measurement

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: -

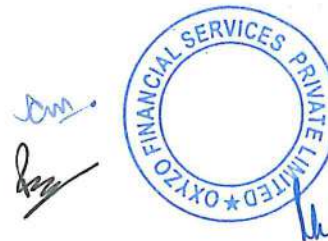
- Stage 1: Low credit risk, i.e. 0 to 30 days past due
- Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due
- Stage 3: Impaired assets, i.e. more than 90 days past due

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.



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Exposure at Default ('EAD')

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.

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)	253,116.40	1,104.38	132,345.45	660.72
Impairment on account of COVID-19		200.00	-	399.62
Total	257,853.00	3,063.13	138,408.49	2,372.80

An analysis of Expected credit loss rate* :

	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).

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.



OXYZO FINANCIAL SERVICES PRIVATE LIMITED
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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	134,853.32	50,648.91
Fixed rate borrowing	66,625.41	66,188.66
Total borrowings	201,478.73	116,837.57

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

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).



OXYZO FINANCIAL SERVICES PRIVATE LIMITED

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

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 deposits	% of Total Liabilities
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 deposits	% of Total Liabilities
1	10	99,325.70	NA	48.52%

Note:

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

(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)	162,347.19	79.31%
	TOTAL	201,478.73	98.43%

(v) Stock Ratios:

S.No.	Stock Ratio	%
	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 period ended March 31, 2022
(All amounts in Lakhs of ₹ unless otherwise stated)

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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	
		Amount out-standing	Amount overdue	Amount out-standing	Amount overdue
Liabilities side:					
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:				
(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	161,412.99	-	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:					
(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))		194,673.23		104,957.34
(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:				
(i)	Shares: (a) Equity		-		-
	(b) Preference		-		-
(ii)	Debtures 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)	Debtures 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)	Debtures 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)	Debtures 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



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Notes forming part of the Ind AS financial statements for the period 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:

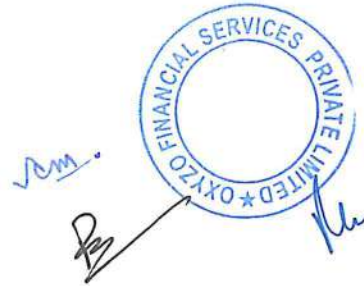
Category	As at 31st March 2022			As at 31st March 2021		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties	-	-	-	-	-	-
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	212.63	221.62	434.25	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties	194,460.60	59,117.04	253,577.64	104,957.34	30,695.11	135,652.45
Total	194,673.23	59,338.66	254,011.89	104,957.34	30,695.11	135,652.45

(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



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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 31, 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 31, 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	<u>14.58</u>	<u>8.43</u>

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.

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 31, 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.

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.



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(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	-	162,347.19
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	-	201,478.73
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	254,011.89
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	2,580.80	403.25	287,659.98

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

Category	As at March 31, 2022	As at March 31, 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 Debenture	ICRA Ltd	PP-MLD ICRA A+	PP-MLD BBB+ Stable
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 Debenture	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 31, 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 31, 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%



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(b) Concentration of Exposures

Particulars	As at March 31, 2022	As at March 31, 2021
Total Exposure to twenty largest borrowers /customers	52,989.37	37,954.76
Percentage of Exposures to twenty largest borrowers / customers 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 31, 2021
Total Exposure to top four NPA accounts	984.51	435.92

(d) Sector-wise NPAs

Percentage of NPAs to total advances in that sector

S. No	Sector	As at March 31, 2022	As at March 31, 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 31, 2022	As at March 31, 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 year	1,941.55	1,153.07
(c) Reductions during the year	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 year	933.83	608.35
(c) Reductions during the year	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 the year	1,007.72	544.73
(c) Write-off / write-back of excess provisions	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.

XXI. Disclosure of Complaints

(a) Customer Complaints

Particulars	As at March 31, 2022	As at March 31, 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	-	-	205.86
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.



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49 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 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	253,116.40	1,304.38	251,812.02	1,029.47	274.91
	Stage 2	2,126.76	249.87	1,876.89	23.51	226.36
Subtotal		255,243.16	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	253,116.40	1,304.38	251,812.02	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	257,853.00	3,063.13	254,789.87	1,826.22	1,236.91

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	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

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 2021	Overdue amount as on 31 March 2021	Loss Allowances (Provisions) as on 31 March 2021
106	1,672.30	1,203.98	988.03



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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.

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

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



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

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.

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

Ruchi Kalra
Ruchi Kalra

Whole-time director and Chief Financial Officer
DIN: 03103474

Pinki Jha
Pinki Jha
Company Secretary
M.No.: F10683

Place: Gurugram
Date : 26 May 2022

Asish Mohapatra
Asish Mohapatra

Director
DIN: 06666246

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

Rahul Singhal
Rahul Singhal
Partner
Membership No: 096570

Place: Gurugram
Date : 26 May 2022

